



Date: **11 September 2023**
Our ref: **Cabinet**
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CABINET

21 SEPTEMBER 2023

A meeting of the Cabinet will be held at **7.00 pm on Thursday, 21 September 2023** in the Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Membership:

Councillor Everitt (Chair); Councillors: Whitehead, Albon, Duckworth, Keen and Yates

AGENDA

Item
No

Subject

1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF INTEREST** (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](#)
3. **MINUTES OF PREVIOUS MEETING** (Pages 5 - 8)
To approve the summary of recommendations and decisions of the Cabinet meeting held on 27 July 2023, copy attached.
4. **MINUTES OF EXTRAORDINARY MEETING** (Pages 9 - 10)
To approve the summary of recommendations and decisions of the extraordinary Cabinet meeting held on 10 August 2023, copy attached.
5. **TDC AND PARISH & TOWN COUNCILS COLLABORATION - OSP REPORT**
Report to follow.
6. **ADOPTION OF THE WESTGATE-ON-SEA NEIGHBOURHOOD PLAN** (Pages 11 - 14)

Item
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7. **BROADSTAIRS FLOOD AND COAST PROTECTION SCHEME** (Pages 15 - 26)
8. **VIKING BAY TO DUMPTON GAP SEA WALL REPAIRS SCHEME** (Pages 27 - 32)
9. **TENANT AND LEASEHOLDER SERVICES ANNUAL REPORT** (Pages 33 - 72)
10. **ANNUAL TREASURY MANAGEMENT REVIEW**
Report to follow.
11. **2022-23 PROVISIONAL OUTTURN** (Pages 73 - 86)
12. **BUDGET MONITORING 2023/24: REPORT NO.1** (Pages 87 - 110)
13. **DEPARTMENT FOR LEVELLING UP, HOUSING AND COMMUNITIES
REGENERATION FUNDING UPDATE** (Pages 111 - 132)
14. **COASTAL ZONE MAINTENANCE CONTRACT** (Pages 133 - 136)
15. **LED STREET LIGHTING CONTRACT** (Pages 137 - 140)
16. **TDC ELECTRICITY SUPPLY TENDER** (Pages 141 - 144)

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](#).

CABINET

Minutes of the meeting held on 27 July 2023 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Rick Everitt (Chair); Councillors Whitehead, Albon, Duckworth, Keen and Yates

In Attendance: Councillors J Bayford, Davis, Garner and Rogers

18. APOLOGIES FOR ABSENCE

There were no apologies made at the meeting.

19. DECLARATIONS OF INTEREST

There were no declarations of interest.

20. MINUTES OF PREVIOUS MEETING

Councillor Everitt proposed, Councillor Yates seconded and Members agreed the minutes as a correct record of the meeting held on 15 June 2023.

21. PURCHASE OF 42 HOMES AT SPITFIRE GREEN FOR AFFORDABLE RENT

Cabinet considered proposals for the purchase of 42 homes at Spitfire Green as part of the Affordable Rent Scheme. These proposals were considered in the context of the accelerated affordable housing development programme of at least 400 new homes, constructed or acquired, by 2027 approved by Full Council on 13 July 2023. To achieve this the council would be using provisions under Section 106 of the Town and Country Planning Act 1990, which provided an opportunity for local planning authorities to negotiate with housing developers for the provision of affordable housing, on qualifying sites. The Council's local plan policies set out a preference for these requirements to be discharged through the provision of affordable homes within the application site. Delivering genuinely affordable housing as part of any proposed or delivered development in Thanet was essential.

Section 106 agreements require developers to transfer completed homes to an affordable housing provider at a value that makes an affordable rent viable. This meant that the developer effectively provided the necessary subsidy in the form of a discounted purchase price below market value. As markets change, so do delivery models; and increasingly Housing Associations were choosing not to take on smaller numbers of units, which ran the risk of these homes being lost. Failure to secure an affordable housing delivery partner could lead to developers requesting that the S106 agreement be amended to provide a commuted sum in lieu of on-site homes. There was a significant need for more housing in Thanet and for developers to deliver the affordable housing required by residents. A number of developers who had been unable to secure an affordable housing provider partner to purchase section 106 units and deliver affordable homes had approached the Council. Provisions to support the retention of these homes had been incorporated into the Council's overall strategy.

In respect of the current proposal, Officers were contacted by BDW (Barretts) Homes, who are required to deliver 42 new affordable homes, as part of their development at Spitfire Green, Westwood. This purchase had been assessed against the Council's detailed viability assessment tool to ensure both financial and strategic viability. It was essential for the viability of the overall HRA programme that only schemes that had a positive impact on the HRA Business Plan were delivered. To be considered viable, schemes needed to show an overall surplus over a 30 or 50 year timescale, depending on the duration of any borrowing.

A provisional offer of £5m had been made to the developer and subject to contract, legal due diligence, formal valuation and full approval, this offer had been accepted. It is proposed that the new homes are let in accordance with the Council's adopted allocations policy. It is also proposed that they are let at a genuinely affordable rent, in line with the council's approved Tenancy Strategy. The Tenancy Strategy defines an affordable rent as a rent that is no more than 80% of the local market rent and does not exceed the relevant Local Housing Allowance rate. As a Registered Social Landlord the council was required to consult with Homes England and the Regulator for Social Housing about its rent policy; the aim was always to ensure that rents were as affordable as possible.

This was a genuinely progressive housing model, that allowed Housing to work to produce more housing for Thanet, as part of a strategy that protected affordable housing and ensured full delivery of all affordable homes produced. Both Housing and Finance departments had worked tirelessly to deliver this strategy, and Cabinet was hugely proud of their efforts.

Councillor Garner and Councillor Bayford spoke under Council Procedure 20.1.

Councillor Whitehead proposed, Councillor Yates seconded and Cabinet agreed:

1. The purchase of 42 new affordable homes, using the additional capital budget, approved by council at its meeting on 13 July 2023;
2. The letting of these homes in accordance with the council's Allocations Policy, at an affordable rent as set out in the council's Tenancy Strategy.

22. LOCAL AUTHORITY HOUSING FUND: PURCHASE OF 9 HOMES

Members were advised that the Council was allocated a government grant sum of £1.19 million to facilitate the purchase of nine homes in the districts. At least two of the homes were required to have 4 bedrooms. The remainder (up to 7 homes) were required to be 2 or 3 bedroom homes. The Council signed the Memorandum of Understanding which registered an interest in the scheme. This allowed the Council time to see if there were units available which would be suitable. It would not have been possible to undertake refurbishments on dilapidated properties, purchase empty properties or purchase non-residential properties, due to such a short timescale for the grant funding.

Full council considered a report at its meeting on 13 July 2023, setting out its ambitions for the construction and acquisition of new homes. This scheme was considered as part of the report and council agreed to include both the £1.19m grant and £1.245m match funding within the HRA capital programme. Discussions had taken place with a local developer who was currently developing the Westwood Cross site to purchase 6 x 3 bed units and 3 x 4 bed units. The units would be an 'off the shelf' purchase with no refurbishments or adaptations needed, were nearing completion and would be ready by the end of June 2023.

The mix of units meets the requirements of the grant, as at least two were four bedroom homes. The developer had accepted a provisional offer, subject to approval of £2.4m. This was 80% of market value. These proposals were assessed using the Council's business plan modelling and it was concluded that the scheme would generate a surplus for the HRA business plan from the first year due to the grant subsidy.

Councillor Bayford spoke under Council Procedure 20.1.

Councillor Whitehead proposed, Councillor Yates seconded and Cabinet agreed to purchase 9 units using the £1.19m of Local Authority Housing Fund grant and £1.245m HRA match funding included in the HRA capital programme.

23. REPRESENTATION ON OUTSIDE BODIES FOR 2023/24

Agenda Item 3

Cabinet considered the Leader's nominees for appointment to Executive Outside Bodies. Council agreed the list of Executive Outside Bodies and the number of councillors to be appointed to them, at its Annual meeting on 18 May 2023. Although the Council agreed on a longer list, Cabinet agreed not to appoint to all of the bodies as the Council was now aware that some of the bodies had changed their membership requirements or no longer wish to be considered as outside bodies. A report reviewing the list of outside bodies would be considered at the next Full Council meeting.

Councillor Davis spoke under Council Procedure 20.1.

Councillor Everitt proposed, Councillor Keen seconded and Cabinet agreed the list of nominations to the Executive-related outside bodies as shown at Annex 1 to the cabinet report and as detailed below.

Proposed List of Executive Appointed Outside Bodies – for the municipal year 2023/24

Name of Outside Body	No. of Reps	Member
British Ports Association	1	Cllr Everitt
Community Safety Partnership (Thanet)	1	Cllr Keen
East Kent Opportunities Ltd	1	Cllr Yates
East Kent Spatial Development Company	1	Cllr Everitt
Kent Police and Crime Panel	1	Cllr Makinson
Local Government Association Coastal Special Interest Group	1	Cllr Albon
Local Government Association District Councils' Network	1	Cllr Everitt
Local Government Association General Assembly	1	Cllr Everitt
Local Government Association Strategic Aviation Specialist Interest Group	1	Cllr Everitt
Manston Skills and Employment (MSE) Board	1	Cllr Yates
South East England Councils	1	Cllr Everitt
Thanet (Ramsgate) Harbour Users' Groups	1 (+1 reserve) (reserve:	Cllr Everitt Cllr Albon)
Tourism South East	1	Cllr Duckworth
Your Leisure Thanet Sub Group	2	Cllr Everitt/ Cllr Whitehead

Meeting concluded: 7.30 pm

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CABINET

Minutes of the meeting held on 10 August 2023 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Rick Everitt (Chair); Councillors Albon, Duckworth and Keen

In Attendance: Councillors J Bayford, Bright, Britcher, Fellows, Kup, Anne-Marie Nixey, Rattigan and Rogers

24. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Yates and Councillor Whitehead.

25. DECLARATIONS OF INTEREST

There were no declarations of interest.

26. BIRCHINGTON DRAFT NEIGHBOURHOOD PLAN

Cabinet discussed the draft Birchington Neighbourhood Plan. Under the Localism Act 2011, Neighbourhood plans could be prepared by local communities and would be led by Town or Parish Councils or a Neighbourhood Forum in areas which do not have a Town or Parish Council. If Thanet Council adopted a neighbourhood plan, it would have the same significance as other Development Plan Documents (e.g. the Local Plan) for the district.

Birchington Parish Council prepared the draft neighbourhood plan. It was published and formally submitted to the Council and had subsequently been assessed by an independent Examiner. The Examiner's report had also been published. It supported the proposed Neighbourhood Plan, with some minor modifications and recommended that it be subject to a referendum.

The Council now had to issue a Decision Statement as to whether or not it accepted the recommendations in the Examiners report, and, if not, what actions would be necessary. The Council also had to consider whether the draft Plan met the "basic conditions" for a Neighbourhood Plan. The report before Cabinet set out relevant issues in the Examiner's report for Cabinet's decision which would also form the basis of the Decision Statement.

The draft Neighbourhood Plan was generally supported by Members that it had been positively prepared, and includes policies that generally conform with the adopted Local Plan. It was encouraging to see that the Parish Council had included policies which, although too detailed or too specific for the Local Plan, generally supported the delivery of the local plan and had a good evidence base.

Members proposed the recommendations as set out in the report; that the Birchington Neighbourhood Plan be modified with the modifications set out in the Examiners Report (annex 1 to the Cabinet report) and that the Cabinet issued a Decision Statement that the plan should proceed to a referendum.

Councillor Kup spoke under Council Procedure Rule 20.1.

Councillor Everitt proposed, Councillor Keen seconded and Cabinet agreed the following:

1. That the draft Neighbourhood Plan be modified as set out in this report; and

2. That the Council issues a Decision Statement that it accepts the recommendations in the Examiners report, and the draft Neighbourhood Plan can proceed to referendum.

27. BROADSTAIRS & ST PETERS DRAFT NEIGHBOURHOOD PLAN REVIEW

Cabinet considered proposals for a review of the Broadstairs & St Peter's Neighbourhood Plan that was produced in May 2021. Broadstairs & St Peters Town Council had been reviewing that Plan. The process for a Neighbourhood Plan Review depended on the significance of the changes being made to the plan, as set out in National Planning Policy Guidance. In this case, the changes were considered to be significant enough to change the nature of the plan and therefore required an examination and referendum. The changes included updated Objectives, three new policies and the introduction of a Design Code.

The Plan Review was published and formally submitted to the Council and had subsequently been assessed by an independent Examiner. The Examiner's report had also been published. It supports the proposed Neighbourhood Plan, with some minor modifications and recommended that it be subject to a referendum. The Council now had to issue a Decision Statement as to whether or not it accepted the recommendations in the Examiners report, and, if not, what actions would be necessary. The Council also had to consider whether the draft Plan Review met the "basic conditions" for a Neighbourhood Plan. The report that was considered by Cabinet set out relevant issues in the Examiner's report for Cabinet's decision which would also form the basis of the Decision Statement.

The draft Neighbourhood Plan Review was generally supported by Members and it had been positively prepared and had been brought up to date on a number of issues, including climate change and social changes as a result of the pandemic. Members proposed the recommendations that the Broadstairs & St Peters Neighbourhood Plan Review be modified with the modifications set out in the Examiners Report (annex 1 to the Cabinet report) and be subjected to a referendum.

Councillor Bayford spoke under Council Procedure Rule 20.1.

Councillor Everitt proposed, Councillor Duckworth seconded and Cabinet agreed the following:

1. That the draft Neighbourhood Plan Review be modified as set out in this report; and
2. That the Council issues a Decision Statement that it accepts the recommendations in the Examiners report, and the draft Neighbourhood Plan can proceed to referendum.

Meeting concluded: 7.10 pm

Adoption of the Westgate-on-Sea Neighbourhood Plan

Cabinet	21 September 2023
Report Author	Adrian Verrall, Strategic Planning Manager
Portfolio Holder	Councillor Everitt, Leader of the Council and Cabinet Member for Strategy and Transformation
Status	For Decision
Classification:	Unrestricted
Key Decision	No - Policy Framework
Previously Considered by	Cabinet - 15 June 2023
Ward:	Westgate-on-Sea

Executive Summary:

Under the Localism Act 2011, Neighbourhood Plans can be prepared by local communities and are led by Town or Parish Councils or a Neighbourhood Forum in areas which do not have a Town or Parish Council. If Thanet Council adopt a neighbourhood plan it would have the same significance as other Development Plan Documents (eg the Local Plan) for the Relevant neighbourhood area.

Westgate-on-Sea has prepared a neighbourhood plan which has been examined by an independent Examiner and progressed to referendum, as agreed by Cabinet on 15 June 2023.

The referendum took place on 31 August 2023. The result was that 553 people voted for the neighbourhood plan and 135 voted against it. As more than half of those who voted, voted in favour of the neighbourhood plan, the plan now comes into force as part of the Development Plan, and the Council must formally 'make' (adopt) the plan within 8 weeks of the date of the referendum.

Recommendation(s):

That Cabinet recommend to a meeting of the full Council that Thanet District Council make the Westgate-on-Sea Neighbourhood Plan.

Corporate Implications

Financial and Value for Money

There are no financial implications associated with this report.

Legal

The council must make the Neighbourhood Plan under section 38A(4) of the Planning and Compulsory Purchase Act 2004 or refuse to make the Neighbourhood Plan under section 38A(6) of the same Act

Risk Management

The only risk associated with this report would be if the Council were to refuse to 'make' the plan for reasons other than those set out in paragraph 1.3 of the report. See also the 'Options' section.

Corporate

There are no corporate risks associated with this report.

Equality Act 2010 & Public Sector Equality Duty

This decision relates only to the "making" of the Plan, which has been considered through Examination, and been supported through the referendum. The Council's only role at this stage is to consider whether the making of the plan would breach, or would otherwise be incompatible with, any EU obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998). If not, the plan must be "made".

Corporate Priorities

This report relates to the following corporate priorities: -

- *Environment*
- *Communities*

1.0 Introduction and Background

1.1 Under the Localism Act 2011, Neighbourhood Plans can be prepared by local communities and are led by Town or Parish Councils or a Neighbourhood Forum in areas which do not have a Town or Parish Council. If Thanet Council adopts a neighbourhood plan it would have the same significance as other Development Plan Documents (eg the Local Plan) for the relevant neighbourhood area.

1.2 The draft Westgate-on-Sea Neighbourhood Plan has been examined by an Independent Examiner who issued his report on 24 April 2023. The Examiner recommended a number of modifications to the Plan and that, subject to those modifications being accepted, it should proceed to referendum

1.3 The referendum took place on 31 August 2023. The result was that 553 people voted for the neighbourhood plan and 135 voted against it. As more than half of those who voted, voted in favour of the neighbourhood plan, the plan now comes into force as part of the Development Plan, and the Council must formally 'make' (ie adopt) the plan within 8 weeks of the date of the referendum. The only circumstances the

Council can refuse to make the neighbourhood plan if it is considered it would breach, or be incompatible with any EU obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998). This includes matters such as Strategic Environmental Assessment. No breaches of any European Union obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998) have been identified during the Neighbourhood Plan process and the Council is now requested to make the decision to formally make the Westgate-on-Sea Neighbourhood Plan.

- 1.5 The Neighbourhood Plan forms part of the development plan for Thanet, and will be part of the decision making process for determining planning applications in the Westgate-on-Sea neighbourhood plan area.

2.0 Options

- 2.1 **Option 1 (Recommended)** That Cabinet recommend that the Westgate-on-Sea Neighbourhood Plan is made at a meeting of the full Council.
- 2.2 **Option 2 (Not recommended)** That Cabinet decide not to make the Westgate-on-Sea Neighbourhood Plan.

In accordance with section 38A(6) of the Planning and Compulsory Purchase Act 2004, the only circumstances under which the Council can refuse to make a neighbourhood plan is if it is considered that the making of the plan would breach, or would otherwise be incompatible with, any EU obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998). This is not considered to be the case for the Westgate-on-Sea Neighbourhood Plan.

3.0 Next Steps

- 3.1 If Cabinet agree with Option 1 in this report, a report will be put to full Council on 12 October 2023 for the Westgate-on-Sea Neighbourhood Plan to be formally made

Contact Officer: *Adrian Verrall (Strategic Planning Manager)*

Reporting to: *Bob Porter (Director of Place)*

Background Papers

[Westgate-on-Sea Neighbourhood Plan](#)

Corporate Consultation

Finance: *Chris Blundell (Director of Corporate Services - Section 151)*

Legal: *Sameera Khan (Interim Head of Legal & Monitoring Officer)*

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Broadstairs Flood and Coast Protection Scheme

Cabinet	21 September 2023
Report Author	Luke Glover
Portfolio Holder	Cllr Steve Albon - Cabinet Member for Cleansing and Coastal Services
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	An Executive Decision that involves incurring expenditure anticipated to be £250,000 or above
Ward:	Viking

Executive Summary:

Following an erosion and flood risk study focussing on the area around Broadstairs Harbour, an application for grant funding was made to the Environment Agency. A grant with a value of £880k has been secured to undertake a Flood and Coast Protection scheme. The scheme is 100% grant funded.

Recommendation(s):

This report seeks the approval of Cabinet to incur expenditure in relation to this scheme and up to the value of the Environment Agency grant of £880k.

Corporate Implications

Financial and Value for Money

The scheme award has been allocated £880k for the construction phase based on fully costed estimates drawing upon recent coast protection works undertaken in Kent by the East Kent Engineering Partnership (of which the council is a member authority).

This scheme is already included in the capital programme for 2023/24.

To ensure that a competent contractor will be appointed, the scheme will be tendered utilising the East Kent Engineering Partnership Select List quality evaluation methodology, as has been the case with all major flood and coast protection works undertaken in Thanet over the last 10 years.

As a result of the above, there are no new financial implications associated with this report.

Legal

The project will be undertaken in accordance with national conditions for Flood Defence Grant in Aid set out by the Environment Agency. The contract and tender documents for the scheme will be reviewed by the legal department

Risk Management

A risk register has been developed and formed part of the grant application submission. The Risk register considers risks such as variation in project costs, financial security of the contractor, high inflation, weather disruption and environmental factors. The risk register will be maintained as a live document and will be updated as the project progresses.

Corporate

This scheme is proposed under the council's permissive powers in accordance with the Coast Protection Act 1949.

The harbour area of Broadstairs is a popular coastal location requiring consideration of heritage and amenity value. The Technical Services team has consulted with conservation officers, Historic England and Natural England in designing a scheme that is low impact while providing the best possible protection against flooding and coastal erosion in the medium term.

Equality Act 2010 & Public Sector Equality Duty

The proposal has limited relevance to the duty in respect of the protected characteristics. It is the officer's assessment that the duty is not engaged by this proposal.

here is a possibility of short term impacts on pedestrian and vehicular access to parts of the pier head and harbour area as a result of the works. Every effort will be made to maintain access and ensure accessibility is considered in any temporary arrangements. Such impacts will be confined to the short term during the construction and improvement works.

Corporate Priorities

This report relates to the following corporate priorities: -

- Environment
- Communities

1.0 Introduction and Background

1.1 Following an Environment Agency grant funded study into flood and coastal erosion risk in Broadstairs, the Environment Agency has awarded the council a grant of £880k to undertake a Flood and Coast Protection scheme at Broadstairs. The scheme is 100% grant funded.

- 1.2 The project will reduce the risk of flooding, coastal erosion and the loss of public and residential assets located in Viking Bay which are protected by the coastal defences and pier head. Primarily the works will include:
- The stabilisation of the existing sea defences (the pier head) at Viking Bay
 - new flood walls and gates to reduce the property level flood risk at the bottom of Harbour Street.
- 1.3 The project will improve resilience to wave overtopping, which is predicted to increase with climate change over the next 100 years. Currently, the existing defences are showing signs of deterioration which could eventually lead to failure of the seawall and pier head in the future with the potential consequence of the loss of Viking Bay beach and subsequent flooding and cliff erosion.
- 1.4 Planning permission for the scheme was granted in June 2023 and the work is programmed for Spring 2024 following competitive tendering. Planning 14/06/2023 F/TH/22/1628 and L/TH/22/1629

2.0 Current Situation and Proposed Works

- 2.1 The sea defences at Broadstairs Harbour are in poor condition with residual life estimated at 10 years. Refurbished in the 1970s the pier head is constructed of battered concrete precast facing blocks supported by a sheet steel piled foundation and laid on an in-situ mass concrete wall which is constructed over the previous Stone/timber frame pier head.
- 2.2 The facing blocks now need to be secured and properly pointed to prevent further deterioration and erosion of the pier structure. In a do-nothing scenario the pier head could be eroded to the extent that it is a risk of catastrophic failure during a significant storm event within the next 10 years.
- 2.3 The sea wall to the North of the pier has been maintained but is more than 50 years old, there are some damaged coping stones and some loss of pointing. In a do nothing scenario the seawall condition will deteriorate leading to a loss of concrete blocks, rapid erosion of the sea wall and therefore cliff erosion will resume threatening cliff top property. In a do minimum scenario where the sea wall is repaired and maintained to a good standard the residual life can be extended to approximately 100 years with further major maintenance in the future.
- 2.4 Properties at the bottom of Harbour Street are currently protected from the sea only by the beach and a concrete slipway which provides access to the beach from Harbour Street. The beach level is maintained through beach management activities and the slipway is in good condition. However due to sea level rise and the impacts of climate change, the risk of flooding to Harbour Street is increasing with the likelihood of property level flooding becoming far more likely in the medium term.
- 2.5 The project proposes new flood walls and gates to compartmentalise the bottom of Harbour Street, protecting the road from wave overtopping from the East and inundation from the South. The scheme will provide a 1:200 year standard of defence based on 2122 sea levels.

- 2.6 Importantly the option to improve the standard of flood defence to Harbour Street does not require any works to be undertaken on the designated and protected foreshore.
- 2.7 The scheme will include the securing and repointing of the pier wall facing blocks to ensure the continued protection that the pier provides from flood and coast erosion. The pier head is a vital structure that maintains the high sand level in Viking Bay, protecting properties from flooding and cliff erosion.
- 2.8 Lastly the scheme will include works to the sea walls and the fishermans quay to the East of the pier.

3.0 Environmental designations

- 3.1 Like much of the Thanet coastline the foreshore to the east of the harbour is designated for a number of its features. Designations include:
- Site of Special Scientific Interest
 - Special Area of Conservation
 - Special protection Area
 - Marine Conservation Zone
 - RAMSAR Site
- 3.2 Following consultation with Natural England the recommended option will avoid works on the chalk foreshore to minimise any environmental impact.
- 3.3 Should any works take place over winter months (between October - March inclusive), higher impact activities will be stood down over the high tide period to minimise disruption to overwintering birds.
- 3.4 All works will be undertaken in accordance with an agreed Construction Environmental Management Plan.

4.0 Options

- 4.1 Option 1 - to incur expenditure in excess of £250,000 in relation to this scheme and up to the value of the Environment Agency grant to allow the project to progress delivering significant improvements to flood and erosion risk protection at Broadstairs Harbour and Viking Bay.
- 4.2 Option 2 - do not approve expenditure on this project. Note, this would likely result in withdrawal of the grant offer leading to a failure to deliver this capital scheme and a continuation of the increasing flood and erosion risk at Broadstairs.

5.0 Recommendation

- 5.1 That Cabinet approves Option 1 - to incur expenditure in relation to this scheme and up to the value of the Environment Agency grant value of £880k.

Contact Officer: Luke Glover - Deputy Technical Services Manager
Reporting to: Mike Humber - Director of Environment

Annex List

Annex 1: [Proposed Site Plan](#)

Annex 2: [Proposed Elevations](#)

Annex 3: [Proposed Flood Gate Wall and Railing Details](#)

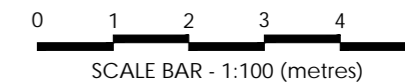
Corporate Consultation

Finance: Matthew Sanham (Head of Finance, Procurement and Risk)

Clive Bowen (Finance Manager)

Legal: (*Sameera Khan - Interim Head of Legal & Monitoring Officer*)

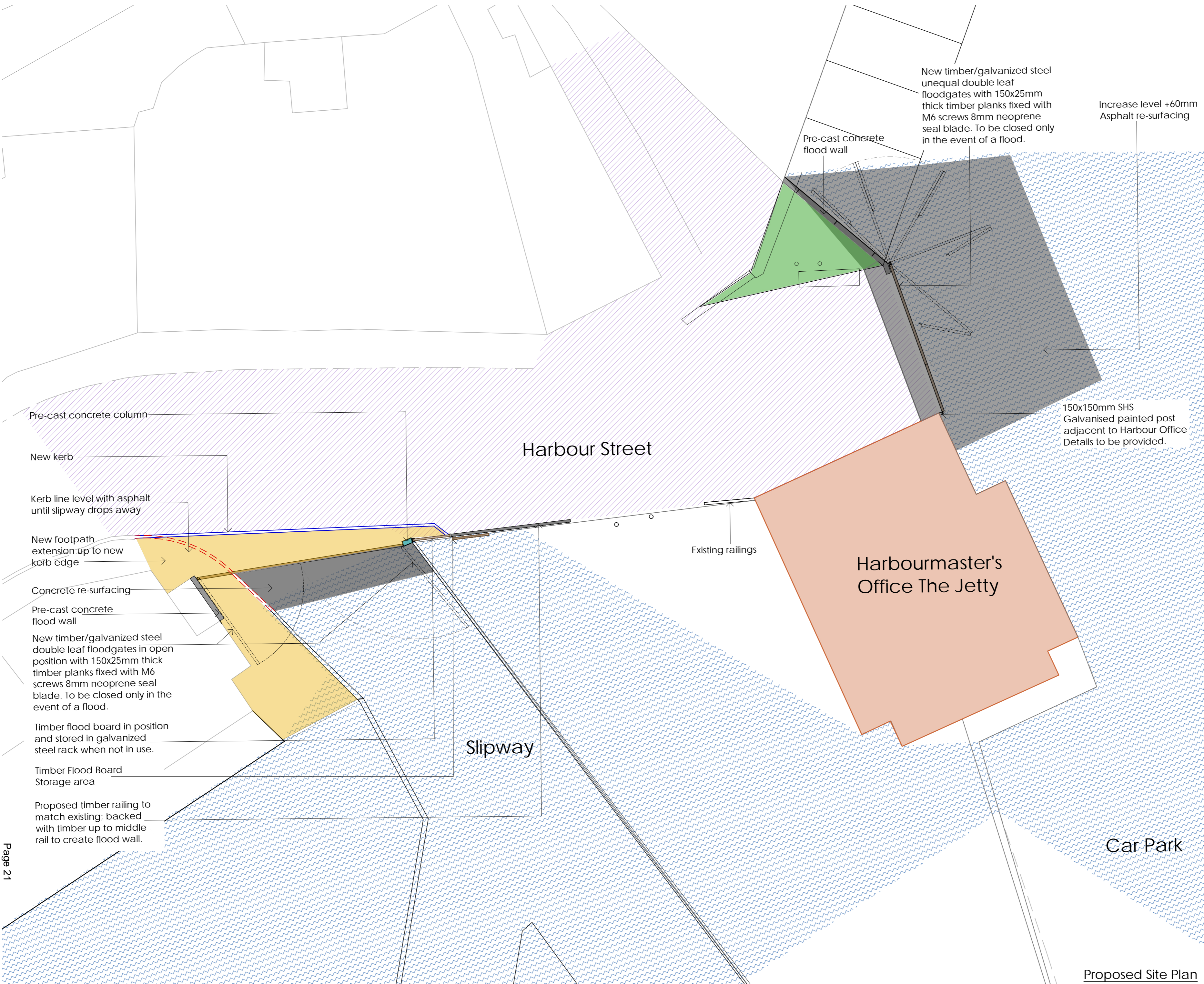
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LEGEND

- Adopted highway outline. Not TDC land.
- Level increase to fall to high point
- Outline of area not belonging to TDC land and not an adopted highway.
- Extent of new altered asphalt footpath with new kerb line.
- Concrete re-surfacing
- Proposed Harbour Office/ Boat House
- Inundation from the South

MATERIAL SCHEDULE
 Flood gates: Galvanised, black/ash timber panelling to match surrounding.
 New timber railing: to match existing colour.



Proposed Site Plan

A	As per planner's comments.	11.01.23	NA
Rev	Description	Date	By



The Old Bakery, 22 Church Street,
 St. Peters, Broadstairs, Kent, CT10 2TT
 Tel: 01843 867507
 E-mail: info@urban-surveying.com
 Website: www.urban-surveying.com

Client Details:
 Thanet District Council
 Engineering and Technical Services

Project Details:
 Harbourmaster's Office The Jetty,
 Harbour St, Broadstairs CT10 1EU

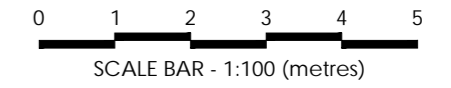
Drawing Title:
 Proposed Site Plan

Planning Application

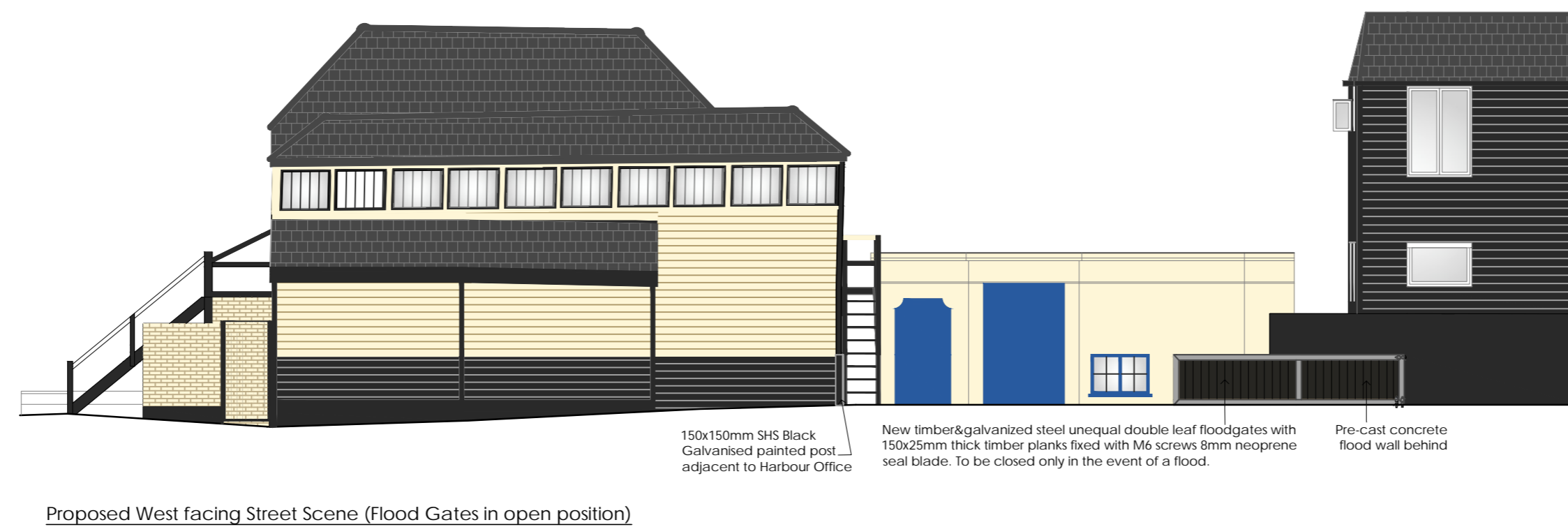
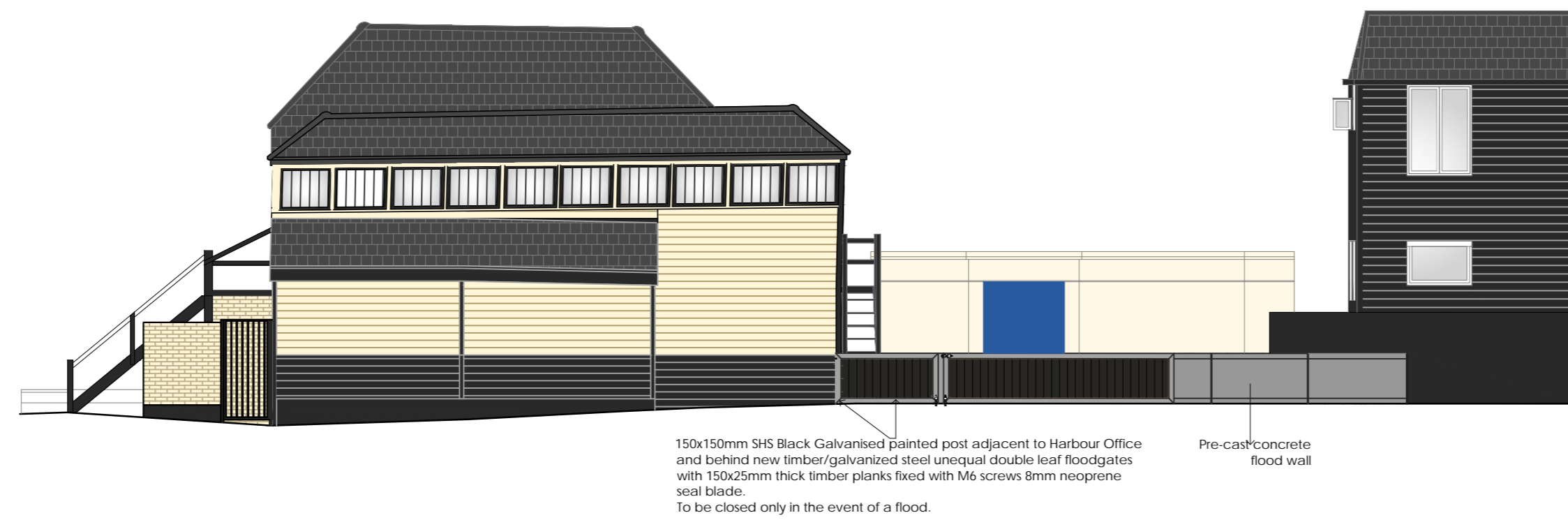
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Drawing No.: 22.1924.PL04	Revision: A
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MATERIAL SCHEDULE
 Flood gates: Galvanised, Black Ash timber panelling to match surrounding.
 New timber railing: to match existing colour.



Rev	Description	Date	By
-----	-------------	------	----

Urban surveying & Design
 Chartered Building Surveyors • Architecture •

The Old Bakery, 22 Church Street,
 St. Peters, Broadstairs, Kent, CT10 2TT
 Tel: 01843 867507
 E-mail: info@urban-surveying.com
 Website: www.urban-surveying.com

Client Details:
 Thanet District Council
 Engineering and Technical Services

Project Details:
 Harbourmaster's Office The Jetty,
 Harbour St, Broadstairs CT10 1EU

Drawing Title:
 Proposed Street Scenes

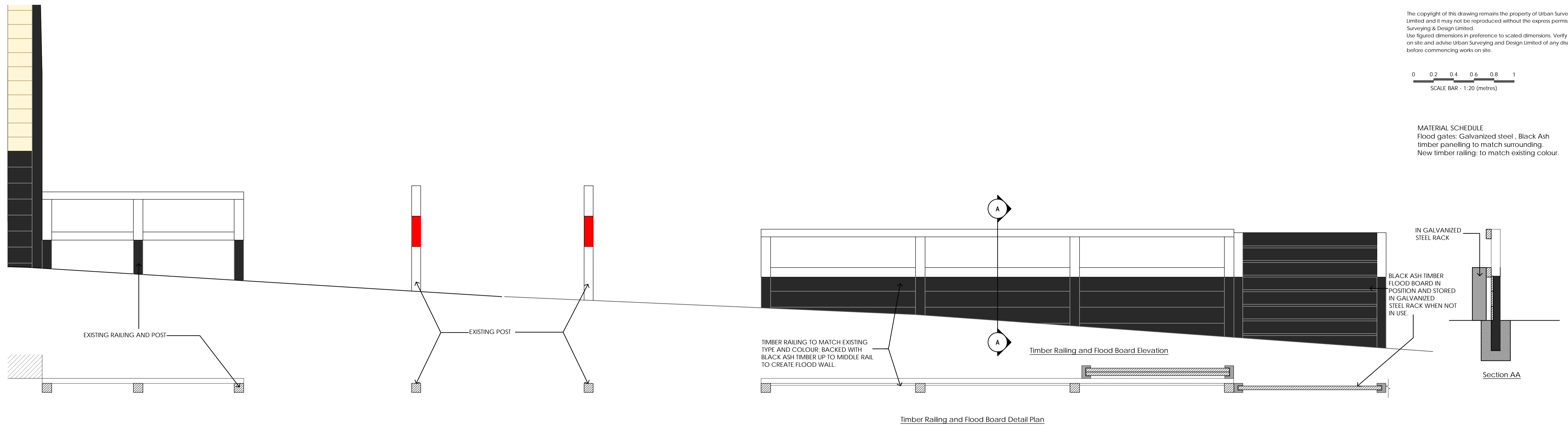
Planning Application

Scale: 1:100 @ A2	Date: Nov' 2022	Drawn By: NA
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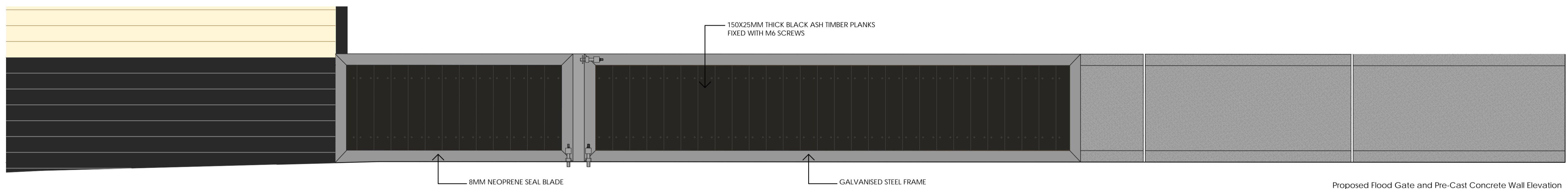
Drawing No.: 22.1924.PL06	Revision:
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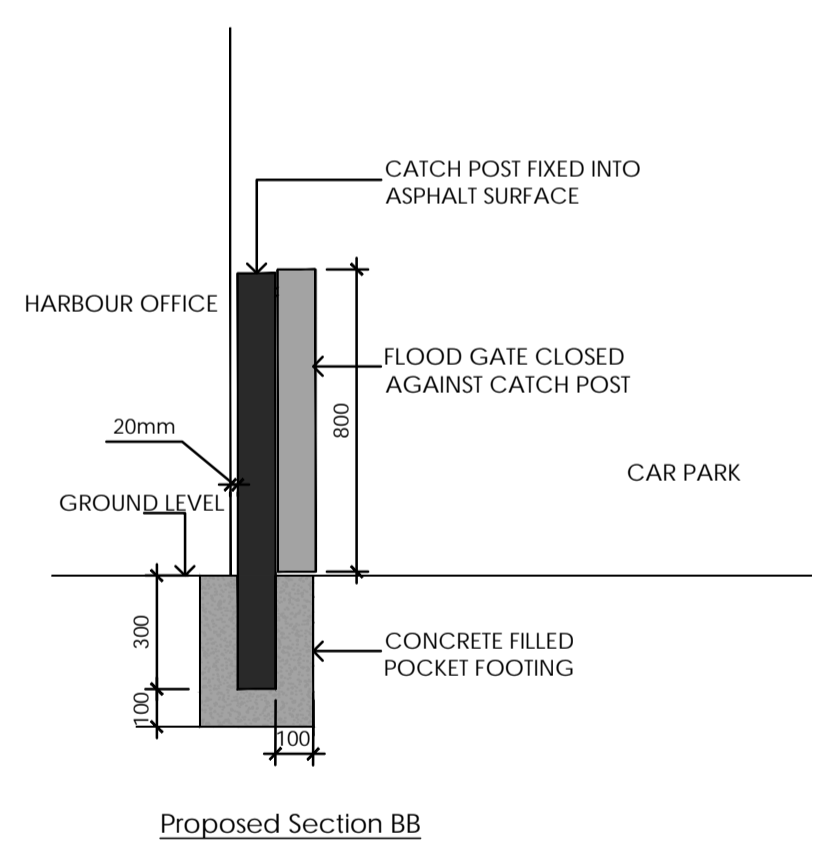
MATERIAL SCHEDULE
 Flood gates: Galvanized steel, Black Ash timber panelling to match surrounding.
 New timber railing: to match existing colour.



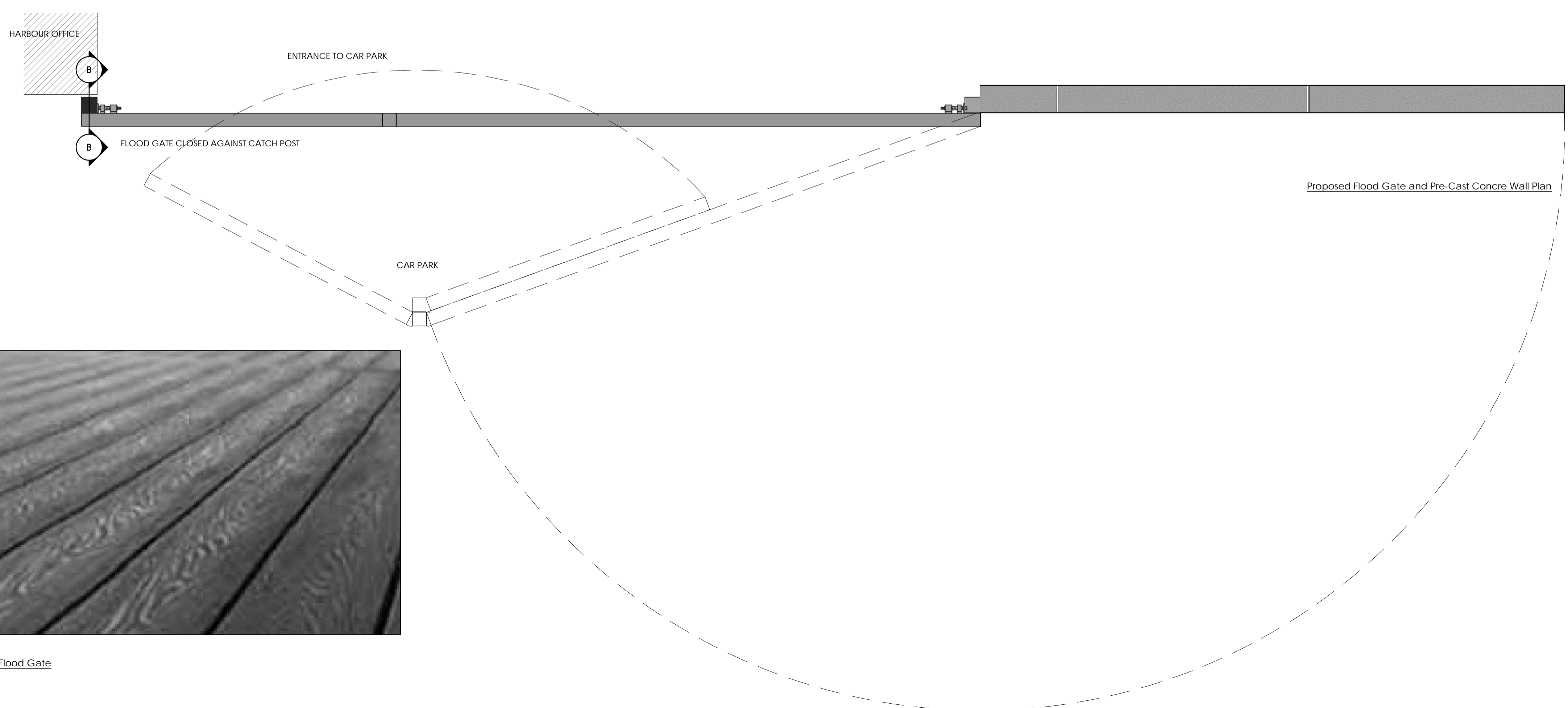
Timber Railing and Flood Board Detail Plan



Proposed Flood Gate and Pre-Cast Concrete Wall Elevation



Proposed Section BB



Proposed Flood Gate and Pre-Cast Concrete Wall Plan

Rev	Description	Date	By

Urban surveying & Design
 Chartered Building Surveyors • Architecture •

RICS

The Old Bakery, 22 Church Street,
 St. Peters, Broadstairs, Kent, CT10 2TT
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 E-mail: info@urban-surveying.com
 Website: www.urban-surveying.com

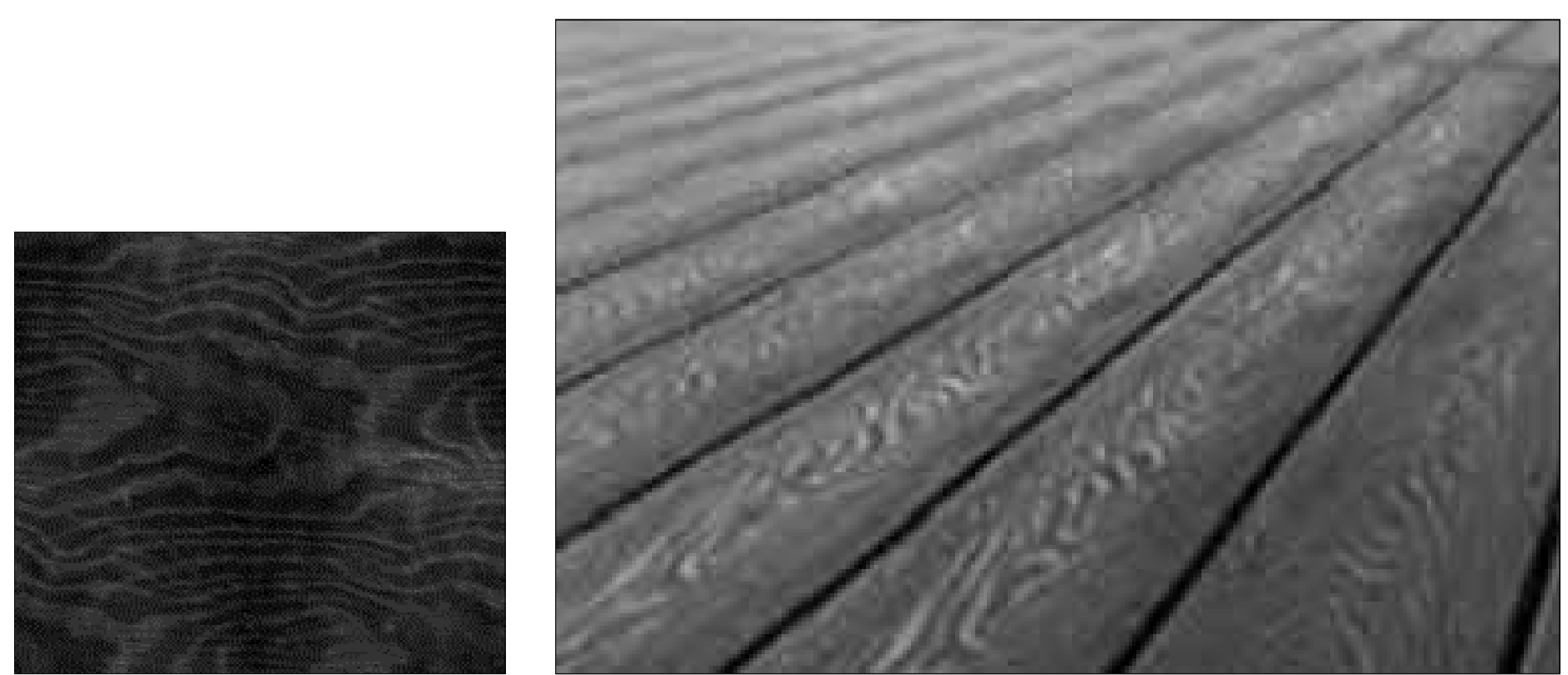
Client Details:
 Thanet District Council
 Engineering and Technical Services

Project Details:
 Harbourmaster's Office The Jetty,
 Harbour St, Broadstairs CT10 1EU

Drawing Title:
 Proposed
 Flood Gate and Wall Detail

Planning Application

Scale: 1:20 @ A1	Date: Nov' 2022	Drawn By: NA
Drawing No.: 22.1924.PL07		Revision:



Ref. Image 01 : Galvanised Steel & Black Ash Timber Plank Flood Gate

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Viking Bay to Dumpton Gap Sea Wall Repair Scheme

Cabinet	21 September 2023
Report Author	Luke Glover
Portfolio Holder	Cllr Steve Albon - Cabinet Member for Cleansing and Coastal Services
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	An Executive Decision that involves incurring expenditure anticipated to be £250,000 or above
Ward:	Bradstow and Viking

Executive Summary:

A capital maintenance project is proposed to prolong the design life of the existing sea wall between the southern headland of Viking Bay and Dumpton Gap in Broadstairs. An Environment Agency grant with a value of £406k has been secured to undertake the proposed works which will maintain the standard of defence and delay more expensive capital works for up to 50 years. The scheme is 100% grant funded.

Recommendation(s):

This report seeks the approval of Cabinet to incur expenditure in relation to this scheme and up to the value of the Environment Agency grant value of £406k.

Corporate Implications

Financial and Value for Money

The scheme has been allocated £406k for the construction phase based on fully costed estimates drawing upon recent coast protection works undertaken in Kent by the East Kent Engineering Partnership (of which the council is a member authority).

This expenditure is already included in the capital programme for 2023/24 so as a result, there are no new financial implications associated with this report.

Legal

The project will be undertaken in accordance with national conditions for Flood Defence Grant in Aid set out by the Environment Agency for which 100% of the funding has been secured.

The Capital Grant has been provided under s16 of the Flood and Water Act Management Act 2010, whereby the grant Memorandum applies to flood and coastal erosion projects.

Under the Department of Levelling up, Housing and Communities (DLUHC) a LA receiving grant funded by the central government has the flexibility as to how such grants are spent. The contract and tender documents for the scheme will be reviewed by the legal department which will include prolonging the design life of the existing sea wall.

Risk Management

A risk register has been developed and formed part of the grant application submission. The Risk register considers risks such as variation in project costs, financial security of the contractor, high inflation, weather disruption and environmental factors. The risk register will be maintained as a live document and will be updated as the project progresses.

Corporate

This scheme is proposed under the council's permissive powers in accordance with the Coast Protection Act 1949.

The coastline and coastal access is important to the local economy and particularly to seasonal trade. This sea wall and coastal protection asset provides vital public amenity in the form of a coastal promenade with multiple access points to the foreshore for the benefit of beach users. The sea wall prevents erosion by the sea of the high amenity value upper promenade and greensward between Broadstairs and Dumpton. These assets are an important part of the local environment that are maintained by the council in accordance with its corporate priorities.

Equality Act 2010 & Public Sector Equality Duty

The proposal has limited relevance to the duty in respect of the protected characteristics. It is the officer's assessment that the duty is not engaged by this proposal.

There is a possibility of short term impacts on pedestrian access along the promenade as a result of the works. Every effort will be made to maintain access and ensure accessibility is considered in any temporary arrangements. Such impacts will be confined to the short term during the construction and improvement works.

Corporate Priorities

This report relates to the following corporate priorities: -

- Environment
- Communities

1.0 Introduction and Background

- 1.1 The 1.1km long seawall between Viking Bay and Dumpton Gap was constructed almost 60 years ago and requires major maintenance in order to maintain the standard of protection and prevent failure in the medium term.
- 1.2 A capital maintenance project is proposed to prolong the design life of the existing sea wall. A grant with a value of £406k has been secured to undertake the proposed works which will delay more expensive capital works for up to 50 years. The scheme is 100% grant funded.

2.0 Current Situation and Proposed Works

- 2.1 The key objective of the project is to reduce the risk of coastal erosion and the loss of public and residential assets located on the chalk cliffs immediately inland of the coastal defences.
- 2.2 Currently, the existing defences are showing signs of damage which will eventually lead to failure of the seawall. As a consequence, Due to the intrinsic nature of the cliff and the defences any failure will present a significant health and safety risk and would require a permanent exclusion zone around the area. Deposition of concrete, reinforcement, and fill materials from the failed defences onto the sensitive foreshore would likely lead to environmental damage. Loss of the defences and promenade would have significant social and amenity impacts. Property at the top of the cliff will be exposed to increasing erosion risk.
- 2.3 The works will involve the replacement of some of the existing coping blocks. The berm slabs and concrete stepped sea wall units are to be refurbished and if necessary replaced.

3.0 Environmental Designations

- 3.1 Like much of the Thanet coastline the foreshore between Viking Bay and Dumpton Gap is designated for a number of its features. Designations include:
 - Site of Special Scientific Interest
 - Special Area of Conservation
 - Special protection Area
 - Marine Conservation Zone
 - RAMSAR Site
- 3.2 Works on the designated chalk platform and reef will not be necessary and no plant will be permitted to drive on any sensitive parts of the foreshore.
- 3.3 Should any works take place over winter months (between October - March inclusive), higher impact activities will be stood down over the high tide period to minimise disruption to overwintering birds.
- 3.4 All works will be undertaken in accordance with an agreed Construction Environmental Management Plan.

4.0 Options

- 4.1 Option 1 - to incur expenditure in excess of £250,000 in relation to this scheme and up to the value of the Environment Agency grant to allow the project to progress delivering significant erosion risk and amenity benefits and extending the life of the sea wall by up to 50 years.
- 4.2 Option 2 - do not approve expenditure on this project. Note, this would likely result in withdrawal of the grant offer leading to no funding for these important capital works and failure of the sea wall in the medium term.

5.0 Recommendation

- 5.1 That Cabinet approves Option 1 - to incur expenditure in relation to this scheme and up to the value of the Environment Agency grant value of £406k.

Contact Officer: Luke Glover - Deputy Technical Services Manager
Reporting to: Mike Humber - Director of Environment

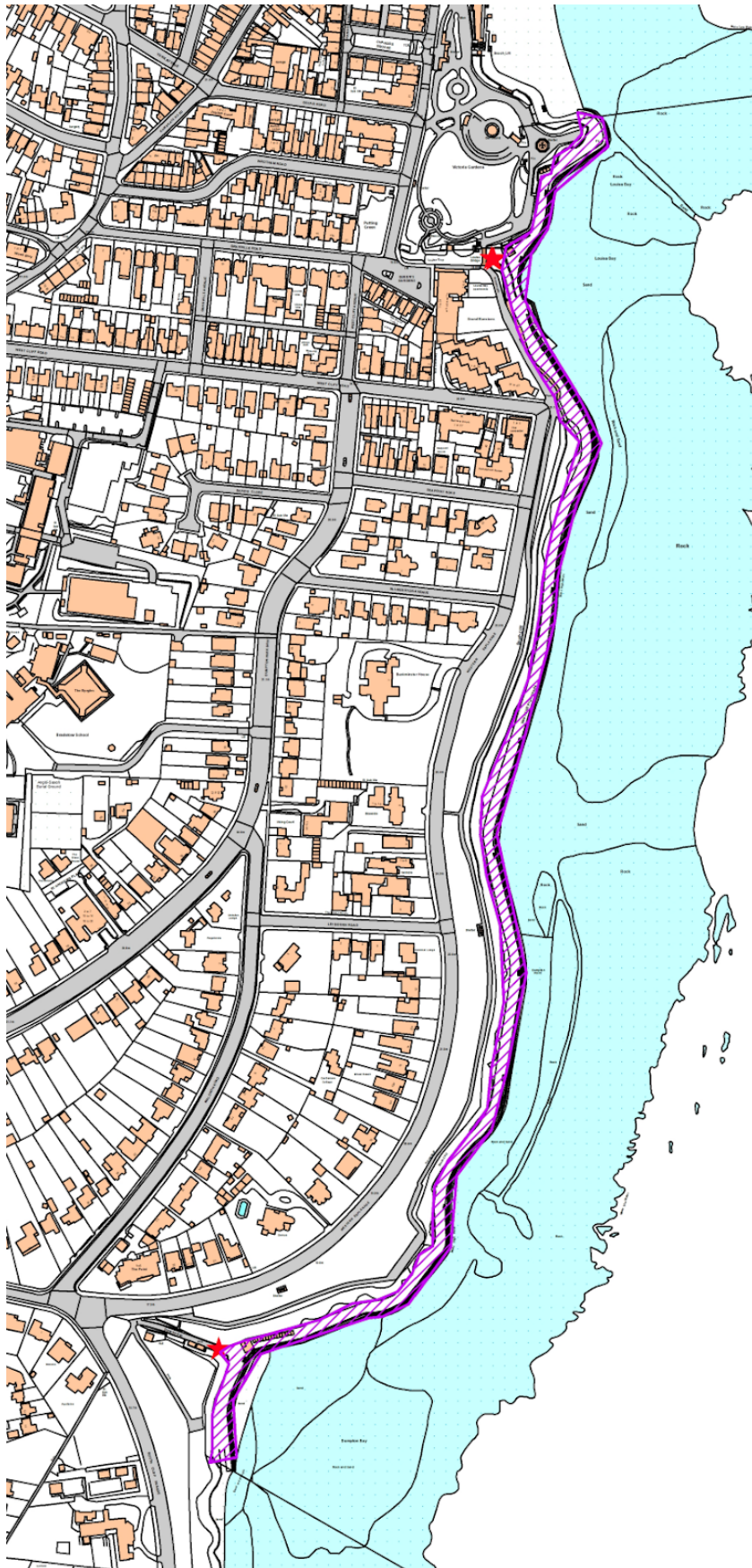
Annex List


Annex 1: [Location Plan](#)


Corporate Consultation

Finance: Matthew Sanham (Head of Finance, Procurement and Risk)

Legal: Sameera Khan (Interim Head of Legal & Monitoring Officer)



 Capital Maintenance / Refurbishment

 Access Points

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Tenant and Leaseholder Services Annual Report

Cabinet meeting	21 September 2023
Report Author	Sally O’Sullivan Head of TLS
Portfolio Holder	Cllr Helen Whitehead, Deputy Leader and Cabinet Member for Housing
Status	For Decision
Classification:	Unrestricted
Key Decision	no
Ward:	All

Executive Summary:

This report seeks authority for the council to publish the Tenant and Leaseholder Services Annual Report to the Councils website.

The council would print and post a copy of the annual report to those that requested it

Recommendation(s):

Cabinet is asked to authorise the following:

1. To publish the Tenant and Leaseholder Services Annual Report to the council’s website.

Corporate Implications

Financial and Value for Money

There are no direct financial implications arising from this report.

Legal

There are no direct legal implications arising from this report.

Risk Management

The Regulator for Social Housing sets Consumer Standards that registered providers of social housing must comply with.

The Tenant Involvement and Empowerment standard tells us we must provide timely and relevant performance information; and such provision must include the publication of an annual report.

The Tenant and Leaseholder Services need to publish an Annual Report to be compliant with the Consumer Standards as set by the Regulator for Social Housing

Corporate

The council's Corporate Statement sets out its commitment to, 'Improve 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, 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 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.*

There are not considered to be any adverse impacts for people with protected characteristics directly arising from this report. However TLS provides services to tenants and leaseholders with a range of protected characteristics and vulnerabilities.

Corporate Priorities

This report relates to the following corporate priorities: -
(delete as appropriate)

- *Communities*

1.0 Introduction and Background

- 1.1 Thanet District Council is a registered provider of social rented homes. The Tenant and Leaseholder Services (TLS) team provides tenancy management and maintenance services to the tenants of Thanet District Council.
- 1.2 The RSH tells us we must provide timely and relevant information to support the effective scrutiny by tenants of their landlords performance and such provision must include the publication of an annual report. The annual report should include information on repairs and maintenance budgets.

2.0 Performance reporting

- 2.1 TLS provides quarterly reports on their operational performance against a range of key indicators. The reports are scrutinised by the Thanet Tenant and Leaseholder Group (TTLG) - Sub Performance Group. Cabinet and OSP also scrutinise the reports. The reports are made available on the council's website for interested parties to view.
- 2.2 This is our second annual report.
- 2.3 The report highlights KPIs from across the financial year and includes financial data where relevant. We have brought in a human element by adding photos and case studies.

3.0 Access to the Annual Report

- 3.1 The annual report will be made available to any interested parties by publishing it on the council's website.
- 3.2 The web publication will be accessible for the partially sighted, in a plain text version by using a web reader.
- 3.3 The web page will include an equalities statement that invites interested parties to request a printed document or in another format.
- 3.3 The annual report will be available to take away at community events .

3.0 Next Steps

- 3.1 Next actions will follow if approval is gained:
 - To publish the report on the council's website

Contact Officer: Sally O'Sullivan Head of Tenant and Leasehold Services
Reporting to: Bob Porter Director of Place

Corporate Consultation

Finance: Chris Blundell, Director of Corporate Services

Legal: Sameera Khan, Interim Head of Legal and Monitoring Officer

Thanet District Council

Tenant and Leaseholder Services

Annual Report 2022/23



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Foreword

Sally O’Sullivan (Head of Tenant and Leaseholder Services)



“Our Annual Report provides an overview of our performance over the last financial year.

Looking at the achievements of the team over the last year, I can see the dedication of the officers reflected in the performance. I see daily, the hard work and desire to deliver an exceptional housing service; but also humility to know that we don't always get it right and when we don't we can admit this, seek to put it right and learn from our mistakes. I feel very proud to lead this service that would not be as successful as it is without the passion of every officer in the team.”

Helen Whitehead (Deputy Leader and Cabinet Member for Housing)

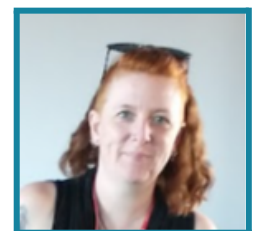


“We have come an incredibly long way since services first came back in-house, and one of the ongoing commitments we made at that point was to ensure that the voices of tenants and leaseholders would be central to the growth of our new service. I believe we are making constant and significant progress on that front, and it is evident in a more reflective and considered approach to housing provision.

“I am exceptionally proud of everyone involved in making these changes happen; the efforts of the Thanet Tenant and Leaseholder Group, officers, and all involved in delivering housing services. Together they have produced both measured and marked improvements across our service, and it is pleasing to note and see the evidence that these improvements are being felt by our tenants and leaseholders across Thanet.

“We have faced financially challenging times over the past year, but are still delivering on our aims and supporting residents. There is always further to go, but tenants, leaseholders, officers, and everyone involved in developing and feeding into our housing service can be rightly proud of the changes they have made, the improvements they have put in place, and the first class service they continue to work towards.”

Claire Smyth (Chair of the Thanet Tenant and Leaseholder Group (TTLG))



“It is great to see the continued improvement to the services, and I look forward to seeing them improve further. This past year has seen the involvement of tenants and leaseholders gain momentum.

“It is good to see the continued safety and maintenance work to advance the quality of housing, giving tenants a further sense of trust and faith in the services provided. I have seen first hand, communication between officers, contractors and tenants become stronger and more consistent. We at the TTLG have been proud to have been part of this process and will continue our collaboration in enhancing services moving forward.”

Our People

Our team is made up of dedicated people who care about what they are doing and the lives they affect. They constantly strive to improve the service that the Tenant and Leaseholder Services team provides.

Our people must have the knowledge and tools they require to deliver an excellent service, compliant with legislation and regulation. To do this, we ensure they have the right training. This is outlined in our visions and values and is a requirement of the Regulator of Social Housing.



Vision and Values

Our team is dedicated to delivering the council's core business objectives: to deliver high-quality housing, safer communities and enhance the health and wellbeing of our residents.

Our Tenant and Leaseholder Services team cares about delivering the best landlord experience for our residents:

- our team is proactive, collaborative and committed to providing great landlord services
- our dedicated officers are respectful, professional and take pride in their work
- our values are at the core of our vision and guide the behaviour of our team

We are people-focused

We listen to individual needs, take notice of them and treat our customers and our colleagues as we expect to be treated ourselves.

We are trustworthy

We do what we say we are going to do, by taking responsibility for our actions. We act with integrity, are honest and transparent. We recognise when things go wrong and put them right.

We are professional

We are professionally trained and knowledgeable in our area of expertise, with access to relevant qualifications. We are unbiased in our approach, professional and inclusive in our communication.

Our officers have taken part in the following training over the last year:

Handling complaints and improving tenant experience
Landlord compliance and the Building Safety Act
How to effectively tackle anti-social behaviour (ASB)
Lone working - home visits
Equality Impact Assessments
Procedural and technical issues of Section 20
What the Social Housing (Regulation) Bill means for local authorities
Working effectively with hoarders
Case preparation for court
Condensation, damp and mould
Domestic abuse awareness
GDPR and CCTV
Safeguarding for housing teams

No Excuse for Abuse

This year has been hard for many, including members of our team. Our residents often take out their frustrations on our officers. This has included verbal and threatening abuse directed at our Housing Officers, Maintenance Inspectors and Customer Transactions Officers.

There are no circumstances that make it acceptable to abuse someone working in a public service role. Thanet District Council is making a stand against this behaviour and launched a campaign in summer 2021 to remind the public to respect its staff as they go about their work.

When a resident abuses a council officer, Tenant and Leaseholder Services may take the following actions:

- Issuing warning letters to the resident
- Placing warning flags on our records system to make sure that all officers are aware of previous incidents
- Issuing a Community Protection Warning (CPW)
- Injunction proceedings
- Informing the Police

If a tenant continues to direct abusive behaviour or serious threats of harm to a member of staff, the action we take can ultimately lead to eviction.

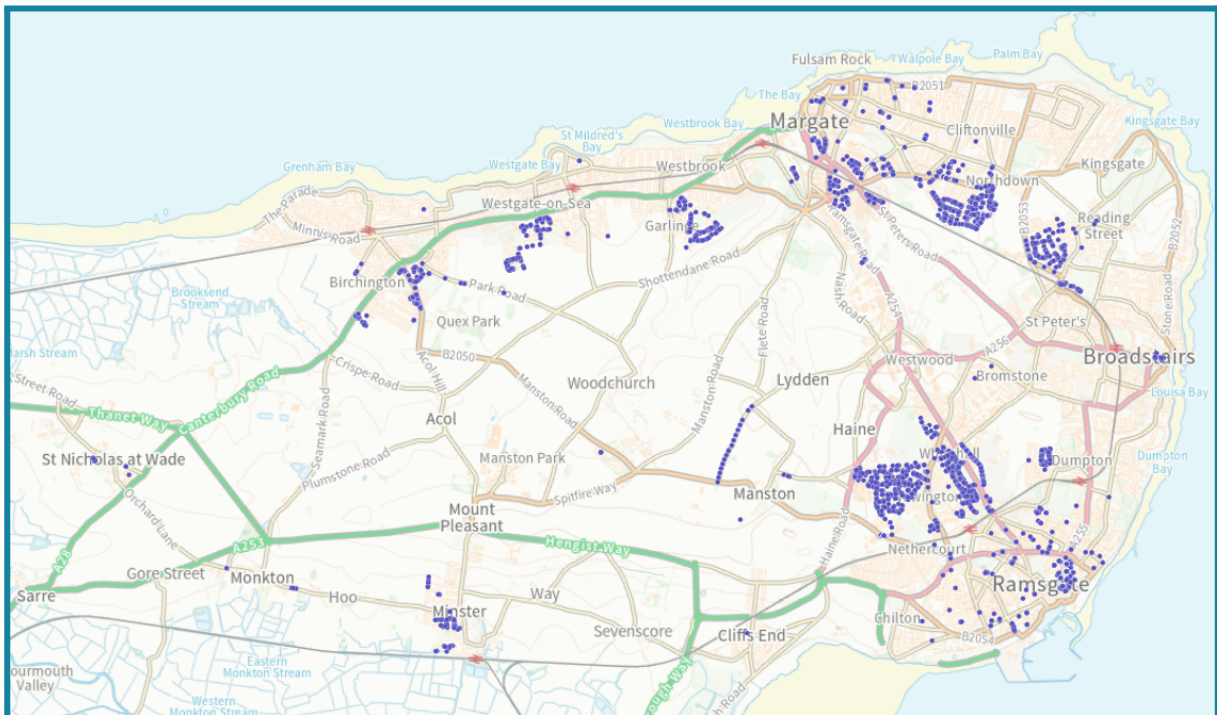


Our Homes

The number of homes we own and manage

Tenure type	Number of homes 2022/23
General needs	3,045
Leasehold	385
Shared ownership	11
Total number of homes	3,441

This map of Thanet shows the distribution of these properties, which are concentrated around Margate, Broadstairs and Ramsgate. We also have properties in Minster, Manston, Birchington and Westgate-on-Sea.



Resident Involvement

Residents are at the heart of influencing service delivery and we provide a wide variety of options for them to have their say. This includes completing a survey, joining a focus group or local event or making a complaint. We listen to our residents and are delivering on many of the improvements they have recommended.



Engagement in 2022/23

Activity

Individual resident engagements with projects	295
Projects involved	30
Online and face to face meetings	33
Community partnership events	8
Published newsletters	19
Waste and recycling information campaigns	3

Our work together with the Thanet Tenant and Leaseholder Group (TTLG) includes:

- Developing an Estate Strategy, Policy and Service Standards for cleaning, grounds maintenance and car parking areas
- Setting a Letting Service Standard for homes
- Improving the information we provide to new tenants
- Setting a Repair Standard
- Procuring new cleaning and gas contracts.

Tenant and Resident Engagement Conference



Tracey (TTLG member) attended the Tenant and Resident Engagement Conference in London with the Resident Involvement team in October 2022.

Here is what she had to say about the experience:

“Thank you so much for the opportunity to attend such an important event. It certainly helped cement my personal feelings that Thanet District Council no longer takes the old fashioned ‘them and us’ approach that so many of your current residents remember.

“It also reinforced my belief that Thanet District Council takes resident involvement to the very heart of their housing policy and does not engage residents as a tick box exercise.”

Getting to know our tenants

We need to get to know our tenants better, so we contacted them all, asking them to complete a Tenant Information Form.

Number of tenant information forms sent out	2,800
Number of responses received	1,200
Number of tenant records updated	1,200
Number of contact details updated	800
Number of tenants who won £100 in our prize draw	3

This information will help us:

- shape our communications
- tailor services to meet needs
- communicate with our seldom heard groups

Community Partnership Events 2022

Number of events held	8
Average number of of partnering contractors and agencies who attended each event	5
Average number of TLS officers who attended each event	12
Total number of residents who joined the events	114



The events included communal inspections, community litter picks as well as information and consultation sessions at our central Housing Hubs.

The feedback from conversations with residents followed these themes:

- communal repairs
- parking
- communication
- waste and recycling, rubbish, bulky waste, bin chutes and fly-tipping
- gardens and ground maintenance - unkempt grassy areas and weeds
- anti-social behaviour - neighbours, drugs, waste disposal and abandoned cars.

Residents told us: “We are seeing improvements from previous years”
and “The HROs are making a real difference”.

Inspections of communal areas resulted in the following:

- 212 repairs to communal areas
- discovery of 56 instances of items left or stored in communal areas
- 10 issues with fly-tipping, litter and communal bins
- 28 issues with gardens and grounds.

We are seeking to improve these areas as part of our work on Estate, Strategy, Policy and Standards.

Community litter picks

A community litter pick was carried out at each engagement event. Many residents got involved, along with their children. The photograph below features Maia (left) and her brother and sister at the Millmead event. Between them, with the help of others, they filled at least eight rubbish sacks!

Maia said: 'I'm very proud of myself for taking part and clearing lots of litter.'



Recycling trials in Ramsgate



We trialed a paper and card recycling facility for residents living at Trove Court and Kennedy House in Ramsgate.

The trial was a huge success and the recycling service is here to stay!

Following further consultations, we are introducing recycling for residents in Royal Crescent. We are now carrying out a feasibility study to see whether a recycling service can also be introduced at Brunswick Court.

Customer Services

Our Customer Transactions team carries out a range of tasks to ensure the smooth running of the service. This includes:

- raising purchase orders
- managing and licensing our garage stock
- managing bookings for Millmead Hall
- coordinating pest control treatments
- managing Council Tax and utility bills for our housing stock
- maintaining tenancy records.

The team is also the first point of contact for our residents:

Number of phone calls received during 2022/23	8,154
Call answer rate	93.3%

Our Customer Transactions team receives some lovely compliments from callers. Thank you to everyone who takes the time to submit a compliment, it means a lot to us!

We know we don't always get it right, and when we don't we do our best to put it right. We can improve our service in partnership with our residents, as the section below demonstrates.

Improving our communication with residents

Residents told us we needed to improve our communication with them. These are some of the things we have done together:

Reviewed our standard letters
Created a new tenant handbook - available in 2023/24
Replaced and improved information on our communal notice boards
Improved service information on our website
Increased the opportunities for residents to access more services and information online

Reviewing our standard letters

A big thank you to residents Terry and David who recommended that we review our standard letters. They told us our letters made them feel anxious or frustrated. Residents joined us to carry out the reviews, looking at the language and tone of the letters.

Complaints

Complaints are a valuable tool in improving our service. The insight we gain reviewing our complaints helps us to identify possible policy and service improvements.

Complaint statistics 2022/23

Number of stage 1 complaints received	94
Number of complaints per 1,000 properties	32
National average of complaints received per 1,000 properties* <i>HQN complaints benchmarking exercise May 2023</i>	48
Number of complaints escalated to stage 2	31
% complaints escalated to stage 2	32%
Number of complaints escalated to the Housing Ombudsman	3
Number of maladministration outcomes following Housing Ombudsman review	0

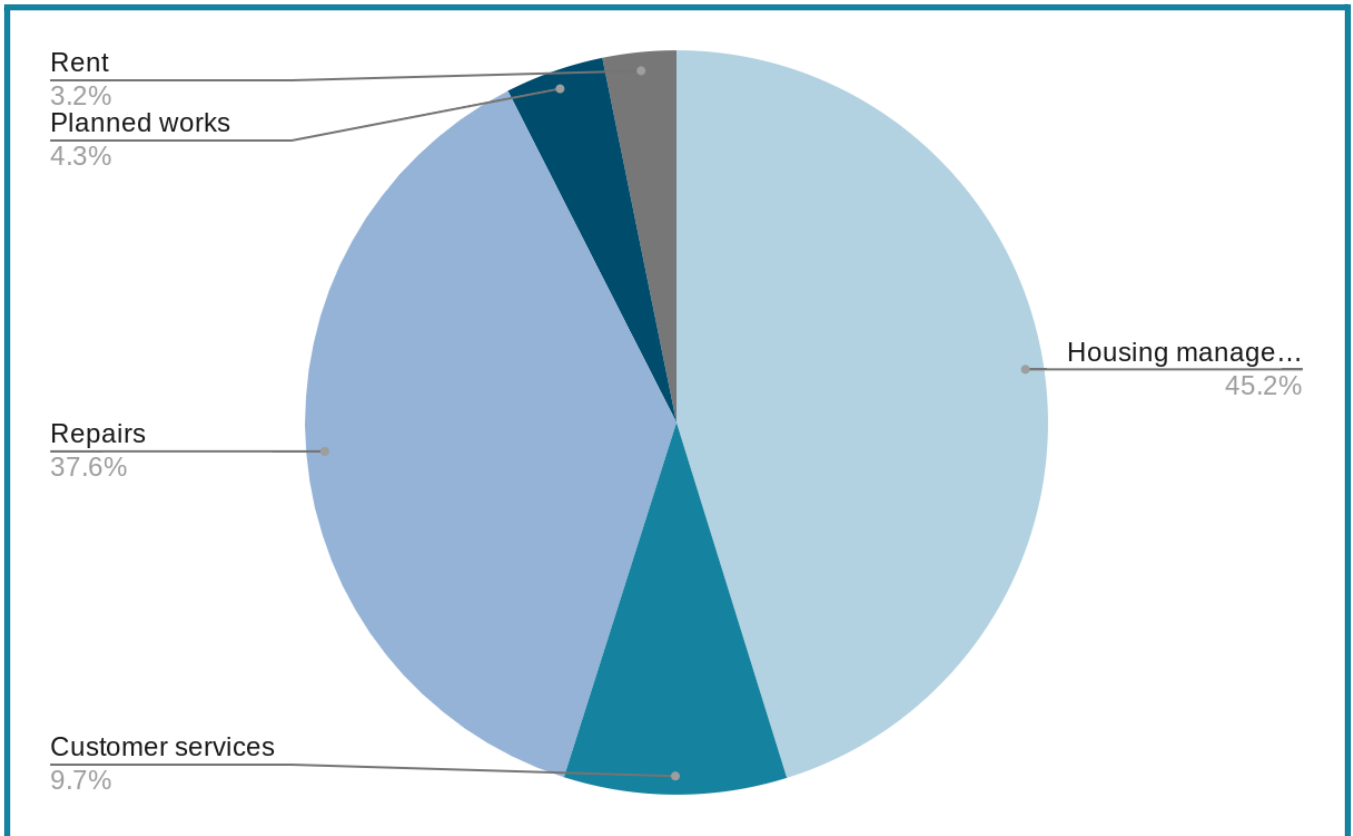
**This figure is provided by Housing Quality Network (HQN) and is an average across all housing associations, local authorities and Arms Length Management Organisations (ALMOs), regardless of size. For organisations with 10,000 homes or less, the average number of complaints per 1,000 properties is 37.3.*

It is possible that we receive fewer complaints than the average because our tenants do not know how to make a complaint or do not feel confident to do so. We will address this over the next year.

Agenda Item 9 Annex 1

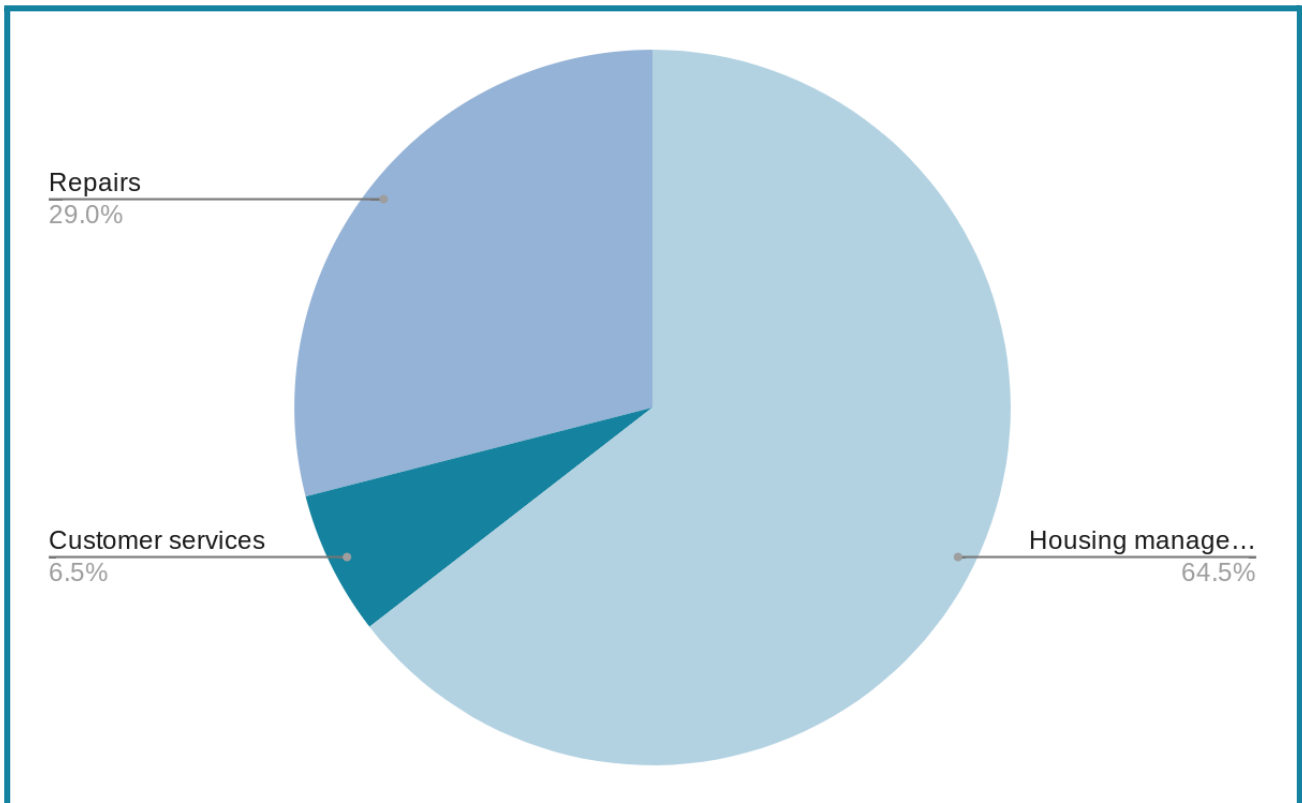
Total stage 1 complaints received	Average number of days to respond	% complaints responded to within target
94	7.2	89% (10 overdue)

Stage 1 complaints per team



Total stage 2 complaints received	Average number of days to respond	% complaints responded to within target
31	16.7	87% (4 overdue)

Stage 2 complaints per team



Complaints - compliance with Ombudsman Code

Residents scrutinised our compliance with the Housing Ombudsman Complaints Handling Code. The group was able to give assurance that we were compliant and recommended further improvements.

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Repairs

Approximately 13,200 repairs were carried out by our partnering contractors Mears and Gas Call, resulting in an average of four repairs per property. This is in line with the sector average and similar to the number of repairs carried out last year.

Breakdown	Total spend	Average cost per job
Total spend on day-to-day repairs for 2022/23	£2,445,878	£205
Total spend on repairs to tenants' homes	£1,451,250	£142
Total spend on communal repairs	£994,627	£291

The average cost of repair is comparable to last year's spend, when inflationary increases in building materials and labour costs are taken into account.



Mears performance 2022/23

Performance Indicator	2022/23	Status	Current Target
% emergency jobs completed on time	99.96%	On target	98.5%
% urgent jobs completed on time	97.15%	Within 5% of target	98.5%
% all jobs completed on time	94.95%	Within 5% of target	98%
Average days to complete non-urgent works	16 days	Off target	10 days
% appointments made and kept	96.85%	On target	96%
% work completed in one visit	81%	On target	80%

Gas Call performance over 2022/23

Performance Indicator	2022/23	Status	Current Target
Service compliance	99.8%	Within 5% of target	100%
Appointments made	99.5%	Within 5% of target	100%
Repairs completed within timescales	97.5%	On target	98%
First time fix	85%	On target	85%
Response to emergency priority	98.2%	On target	98%
Response to vital priority	98.4%	On target	98%
Response to urgent priority	98.7%	On target	98%
Response to routine priority	98.2%	Within 5% of target	100%
Appointments made and kept	99.5%	On target	98%
Install appointments made and kept	100%	On target	100%

Mears has consistently delivered a good level of service, as evidenced by positive customer satisfaction ratings, prompt response times for repairs and completion rates. As a result, we extended their contract to its fullest term to end in March 2025. We aim to further enhance their service quality during the upcoming year by improving appointment reliability and communication when follow-up work is necessary after an initial visit.

Maintaining a strong focus on safety, we have prioritised investments in fire safety measures, including the repair and replacement of fire doors and upgrades to fire compartmentation.

Our heating contractor, Gas Call, performed well overall during the year, but encountered difficulties in December when there was an unusually high demand for heating repairs. We attribute this to people waiting longer to switch on their heating due to the rise in fuel costs, which coincided with a significant temperature drop that month. Gas Call's contract ended in March, and BSW Heating took over as our new service provider from 1 April 2023.

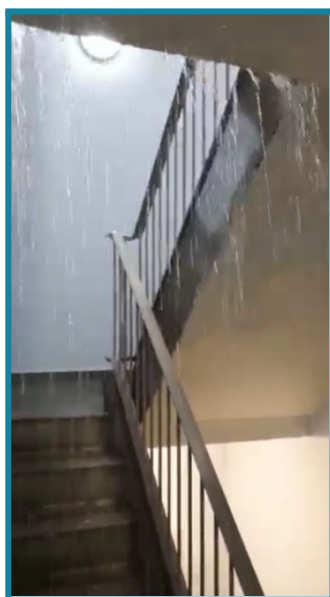
Post inspections

Our Maintenance Inspectors aim to inspect 10% of repairs carried out by Mears and Gas Call, after completion. The purpose of the inspection is to check the quality of repairs carried out by our contractors. Our maintenance team carried out a total of 1,320 post inspections in 2022/23. This equates to approximately 11% of repair orders raised. The inspections support that repairs are of a high standard.

Staner Court water tank flood

On 1 December 2022, a major water leak occurred at Staner Court in Ramsgate. Water poured from tanks in the loft space, flooding the communal areas to such an extent that the electricity supply had to be turned off in the communal area. This meant that there was no communal lighting, heating, lifts or TV aerial. The clear up operation was extensive, and included drying out the electrics so that normal service could be restored as quickly as possible.

TLS teams worked with our contracting partners to ensure that a potentially catastrophic event was quickly brought under control and rectified. Officers and contractors were on site to clear up the flood and to contact residents who needed extra assistance.



Customer satisfaction - repairs

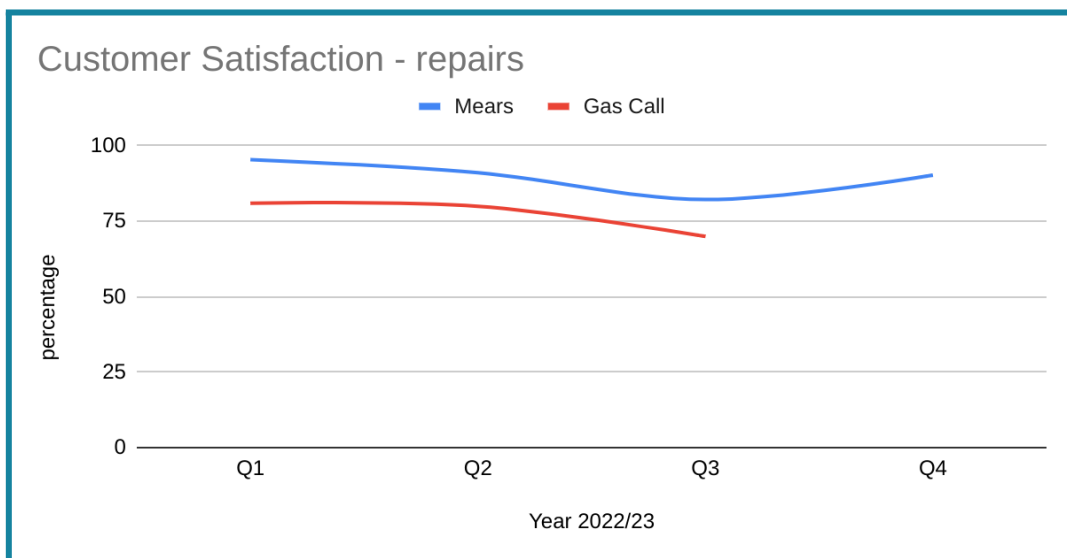
Average satisfaction results for Mears and Gas Call for 2022/23

Mears	89.75%
Gas Call	77%

We introduced a new Repairs Satisfaction Survey in January 2022. This has helped us to pinpoint reasons for dips in performance and to use this information to drive improvement.

For example:

Customer satisfaction for Mears dipped during the third quarter. The survey highlighted an issue with communication when a repair required further work. Mears put measures in place to address this and satisfaction improved in the fourth quarter, shown in the chart below.



The chart shows that Gas Call's performance was in decline during 2022/23. They were unable to produce the relevant statistics in the final quarter. This is not a true reflection of Gas Call's performance however, but reflects the low rate of return of satisfaction surveys. As this was the final year of Gas Call's contract with us, they did not want to commit resources to improving return rates.

Void (empty) properties

The 'void period' is the time that a property is empty between a tenant moving out and before a new tenant moves in. During this time, our Voids team works to bring our properties up to a good standard for the new tenant.



Our Voids team



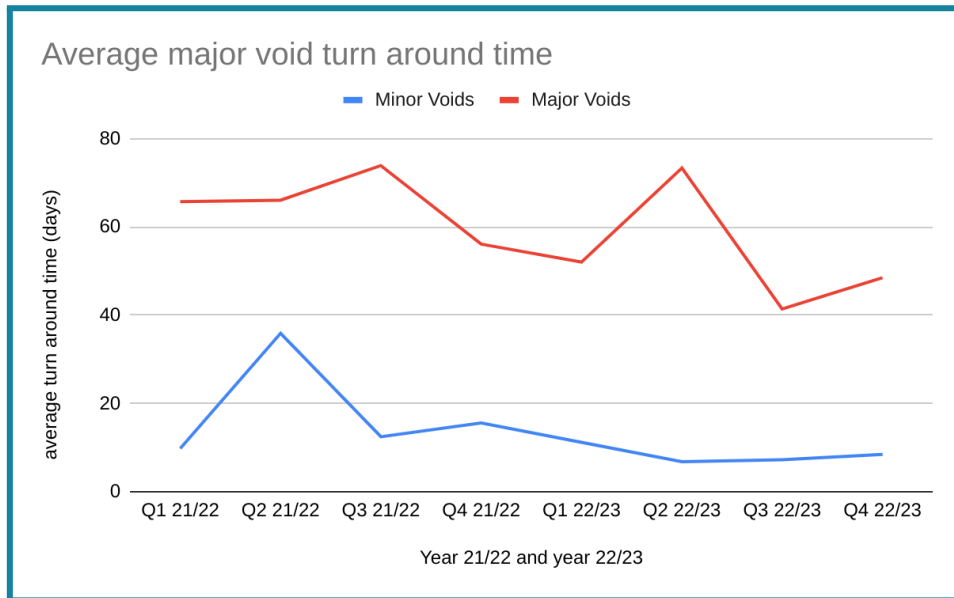
New tenants

Many properties need to be completely refurbished when they are returned to us. This means higher costs and a longer turnaround time. If we can minimise the amount of time that a property is empty, we can provide homes to people that need them faster and increase income into the Housing Revenue Account, to be spent on future service and property improvements.

The table below shows the average time it takes us to turn around a void property and the target we are working towards:

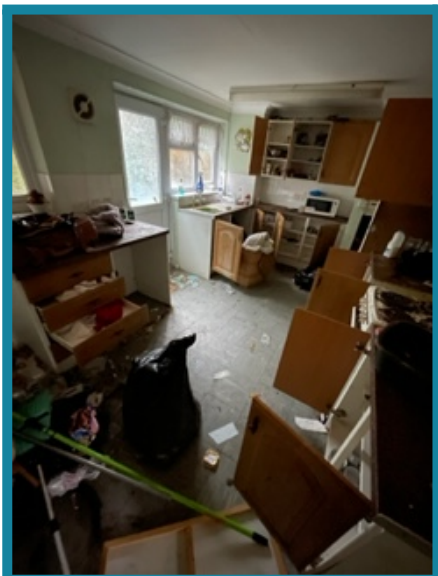
Average re-let time	Actual	Target
Excluding properties needing major works	8.4 days	16.6 days
Including properties needing major works	53.8 days	22.5 days

We improved our turnaround time during 2022/23 through the creation of a dedicated Void team, and working in partnership with Mears, as shown in the next chart.



Costs associated with void properties:

Rent loss through voids 2022/23	£247,213.32
Average cost of void work per property 2022/23	£11,092
Cost of work carried out that was the responsibility of the former tenant	£150,202.00



A kitchen before and after refurbishment in a void property

Snapshot of the works carried out in our void properties during 2022/23:

Kitchens replaced	44
Bathrooms replaced	19
New heating	28
Rewiring	11
Fire doors replaced	17

We re-let a total of 143 properties in 2022/23

Number of bedrooms	4 bedroom	3 bedroom	2 bedroom	1 bedroom	Studio
Number of re-lets	2	18	69	42	12

Resident Tina told us about her experience of becoming a new tenant

‘The overall new tenancy experience has exceeded expectations. All too often you hear the negative, very rarely the positive. Mine was a very positive experience, which without the care and attention of the Voids Officers and many more behind the scenes would not have been possible.

I’ve taken part in three focus groups so far and enjoy being able to contribute in resident involvement activities.’

Capital Programme

Every year we spend money on our homes, to maintain and keep them safe, ensuring that they meet the Decent Homes Standard and our residents' needs.

In 2022/23 we invested £4,279,292 in our existing properties. Works included kitchen and bathroom renewals, roof replacements, the installation of windows, boiler replacements, lift refurbishment and fire safety works.

We did not complete our capital programme in 2022/23 due to a couple of our key contractors going into administration. This meant that we had to focus on procurement activities. We are procuring the following contracts, to go live during 2023/24:

- Interim kitchen and bathroom replacement (cover emergency replacements)
- 7 year kitchen and bathroom replacement (for the cyclical programme)
- Replacement wooden windows
- Refurbishment of lifts at Invicta House

Within the capital programme for 2022/2023 we have carried out the following works:

- 14 lifts were refurbished across 7 blocks
- 2 tower block water tanks were replaced
- external decorations carried out at 112 properties
- 3 pitched roofs were replaced
- new boilers installed at 86 properties
- 25 doors replaced, as part of void works



Before and after - Trove Court water tank replacements



The value of some of the programmes of works we have carried out over the last financial year.

Electrical rewiring	£114,322
Replacement Heating	£203,808
Window and door replacement (new contract)	£157,236
Block lift refurbishment	£680,855
Roof replacement	£273,290
Kitchens and bathrooms	£395,600
Structural repairs	£181,770
Fire precaution work	£380,943



Left: External decorations

Bottom left: Brunswick Court new lift plant

Bottom right: Park Lodge - new roof decoration



Garages

We have garages across the district that are available for all Thanet residents to rent, not just council tenants and leaseholders. Rental income from our garages is invested into service and property improvements.



Total number of garages owned by Thanet District Council	291
Number occupied at 31/03/23	182
Number of garages available to rent	109
Investment in garage refurbishments during 2022/23	£55,000
Income received from the rental of garages 2022/23	£200,250.58

Landlord Compliance

Keeping our residents safe is our highest priority. We do this by making sure we follow landlord health and safety legislation and regulations.

Our compliance performance is shown in the table below:

Compliance area	March 2022	March 2023
Gas safety	100%	100%
Fire risk assessments	100%	100%
Asbestos surveys	100%	100%
Water risk assessments	100%	100%
Electrical testing - communal area	99.38%	99.37%
Electrical testing - domestic units	90.21%	93.70%
Passenger lifts	100%	100%

Building Safety Act 2022

In 2022, legislation was introduced that brought new duties relating to fire and structural safety, to improve the safety of high rise residential buildings. These are buildings which are 18 metres or higher and include at least two residential units. Thanet District Council owns six residential buildings that fall into this category.

In preparation, we recruited to a new role in the Compliance Team, a Building Safety and Compliance Manager. This officer works closely with Kent Fire and Rescue Service to ensure our high rise buildings meet the required standard and to enhance the safety of our residents.

Training exercise at Invicta House

Kent Fire and Rescue Service (KFRS) carried out a training exercise at Invicta House, one of the council's high-rise buildings, on Tuesday 21 June 2022.

As part of the successful training exercise, KFRS simulated using a height vehicle to get water to the floor of the fire from outside the building.



Fire Safety

During 2022/23 the following incidents of fire were reported:

Major fire incidence	2
Minor fire incidence	0

Fire can devastate people's lives. The two major incidents displaced 13 families, but thankfully there were no injuries. In both cases the cause of the fire was found to be arson, where belongings were set alight outside the block.



Our Housing Officers and Housing Response Officers work hard to minimise fire risk. They clear belongings and refuse from communal areas and help residents to move stored items that could pose a fire hazard.

Our buildings include many features that will help to prevent or control a fire should one occur. For example, all the doors in a communal area are made to withstand smoke and fire for up to one hour, allowing time for residents to escape.

The bin chute hoppers will seal if there is a fire in the chutes or bin store. This means that the smoke from a fire will not fill the communal areas.

The bin stores in our high rise buildings are fitted with a sprinkler system to dampen the fire should one occur in this area.

Estates

This year we published our Estates Strategy, Policy and Standard. These documents outline our commitment to maintaining and improving the neighbourhoods associated with our homes, and how we intend to achieve this.

We have six Housing Response Officers (HROs) who work across all of our estates. Their role is to:

- carry out block inspections
- identify and report communal repairs to Mears
- ensure bin stores are tidy and bins are rotated where bin chutes discharge
- mop the lobby of high rise blocks daily - where there is a high footfall

When time allows, Housing Response Officers will:

- carry out litter picking
- remove larger items of waste
- weed paved areas or car parks

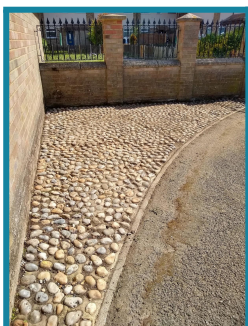
Our HROs carry out vital work to maintain health and safety and the condition of our blocks.

Some of the work of our Housing Response Officers

Before



After



Anti-social behaviour

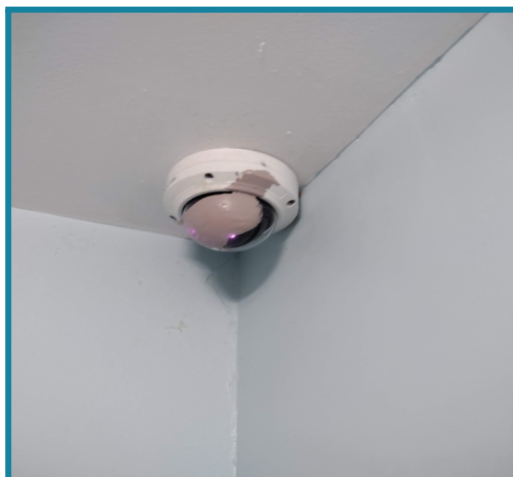
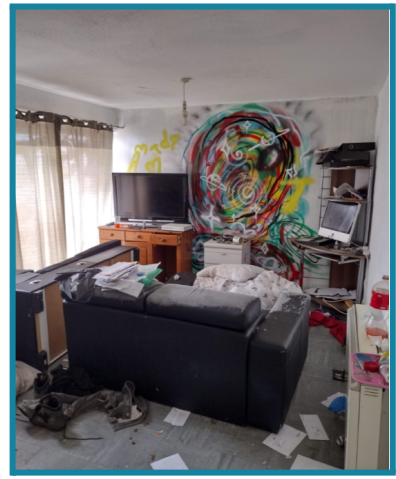
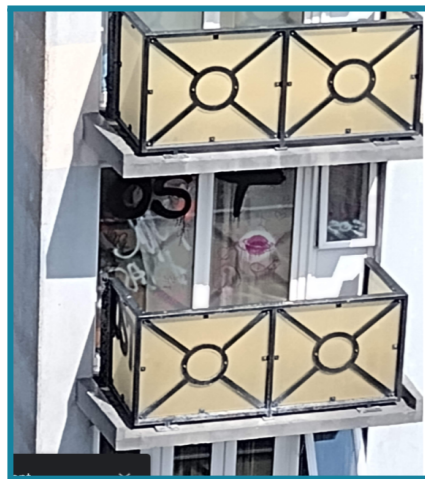
Anti-social behaviour (ASB) is distressing and disruptive for those affected by it. ASB will not be tolerated and the team deals with incidents swiftly.

The installation of personal surveillance cameras, for example, video doorbells or CCTV, has been a cause of many neighbour disputes this year.

Most neighbour disputes can be dealt with by mediation but in some cases we need to take more serious action, as the example below demonstrates:

A resident was causing alarm and distress to the community, Thanet District Council employees and contractors by causing violent criminal damage to council property. We applied to the Magistrates Court for an order to close the property, which meant removing the tenant from the flat and building.

The removal of the tenant from the building gave the community some peace and quiet. The Closure Order granted the council mandatory possession of the property and we pursued a claim for criminal damage via Kent Police.



Income Recovery

This year has been extremely difficult for residents financially, with cost of living increases having a huge effect on household expenditure.

The Household Support Fund (provided by central government) gave us funding to allocate to low income families, to be spent on fuel, food, white goods, carpets and rent arrears.

Amount of Household Support fund allocated to our tenants	£153,934.23
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Along with meeting the Kent County Council criteria for supporting these families, it also stabilised rent collection, making tenancy sustainment easier.

Current rent arrears

We experienced a sharp increase in rent arrears during the summer and autumn of 2022. We were able to recover and finish in a better position than the year before.

Our target was to reduce the debt by 0.50% over the year and we achieved a 0.53% improvement. Below are our end of year figures:

Current tenant arrears as a % on 31 March 2023	4.79%	£708,629.47
Tenant arrears as a % 31 March 2022	5.32%	£752,444.18

The main factors in meeting this target were:

- A fully staffed, experienced team of Rent Officers
- The introduction of any-day monthly direct debits
- A new court and eviction process
- A campaign to communicate heating charges in tower blocks

Financial Wellbeing Team

The Financial Wellbeing Team (FWT) provides residents with a bespoke service that assists with budgeting, checking benefit entitlement and applications for Discretionary Housing Payment (DHP) where appropriate.

Annual FWT referrals by year	Number
FWT referrals 2022 - 2023	324
FWT referrals 2021 - 2022	217

This shows a 49% increase in referrals and correlates directly to the effect of the increased cost of living.

£31,516.21 was received directly into rent accounts in the form of Universal Credit and Housing Benefit backdated payments, or DHP to cover arrears, as a result of these referrals.

We trialled new performance indicators for the Financial Wellbeing Team this year:

Performance indicators	Percentage
Percentage of residents contacted within seven days of a referral	84.57%
Percentage of cases resulting in reduced rent arrears	84%

These figures have given us a baseline to monitor future years and set reasonable targets.

Right to Buy

During 2022/2023 we received 15 applications under Right to Buy legislation. This is 53% fewer applications than in the previous year.

Right to Buy in numbers

Number of properties sold	12
Number of applications denied	3
Total value of properties sold	£2,480,500
Total value of discount applied	£990,260
Number of properties bought back	2

Tenancy fraud

According to the Chartered Institute of Housing, the true cost of tenancy fraud is £42,000 per detected case.

We work with Ashford Borough Council who investigate cases of suspected tenancy fraud on our behalf. In 2022/23 Housing Officers referred 17 cases of suspected tenancy fraud, where there had been a suspicion of sub-letting or non-occupation.

Following formal investigation, one property was successfully returned to Thanet District Council and has been now re-let to a family from the waiting list. Proceedings are ongoing to recover a further property.

Number of cases referred (excluding Right to Buy)	17
Properties returned	1
Properties where proceedings are ongoing	1

And finally.....

Here is an unexpected highlight from 2022/23. In April 2022 we received an unusual request from a film company. They wanted to film on the 15th floor of Kennedy House in Ramsgate - with a donkey!

The donkey's name was Tracey. She was quite a star, with another film role booked in the same week. She was so well behaved, and there were no untoward incidents (although she brought her own shovel along just in case). Tracey took the lift to the 14th floor but had to walk up the final flight of stairs, which was pretty impressive but didn't seem to worry her at all.

The film is entitled *Kahr: Don't mock the Donkey*. It is funded by the Arts Council, in partnership with UNHCR (United Nations Refugee Agency).



Plans for 2023/24

Tenant Satisfaction Measures

The social housing white paper sets out ways that the Regulator for Social Housing can improve the experience of people living in social housing. One of these steps will be to introduce Tenant Satisfaction Measures (TSMs).

TSMs allow for the performance of a social housing landlord to be assessed, regarding the provision of homes and services. Our Resident Involvement Team is preparing for the first submission of TSMs in April 2024.

Tower block refurbishment and retrofit programme

The next three years will be really exciting for Thanet District Council's Tenant and Leaseholder Services, as we embark on a £20 million refurbishment and retrofit project for our tower blocks.

This project will improve both safety and energy efficiency as well as the environment for 405 households. It is a highly complex project due to the nature of the buildings, using multiple funding streams and requiring compliance with the new Building Safety Act.

We aim to keep residents at the heart of this project, as there will be much disruption as we commence this work and new technologies are installed. Works will include replacement of external wall systems, insulation, heating systems, ventilation, replacement windows, repairs and decoration of communal areas.



Contact us



Visit our website

thanet.gov.uk/services/myhome



Email myhome@thanet.gov.uk



Speak to us from Monday to Friday, 8.45am to 5.00pm
01843 577262



Write to us at:
Tenant and Leaseholder Services
Thanet District Council, Cecil Street, Margate, Kent CT9 1XZ

2022/23 Provisional Outturn

Cabinet	21 September 2023
Report Author	Chris Blundell, Director of Corporate Services - Section 151
Portfolio Holder	Cllr Rob Yates, Portfolio Holder for Finance
Status	For information
Classification:	Unrestricted
Key Decision	No
Ward:	All Wards

Executive Summary:

This report provides CMT with a view on the 2022/23 provisional outturn for General Fund revenue and capital, as well as the Housing Revenue Account. As indicated, these figures are provisional and therefore subject to possible change as part of the year-end accounts closure process. Recharges and other year end adjustments have been excluded to allow a like for like comparison with the last budget monitoring report, Monitor No. 2, taken to Cabinet on 15 December 22.

Recommendation(s):

1. That CMT notes the following:
 - (i) The provisional outturn position for the General Fund.
 - (ii) The provisional outturn position for General Fund Capital.
 - (iii) The provisional outturn position for the Housing Revenue Account.
 - (iv) The provisional outturn position for Housing Revenue Account Capital

Corporate Implications

Financial and Value for Money

The financial implications have been reflected within the body of the report.

Legal

Section 151 of the 1972 Local Government Act requires a suitably qualified named officer to monitor and control the Council's finances in order to provide a balanced budget.

Corporate

Corporate priorities can only be delivered with robust finances and this report gives Members the opportunity to review the Council's current position.

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 direct equality implications arising from this report, however the delivery and implementation of and budgetary changes will consider this as part of the budget setting process and be reported to members in due course.

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: -

- Growth
- Environment
- Communities

1.0 General Fund – Provisional Outturn 2022/23

- 1.1 The General Fund revenue budget covers all income and expenditure associated with the day-to-day running of the council's services. Table 1 below summarises the draft General Fund outturn position for 2022/23, it does not include corporate recharges and other technical accounting adjustments. It should be noted that the figures are still

provisional, as the draft statement of accounts have not yet been published and then will be subsequently subject to an external audit.

Table 1: 2022-23 Provisional Outturn

Function	Revised Budget £'000	Actual £'000	Variance £'000	Paragraph
Chief Executive	505	411	-94	See Para 2.1
Deputy Chief Executive and s151 Officer	7,156	7,908	752	See Para 2.2
Corporate Governance	1,961	2,448	+487	See Para 2.3
Communities	5,410	6,261	+851	See Para 2.4
Corporate Budgets	3,006	3,006	0	See Para 2.5
Net Revenue Expenditure	18,038	20,034	+1,996	See Para 3

Positive variances (+): *overspends or underachievement of income*

Negative variances(-): *underspends or surplus income*

- 1.2. Table 1 shows a draft £1.996m overspend on revenue budgets for the 2022/23 financial year. This is closely aligned with the forecast of a £1.921m overspend that was reported to members quarter 2 of 2022/23.
- 1.3. Please note that the financial performance for 2022/23 is reported against the council's previous organisational structure, reflecting the management structure that was in place for that financial year.
- 1.4. Section 3 sets out the proposed approach to finance this net overspend.

2.0 General Fund provisional outturn

The following section sets out the draft net spending position, compared to the approved budgets for 2022/23, across the council's various service headings.

Chief Executive

2.1 A provisional outturn figure of -£94k underspend.

- (i) This is predominantly due to salary savings, which has arisen because the council has been able to pay for some Regeneration staffing roles from additional Business Rates growth funding. It should be noted that this funding can only be used for economic development related activities.

Deputy Chief Executive and s151 Officer

2.2 A provisional outturn figure of -£1.248m Underspend.

(i) **Housing Services +£989k**

The pandemic resulted in additional pressures being placed on the service to place vulnerable homeless and rough sleepers in temporary accommodation (TA), this pressure has then been further compounded by the cost of living crisis and has resulted in an overspend of +£1.083m for 22/23.

The 2023/24 budget for this service heading was increased by £800k, as a direct result of this pressure. Costs have been partially mitigated as a result of bringing some of this work forward and it is anticipated that this will continue to help manage the costs over the forthcoming year.

These additional costs have been partially offset by staff related savings across the various housing teams, totalling -£94k.

(ii) **Housing Benefit +£0k**

The Council processed over £35m of Housing Benefit (HB) payments that mainly were funded by HB subsidy payments from central government, after taking this into consideration this position was a +£455k overspend compared to budget.

Due to the scale and the nature of the transactions the accounting for HB is complex and volatile and as such difficult to forecast from a financial planning perspective, consequently it is not possible to isolate all individual factors that contributed to this overspend, but it is expected that Cost of Living will have had an impact. It is proposed that this overspend be financed from the Council's equalisation reserve.

(iii) **Communications and Digital £0k**

There were unforeseen savings -£58k across communications and digital. It is proposed that a new Digital/Communications reserve is set up and that any underspend is moved here to facilitate future spend associated with digital transformation projects.

(iv) **Planning £0k**

There was a shortfall in planning income of +£147k from income from planning applications, due in the main to major applications being deferred to 2023/24. Staffing costs also overspent by +£59k across the Planning service and again it was anticipated that this would be offset by reduced contributions to the Planning reserve.

It is proposed that this will be met by reducing the planned contribution to the Planning reserve.

(vi) **Finance & Procurement -£237k**

After taking into consideration the wider movements across the service, increased Interest income, offset by increased costs associated with corporate pension charges, there is a net underspend of -£113k, over and above this there is a further -£124k in unringfenced grants that have been utilised to offset costs elsewhere.

There are also savings on MRP and Interest on borrowing and it is proposed that this -£400k is moved to reserves to allow for a revenue contribution for toilet refurbishments in 2023/24, as a result, this has not been included in the net outturn position for Finance.

Director of Corporate Governance

2.3 A provisional outturn figure of +£487k overspend:

(i) **Property +£198k**

To address budget shortfalls from previous years, we initiated a comprehensive review of our property portfolio. This review took into account factors such as the age and condition of our assets and the market dynamics affecting rental income. Consequently, we allocated additional resources to this initiative for the 2022/23 financial year. It's important to note that this review is being carried out in phases, and it will take some time before we can fully optimise our rental income to align with budget expectations. As a result of this ongoing process, there was a net income shortfall of +£198k.

(ii) **Building control +£166k**

This is mainly due to income being below budget, primarily as a result of the delayed impact of delivering planned service changes.

(iii) **Land Charges +£84k**

There has been a +£84k deficit against the 2022/23 income budget for local land charge searches. The service management has undertaken action to address prior year structural budget shortfalls.

(iv) **Facilities Management +£39k**

There were overspends of +£74k on office accommodation mainly associated with utilities in 2022/23, these have been offset in part by savings of -£35k due to reduced staffing costs on facilities, print and mail.

(v) **Leisure and Theatres +£0k**

The net cost associated with the ongoing transition arrangements resulted in an overspend of £200k, however as planned this will be managed with a contribution from reserves.

Director of Communities

2.4 **A provisional outturn figure of +£943k overspend:**

(i) **Enforcement Services +£0k**

Parking income has been affected as a result of difficulties recruiting and retaining enforcement officers, but equivalent staffing savings on this will be used to smooth the impact on reserves and any surplus on On-Street parking, regardless of size, will be managed through the reserve, in line with the Road Traffic Act, as a result there is zero variance here.

Within the Council's off-street car parks income is down compared to budget by +£66k at year-end, this represents a pressure for the General Fund but will be covered by reduced charges to service.

An additional +£33k income shortfall has been seen within on-street parking. However, this has been more than offset by reduced costs associated with on-street reduced enforcement charges.

(ii) **Domestic Waste/Street Cleansing +£438k**

Despite coming out of the pandemic, the vast majority of overspend is primarily due to higher than historical rates of sickness absence and a consequent reliance on agency staff across the entirety of the service +£353k, as well as inflationary pressures placed on the fuel budget and vehicle repairs and maintenance, which again resulted in a large proportion of this forecast at +£146k, this is offset in part by corporate savings on utilities elsewhere -£146k.

Over and above these there were other increased costs associated with net operating position relating to Trade Waste +£85k.

(iii) **Maritime and Technical Services +£353k**

There was a +£340k income shortfall compared to budget within Port operations due to restricted opportunities, as well as £13k within the Harbours where visitor numbers both domestic and foreign were impacted.

(iv) **Toilets +£45k**

The council invested an additional +£45k, over and above existing budget provisions, for additional public toilets throughout the peak summer period. This was necessary to meet the demand from the continued trend of increased visitor numbers to the district

(v) **Coastal Development +£71k**

Additional beach clearance was required during peak season, resulting in additional costs of +£53k over budget, and finally there were increased costs across seaweed clearance and water safety of +£72k, these are offset by reduced costs associated with staff vacancies within the Coast/Tourism and Development Management team of -£54k,

(vi) **Licensing Income -£38k**

There has been an additional -£38k of income against budget due in the main to increased income on both private hire and entertainment/alcohol.

(vi) **Community Safety -£92k**

There have been an underspend on Sports Development of -£7k, mainly due to reduced delivery of sport programmes, along with the reduced cost of delivering Community Safety -£21k, increased income for outside events -£35k and an underspend on the cost of providing the dog warden service -£30k.

(vii) **Open Spaces -£92k**

Underspends of -£49k associated with reduced staffing costs in Open Spaces, along with additional income for the provision of sports pitches of -£14k and additional charges to the HRA -£12k and reduced costs in relation to minor works in the main reduced repairs -£12k, other minor variances of -£5k.

(ix) **Crematorium and cemeteries +£206k**

The varying impact of covid on mortality rates has made it more difficult to forecast income for the service. Due to a variety of factors, the income within this service area is down compared to the budget, resulting in a shortfall of +£143k, over and above this, the impact of utility increases on this service are +£63k.

(x) **Public Protection Manager -£40k**

In year savings on staff related costs -£40k due to vacancies.

Corporate Budgets

2.5 Due to the fact that we have not finalised the year end accounting entries for the 2022/23 financial year, we are not able to indicate with any certainty whether the position on Corporate accounting will change, only that if changes are required, they will inevitably be offset by entries elsewhere.

3. Reserve Transfers

Estimated Reserve movements Required to balance outturn -£1.996m

(i) In order to cover the net overspend at year end it is proposed that the funding will be drawn down from the residual -£810k reserves associated with funding provided for the Covid pandemic.

Furthermore, at this stage of the production of the draft final accounts, it is reasonable to assume that the council will retain up to a maximum £7.255m of business rates and accordingly a surplus of -£1.136m can be considered to be available at this stage to offset the projected overspend.

Any variation beyond the projected overspend and identified funding will require a decision on how the balance is to be funded from other reserves.

Further information will be provided in due course on reserves as at the end of close down process

Proposed new reserves if Outturn allows

(ii) It is proposed to establish a new Digital/Communications to receive and allocate the -£58k service underspend as contribution towards future projects.

It is also proposed to make a one off contribution of £400k to reserves, from the underspend on capital Interest and Principal payments, which will be available to be drawn down in 2023-24 to fund the capital scheme for Toilets.

6.0 General Fund Capital Programme –Provisional Outturn 2022/23

- 6.1 As per annex 1, the Council's 2022/23 revised General Fund capital programme budget of £41.869m (excluding flexible use of capital receipts) was underspent by £33.101m, which was £16.559m lower spend than estimated in the 15 December 2022 Cabinet report. Actual spend for 2022/23 was £8.769m.
- 6.2 Key underspends against the revised budget include Margate Town Deal (£12.555m) Ramsgate Levelling Up Fund (£5.667m) and Margate Levelling Up Fund (£5.164m): they are multi-year projects to be re-profiled in agreement with the Department for Levelling Up, Housing and Communities (DLUHC).
- 6.3 Budget changes since the 15 December 2022 Cabinet report that require approval are listed in the Budget Monitoring Report No 1 for 2023/24.
- 6.4 Budgets remaining as at 31 March 2023 have been carried forward to 2023/24.

7.0 Housing Revenue Account (HRA)

- 7.1 The HRA has recorded a provisional deficit of £1.620m in 2022-23, which represents a £27k overspend against the budgeted deficit of £1.593m. The following narrative sets out the key variances for the HRA in 2022-23.

7.2 Income

- (i) The outturn position reflects £99k of reduced rental and service charges. This deficit was primarily due to increased voids and lower rental yield for social rented properties due to right to buy sales during the course of the year. There was also a slight under recovery against the budget in relation to service charges.
- (ii) There has been a £281k deficit as a result of not billing historical rechargeable works due to the time that has passed.

7.3 Expenditure

- (i) **Repairs and maintenance**
There was a net overspend on R&M of a +£653k. The main driver for this overspend was the lack of a robust planned maintenance programme by East Kent Housing, resulting in an increased demand for reactive and responsive repairs as the new in house service catches up on under investment in the housing stock.
- (ii) **Supervision and Management general**
Key variations include:
- An overspend in relation to the temporary waking watch provision +£340k,
 - An underspend on pension liabilities -£166k, and
 - A reduction in the use of the technical audits budget - £78.1k
- (iii) **Bad debt provision**

A summary of the level of arrears can be seen below:

2021-22	2022-23	Change
£2,183,435.12	£2,096,233.67	-£87,201.45 (-4%)

A detailed analysis of bad debt results in the Council setting aside funds in the provision to deal with the forecast level of write offs. The required increase in the provision is £32k.

In 2022-23 the Council wrote off £165k of rent arrears considered to be uncollectible which were funded via the bad debt provision set aside in prior years.

The amount set aside in the provision in 2022-23 is -£213k less than the budget.

(iv) **Capital expenditure funded from the HRA**

An underspend of -£984k is stated as a result of a lower use of the revenue reserves/resources to finance capital expenditure, mainly due to an underspend on the Margate Intervention Scheme whilst a property is identified for purchase.

(v) **Investment Income**

An increase in interest rates saw the HRA gain investment income of -£474k against the budgeted amount.

(vi) **Debt Interest Charges**

By using our own internal cash resources to fund capital new build programmes (referred to as undertaking internal borrowing), rather than external borrowing, it realised a saving of -£440k.

(vii) **Adjustments made between accounting basis and funding basis**

An increase in the depreciation amount has meant a higher contribution to the Major Repairs Reserve was required +£25k.

(viii) Table 2 provides a summary of the outturn position on the Housing Revenue Account alongside further virements processed since Cabinet approved the revised budget in September:

Table 2 - HRA Outturn 2022-23

	2022/23 Budget	Move- ment	2022/23 Revised Budget	2022/23 Outturn	Variance
	£'000	£'000	£'000		
Income:					
Dwelling Rents	-14,025		-14,025	-13,960	65
Non-dwelling Rents	-228		-228	-248	-20
Charges for services and facilities	-615		-615	-561	54
Contributions towards expenditure	-572	-407	-979	-698	281

Agenda Item 11

TOTAL INCOME	-15,440	-407	-15,847	-15,467	+380
Expenditure					
Repairs & Maintenance	4,983	303	5,286	5,939	653
Supervision & Management	5,296	295	5,591	5,740	149
Depreciation & Impairments	4,310		4,310	4,379	69
Allowance for bad or doubtful debts	245		245	32	-213
Contribution to Capital	1,300		1,300	316	-984
Non-service specific expenditure	243	9	252	244	-8
Debt Management Costs	9		9	8	-1
TOTAL EXPENDITURE	+16,386	+607	+16,993	+16,658	-335
Net Costs of Services Sub Total	+946	+200	+1,146	+1,191	45
Other Adjustments:					
Share of Members and Democratic Core	148		148	113	-35
HRA Investment Income	-75		-75	-549	-474
Debt Interest Charges	989		989	549	-440
Government Grants and Contributions	0		0	-11	-11
Adjustments, accounting /funding basis	-415	-200	-615	327	942
Deficit/ (Surplus) for HRA Services	+1,593	0	+1,593	+1,620	+27

Positive variances (+): *overspends or underachievement of income*

Negative variances(-): *underspends or surplus income*

*The majority of these variances are caused by accounting entries that are reversed out within Adjustments made between accounting basis and funding basis

7.4 The virements for quarter 4 consist of:

£325k grant from Kent County Council for the Household Support Fund which was used to support vulnerable households meet daily needs such as food, clothing, and utilities.

£4.56k Section 106 contribution to fund playground works.

£2k grant from DWP to fund a kickstart placement.

£75k rechargeable repair recoveries vired to the cover costs of associated works.

£200k drawdown from revenue repairs reserve previously set aside for external decorations.

8.0 Housing Revenue Account Capital Programme – Outturn 2022-23

- 8.1 There is an £4.017m (49.35%) underspend on the HRA Capital Programme against an approved budget of £8.139m. £1.186m relates to Council Dwelling Major works and disabled adaptations and £2.831m in relation to Council dwelling purchase/replenishment schemes.
- 8.2 There was a -£254k underspend in relation to kitchens and bathrooms as a result of our contractor going into administration and the work programme being unable to be completed in the year.
- 8.3 The heating programme was underspent by -£176k as a result of the boiler programme being completed and now replacements only happen at end of life. We are also considering if boilers are the best heating system to install for the future as a result of the need to reduce carbon emissions.
- 8.4 Tower block works are underspent -£169k in the year due to minor slippage on the programme.
- 8.5 The structural repairs budget saw a -£191.6k underspend as a result of the complexities of some of our buildings that require extensive building requirements i.e. listed, english heritage statements, planning and building consent.
- 8.6 Estate improvements were underspent by -£192.3k as a result of not being able to procure the earmarked budget for emergency structural works at 2 properties quickly enough, this includes the structural engineer to draft the specification.
- 8.7 The Margate intervention scheme underspend -£1.832k as a result of a lack of suitable development sites within the intervention area. Currently the team are continuing to search for appropriate sites and hope to bring forward additional redevelopment schemes within 2023-24.
- 8.7 The acquisitions programme for Ramsgate commenced in 2022-23 but due to a lack of suitable sites -£260k remains unspent and will carry forward to 2022-23.

Contact Officer: Matthew Sanham (Head of Finance, Procurement and Risk)

Reporting to: Chris Blundell (Director of Corporate Services - Section 151)

Annex List

Annex 1 - GF Capital Programme 2022/23

Background Papers

Title - Budget monitoring papers held in Financial Services

Corporate Consultation

Finance: N/A

Legal: Sameera Khan (Interim Head of Legal & Monitoring Officer)

**ANNEX 2- General Fund Capital Programme
2022/23 Provisional Outturn**

Capital Programme 2022/23	Revised Capital Budget 2022/23 £	Capital Salary Allocation	Revised Capital Budget 2022/23 at Year-End £	Actual Outturn 2022/23 £	Variance Overspend / (Underspend) against Year-End Budget 2022/23 £	Comments
Deputy Chief Executive (incl East Kent Services)						
Housing Assistance Policy (Disabled Facilities Grants & Better Care Fund)	4,595,426		4,595,426	2,944,426	-1,651,000	
Margate Housing Intervention - Loan Scheme	40,000		40,000	0	-40,000	
Housing Assistance Policy (additional support for home owners and private sector landlords)	479,912		479,912	1,000	-478,912	
Homelessness Accommodation	757,114		757,114	726,109	-31,005	
End User Computing - Refresh of Devices	314,160		314,160	53,426	-260,734	
Financial Management System	200,136		200,136	25,646	-174,489	
IT Infrastructure	324,484		324,484	181,092	-143,392	
Total	6,711,232	0	6,711,232	3,931,698	-2,779,533	
Corporate Governance						
Parkway Railway Station	2,000,000		2,000,000	2,000,000	0	
Public Toilet Refurbishment	750,000	18,019	768,019	18,711	-749,308	
Office Accommodation	500,000		500,000	0	-500,000	
High Street Heritage Action Zone Grant - Ramsgate	189,900		189,900	72,000	-117,900	
51-57 High Street, Margate - Refurbishment	50,459	3,893	54,352	9,191	-45,161	
Margate Town Deal	12,642,190	1,095	12,643,284	88,729	-12,554,556	
Ramsgate Future High Street Fund	1,783,364	11,422	1,794,786	40,457	-1,754,329	
Margate Levelling Up Fund	5,218,312		5,218,312	54,779	-5,163,533	
Ramsgate Levelling Up Fund	5,824,442		5,824,442	157,509	-5,666,933	
Property Enhancement Programme	159,219	8,159	167,377	89,302	-78,075	
Total	29,117,885	42,587	29,160,473	2,530,679	-26,629,794	
Operational Services						
Replacement of Lead Lights at Port	37,567		37,567	0	-37,567	
Westbrook Promenade Infrastructure Improvements	190,036		190,036	137,273	-52,763	
School Gate Safety Enforcement Partnership	222,500		222,500	0	-222,500	
CCTV (previously CCTV & Street Lighting)	75,000		75,000	29,320	-45,680	
Ramsgate Harbour Sluice Gate	105,000		105,000	0	-105,000	
Thanet District LED Lighting	457,933	5,047	462,980	56,092	-406,888	
Ramsgate Port & Harbour - Truck	14,438		14,438	0	-14,438	
Ellington Park	134,634	4,521	139,155	121,098	-18,057	
Pontoon Decking Improvements	8,512		8,512	0	-8,512	
Ramsgate Port & Harbour - Additional Self Storage Containers	55,000		55,000	0	-55,000	
Upgrade of Amenity Blocks	84,657		84,657	10,928	-73,730	
Ramsgate Port - Berth 4/5 Replacement	1,471,761	20,422	1,492,183	1,240,933	-251,249	
Vehicle & Equipment Replacement Programme	1,694,143		1,694,143	428,781	-1,265,362	
Boat Wash Separator	46,953		46,953	0	-46,953	
Crematorium Cloisters	100,000		100,000	0	-100,000	
Ramsgate Flood & Coast Protection	635		635	-790	-1,425	

**ANNEX 2- General Fund Capital Programme
2022/23 Provisional Outturn**

Capital Programme 2022/23	Revised Capital Budget 2022/23 £	Capital Salary Allocation	Revised Capital Budget 2022/23 at Year-End £	Actual Outturn 2022/23 £	Variance Overspend / (Underspend) against Year-End Budget 2022/23 £	Comments
Ramsgate Port & Harbour Utilities Supply Upgrade	307		307	-234	-541	
Viking Bay to Dumpton Gap Sea Wall Work	400,645		400,645	1,977	-398,668	
Replace Crematorium Chapel Roof	52,150		52,150	49,602	-2,548	
Royal Harbour Multi-Storey Lift Replacement	331,371	9,231	340,602	10,175	-330,427	
Harbour Gate & Bridge	17,499		17,499	14,910	-2,589	
Replacement Mobile Elevating Work Platform (MEWP) for Ramsgate Port & Harbour	27,280		27,280	0	-27,280	
Ramsgate Harbour - Toilet Cabin at Outer West Marina	35,562		35,562	0	-35,562	
Ramsgate Port - Transformer	60,000		60,000	0	-60,000	
Crematorium Memorial Gardens	60,000		60,000	0	-60,000	
Viking Bay Boardwalk	41,000		41,000	0	-41,000	
Community Parks	231,915	1,977	233,892	206,134	-27,758	
Total	5,956,496	41,197	5,997,693	2,306,200	-3,691,494	
Total Programme	41,785,613	83,784	41,869,398	8,768,577	-33,100,821	
Capital Salaries	75,000	-75,000	0	0	0	
Grand Total	41,860,613	8,784	41,869,398	8,768,577	-33,100,821	

Funded By	Revised Capital Budget 2022/23 £	Additions / Removals £	Revised Capital Budget 2022/23 at Year-End £	Actual Outturn 2022/23 £
Revenue and Reserves	2,620,765		2,620,765	2,429,948
Capital Receipts	2,898,973	8,784	2,907,757	659,293
Prudential Borrowing	3,935,951		3,935,951	1,867,452
External Funding	32,404,924		32,404,924	3,811,885
Total	41,860,613	8,784	41,869,397	8,768,577

Budget Monitoring Report No.1, 2023/24

Cabinet	21st September 2023
Report Author	Chris Blundell, Director of Corporate Services - Section 151
Portfolio Holder	Cllr Rob Yates, Portfolio Holder for Finance
Status	For Decision
Classification:	Unrestricted
Key Decision	No
Ward:	All Wards

Executive Summary:

This report provides the 2023/24 Quarter One budget monitor for General Fund revenue and capital forecasts against budget, as well as the Housing Revenue Account.

Recommendation(s):

- 1) That Cabinet notes the following:
 - i) The General Fund revenue budget 2023/24 forecast position.
 - ii) The General Fund Capital Programme 2023/24 forecast position.
 - iii) The Housing Revenue Account position.
- 2) That Cabinet agrees up to £75k General Fund revenue budget virement as outlined at 3.2 to the Community Safety budget to facilitate the continued provision of showers, toilets and utilities for the traveller community currently located on land at Ramsgate Port and to fund associated legal costs, to be funded from a corresponding reduction in the corporate contingency budget.
- 3) That Cabinet recommends to Council for approval the supplementary budgets for:
 - i) The £10k requirement for the Legal system upgrade to be funded from reserves as set out in section 3.3
 - ii) £154k identified at section 3.4 from the Business Rates Growth Reserve to fund the Legal and Procurement fees associated with Port projects.
- 4) That Cabinet notes the reprofiling of the revenue budgets pertaining to UKSPF as indicated at 4.1 below and that they agree that we reserve the right to vary 24/25 in consultation with the Portfolio Holder if and when requirements change.
- 5) That Cabinet recommends to Council for approval the supplementary capital budget, numbered i to vii inclusive, as set out in section 7.5 and Annex 1 to this report.

- 6) That Cabinet agrees to the capital programme budget adjustments, numbered i to ix inclusive, as set out in section 7.4 and Annex 1 to this report.

Corporate Implications

Financial and Value for Money

The financial implications have been reflected within the body of the report. There remain some residual impacts from the Covid pandemic upon the Council's finances, however this has moved to epidemic now and therefore is largely considered to be treated as business as usual.

Legal

Section 151 of the 1972 Local Government Act requires a suitably qualified named officer to monitor and control the Council's finances in order to provide a balanced budget.

Corporate

Corporate priorities can only be delivered with robust finances and this report gives Members the opportunity to review the Council's current position.

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 direct equality implications arising from this report, however the delivery and implementation of and budgetary changes will consider this as part of the budget setting process and be reported to members in due course.

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 the following corporate priorities: -

- Growth
- Environment
- Communities

1. General Fund – Revenue Forecast 2023/24

- 1.1 The 2023/24 General Fund net revenue budget of £20.755m was agreed at the Council meeting on 23 February 2023.
- 1.2 At the end of Quarter 1 there was a forecast **£489k** overspend on General Fund revenue service budgets, largely due to the continued pressure arising within the Homelessness service alongside significant income shortfalls in a number of other services.
- 1.3 The council continues to face challenges as a result of the lasting effects of the pandemic and now the cost of living crisis, most notably through the aforementioned shortfall in service income and the ongoing impact on utilities. Managers continue to estimate the financial impact of this crisis and future monitoring will allow for greater certainty of where we will be over the coming months.
- 1.4 Table 1 below summarises at directorate level **£489k** projected overspend on General Fund revenue services based on actuals to the end of Quarter 1 and forecasts from budget holders for the remainder of the year. Paragraphs 2.1 - 2.4 explain variances between the budget and forecasts.

Table 1 - General Fund - Forecast against Budget 2023/24

Function	2023/24 Budget £'000	2023/24 Forecast £'000	2023/24 Variance £'000	Paragraph
Chief Executive	1,842	1,842	0	n/a
Place	3,876	3,876	0	See paragraph 2.1
Environment	6,437	7,330	+893	See paragraph 2.2
Corporate Services and s151 Officer	3,679	3,689	+10	See paragraph 2.3
Corporate Budgets	4,921	4,507	-414	See paragraph 2.4
Total Net Expenditure	20,755	21,244	+489	

Note: + overspends or underachievement of income, - underspends or surplus income

2. General Fund detail by Directorate/Department:

Director of Place

2.1

(i) Housing Needs +£0

Homelessness has continually grown as a challenge for many local authorities, Thanet included. There are additional pressures on Housing as the gap between supply and demand increases. The council has reviewed and is delivering its

homelessness strategy action plan, is regularly monitoring the levels of homelessness and has commissioned new services to address the increasing need for support. This work will continue.

An additional +£800k was added into the 2023/24 budget to recognise and fund the rising costs of homelessness. Due to the nature of the service being provided it is difficult to accurately forecast both expenditure and recoveries as there are many external factors involved that impact on the number of homeless placements. In-year forecasts are based on forward projections for service demand in combination with the application of prior year trend analysis on the proportion of costs that historically have been recovered from Housing Benefit.

Historically central government has also provided additional resources for homelessness which also can have an impact on the year end position.

Due to all of these factors, at this early stage in the financial year, it is difficult to anticipate an end of year position. But members should note that this continues to be an area of high budgetary pressure and will be closely monitored as the year progresses.

(ii) **Housing Benefits +£0**

Due to the volatility around Housing Benefit, including increasing pressures associated with supported accommodation, a +£300k shortfall is forecast, it is anticipated that this will be met using the Equalisation reserve as previously agreed, this reserve is used to manage the peaks and troughs associated with the volatilities of our benefits services.

(iii) **Property +£0**

To address long-standing income budget shortfalls, rent review and leasing surveyors have been recruited to undertake outstanding rent and lease reviews in the current portfolio. Allowance has been made for an increase in staff resource as well as compensating increases in income, but this will ultimately be a phased increase across the year in order to manage the impact.

Director of Environment

2.2 An overspend of **+£893k** is currently forecast:

(i) **Parking and Enforcement £0k**

Parking fee income relating to on-street parking has returned to pre-covid levels and early forecasts show a potential for a -£375k surplus, however, income from parking fines associated with on-street is forecast to be +£355k below budget.

The overall deficit from on-street parking is more than offset by savings against the current salary budget of -£260k, resulting in a net surplus of -£280k.

Overall this position will be managed through a corresponding +£280k contribution to the earmarked reserve associated with this activity, resulting in a net zero impact on the council's General Fund balances.

Parking and enforcement activity associated with TDC owned off-street car parks is currently forecast to break even against the budget.

(ii) **Domestic Waste Collection +£210k**

Funding for two additional permanent collection rounds were incorporated into the 2022/23 budget. However, due to higher than historical rates of sickness absence there has been significant reliance on agency staff, both in waste collection and beach cleaning, that will result in a +£210k overspend.

(iii) **Maritime and Technical Services +£523k**

Income is projected +£369k lower than budget expectations within Port operations. This is due to restricted opportunities, in part stemming from the global shortage of components to manufacture vehicles that had previously generated income through car importation and vehicle storage on site. Legal and Procurement Fees associated with delivery of Port projects are expected to cost +£154k, but it is anticipated these costs can be funded from the Business Rates Growth Reserve.

(iv) **Bulky/Clinical Waste +£60k**

A significant increase to the income target based on 22/23 projected outturn, combined with a change to the pricing structure to individual items to facilitate online booking, has resulted in a projected shortfall this year of +£40k in bulky waste. The clinical waste target of +£20k is a legacy budget that is unachievable as this service is not charged to customers.

(v) **Coastal Development +£50k**

Additional seaweed clearance costing an extra +£50k is expected to be undertaken during the peak summer period.

(vi) **Crematorium Income +£50k**

The varying impact of covid on mortality rates has made it more difficult to forecast income for the service. Compared to the same period last year income is +£30k higher so the current prediction is that this service could break even. However, the opening of a new Crematorium in Herne Bay is likely to have an impact, the extent of which will not be known for several months so it is prudent at this stage to assume a +£50k shortfall.

Director of Corporate Services and s151 Officer

2.3 Currently there is an expected overspend of **+£10k** in this area.

- (i) An upgrade to the Legal system IKEN with the addition of the Court Bundle is requested which will create a +£10k overspend. With agreement this will be funded from the Legal reserve, using monies received from HMRC.

2.4 Other and Corporate is currently forecast to under spend by **-£414k**:

- (i) Included within corporate budgets are such items as:
- East Kent Shared Services and their central charge,

- HRA recharges i.e. service costs that are recharged to the HRA but which are held centrally for monitoring purposes,
 - Capital charges including recharges for staff time,
 - External funding and
 - The 2022-23 assumed collection fund deficit that hits 2023-24.
- (ii) There are additional costs associated with the unprecedented increases in Electricity and Gas prices that can't be contained within existing budgets. There is possible mitigation through some corporate budgets but this will be carefully monitored over the course of the year to make sure.
- (iii) A reserve contribution is required to cover Legal and Procurement Fees at the Port and is expected to be -£154k, this is covered at 3.2 below, as well as -£10k use of the Legal reserve to fund IKEN upgrade, again covered at 3.2 below.
- (iv) Income generated as a result of the Council's investment activities is being positively impacted by the current increased interest rates, although the counter side to this is increased borrowing costs, we are currently projecting a net gain of -£250k on these activities.

3. Supplementary Budget Requests

- 3.1 This section of the report provides additional information and context associated with any recommendations which request additional budget provision to be approved with the General Fund revenue budget.
- 3.2 It is recommended that Cabinet approve a General Fund Revenue Budget virement of up to £75k to transfer funding to the Community Safety budget, to facilitate provision of Showers, Toilets and Utilities and Legal Costs for the Traveller community currently located on land at Ramsgate Port. It is proposed this virement is financed from the Corporate Contingency budget.

A magistrates court has determined on welfare grounds the Council has a duty to provide suitable facilities at this temporary site. As such, if a budget virement was not approved this expenditure would still need to be incurred and consequently would be recorded as an overspend.

The section 151 officer has the authority to approve budget virements (transfers) up to £50k, but any budget transfers exceeding this amount must be approved by Members; At the end of May 2023 funding totalling £50k had been vired (transferred) from the corporate contingency budget to the community safety budget for the above purposed. Spend for the whole financial year will be in excess of the budget already agreed and therefore a further virement of up to £75k is required from corporate contingency, to fund the anticipated total annual costs.

- 3.3 £10k use of the Legal reserve is required to fund IKEN upgrade as this falls outside of the base budget allocated
- 3.4 Legal and Procurement Fees at the Port are expected to cost £154k but will be offset by a contribution from the Business Rates Growth Reserve.

4. UKSPF reprofiling

- 4.1 Delays to the announcement of the funding meant that year one funding and delivery was rolled into year two, with central government supporting the roll over of the funding for local authorities. We have reviewed the spend and activity to be delivered and we have reprofiled the funding to be agreed. This will be reported back to central government in the next monitoring and evaluation report.

The recruitment of the UKSPF Coordinator has allowed resources to reassess the proposed projects and the initial funding allocation across the proposed projects. There is no change in the yearly allocation, it has therefore been necessary to move funds within the delivery projects.

Project		Original Budget Profile	Updated Budget Profile
Capital	2023-24	£50,000	£65,000
	2024-25	£150,000	£150,000
Big Ideas	2023-24	£50,000	£10,000
	2024-25	£0	£0
VCS Mapping	2023-24	£20,000	£35,000
	2024-25	£0	£0
Small Grants	2023-24	£145,965	£220,000
	2024-25	£100,000	£65,000
Community Champions Programme	2023-24	£153,988	£39,673
	2024-25	£78,004	£58,004
PM Costs	2023-24	<i>These costs were within the Community Champions Programme</i>	£50,280
	2024-25		£55,000
Growing Social Economy	2023-24	£0	£0
	2024-25	£100,000	£100,000
Employment Support for Inactive People	2023-24	£0	£0
	2024-25	£100,000	£100,000
Enrichment and Volunteering Activities	2023-24	£0	£0
	2024-25	£105,514	£105,514
Green skills	2023-24	£0	£0

	2024-25	£100,000	£100,000
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5 Corporate Income

5.1 The net budget requirement is the term used to explain the total amount the council spends on services after taking account of income streams that are specific to particular service activities such as specific grants or fees and charges (e.g. homelessness grants or car park income). For 2023/24 the net budget requirement was set at £20.755m and was funded from the following corporate (i.e. non service specific) income streams.

	£000	£000
2023-24 NET GENERAL FUND REVENUE BUDGET		20,755
Funded by		
Government Grants	-1,317	
Retained Business Rates & Section 31 Grants	-8,060	
Business Rates Collection Fund Deficit	199	
Council Tax	-11,690	
Council Tax Collection Fund Deficit	113	
Total Funding		-20,755

5.2 Business Rates

The retained business rates system is a highly complex system, but in simple terms the Council included £8.060m in this year's budget from business rates related income.

Since the retained business rates system was introduced local authorities have been allowed to retain a proportion of the additional business rates that are generated in their district. TDC also participates in a Kent wide pool that allows Kent authorities to retain a greater proportion of income than operating independently under the national scheme.

However this strand of income is most uncertain and is highly volatile; both in terms of in-year allocations and also for future reform. As such, the budget strategy for the number of years was to only include approximately half of possible growth in the base budget. For 2023/24 the full amount of anticipated growth has been assumed and therefore £1.358m of possible retained growth is included in the base budget.

5.3 Council Tax

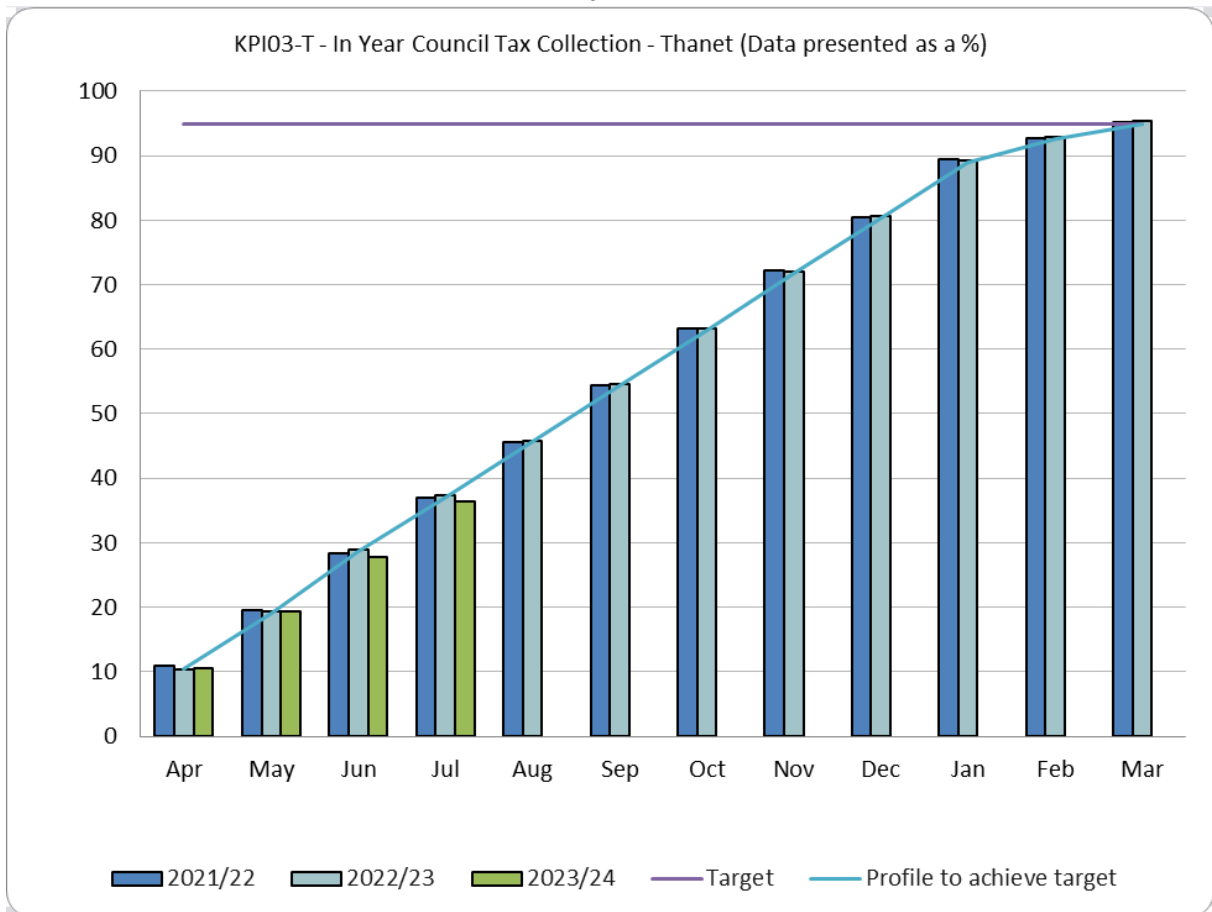
The council has budgeted for an income of £11.690m from council tax this year. In budgetary terms, this budgeted income is secure for the financial year, because due to the statutory arrangements for the accounting of council tax income, any surplus or deficit on the actual collection of council tax from residents is accounted for through

the collection fund. Subsequently, any surplus or deficit that is accumulated in the collection fund is credited or charged to the General Fund revenue budget as part year budget setting process for future years.

In terms of actual collection of council tax within this financial year, the headline is that collection is largely on profile, with actual collections hitting 27.82% against a target of 28.63% at the end of June 2023.

The annual target for collection of council tax is 94.91% by the end of March 2024, however it should be noted that the vast majority of any council tax that hasn't been paid by the end of the financial year will still be collected and recovered in following years.

The chart below shows actual and projected council tax collection rates for June 23.



6. Addressing Budget Variance

- 6.1 Current forecasts show a potential overspend of just over +£739k against General Fund Revenue service budgets. However, it should be noted it is typical for early budget monitoring to be pessimistic in nature and there remains a substantial proportion of the financial year remaining to address the forecast overspends.
- 6.2 The most concerning forecast budget overspends are those of a demand-led nature, where our spending or income levels are dedicated by external demand for our services (e.g. number of homeless families, or number of building control applications) and as such the potential opportunities to manage down spending pressures through conventional budgetary control measures are limited.

- 6.3 All budgets will continue to be regularly monitored to ensure that the council's expenditure remains where possible, within the agreed budget. This will include monitoring income and controllable spend in order to manage down the potential impact. Each of the services projecting an overspend as above are striving to minimise or eliminate the overspend before the end of the year, but failure to do so will require consideration of the use of reserves.

7. General Fund Capital Programme – Forecast 2023/24

- 7.1 The council's 2023/24 revised General Fund capital programme of £26.236m (£26.184m as per annex 1 + £0.052m flexible use of capital receipts) is expected to be underspent by -£5.960m.

- 7.2 **Annex 1** provides a breakdown of the forecast underspend at scheme level and also shows that £1.915m (7.31%) has been committed against this year's budget as at 30 June 2023.

- 7.3 The projected underspend and budget reprofiling includes the following relatively large projects:

(i) Ramsgate Levelling Up

£1.425m 2023/24 capital budget, £1.425m forecast spend, £0m forecast underspend:

This project is currently behind the original forecasted spend profile and as such the budget has been reprofiled in line with the Council's Pathfinder pilot over the remaining programme. This has resulted in £18.242m being removed from the 2023/24 Capital Programme and moved to 2024/25 & 2025/26.

Further resources have been engaged through an external project management team who are driving the Ramsgate Levelling Up Fund projects forward, and supporting delivery. This is reported to central government through the monitoring and evaluation returns.

(ii) Margate Levelling Up Fund

£1.273m 2023/2 capital budget, £1.273m forecast spend, £0m forecast underspend:

This project is being delivered by East Kent College Group who are reviewing the project in line with inflation and construction challenges, this has included a reprofiling of expenditure and the delivery timeframe.

£4.891m has therefore been slipped from the 2023/24 Capital Programme in order to match the proposed re-profile. This is reported to central government through the monitoring and evaluation returns.

(iii) Margate Town Deal

£3.188m 2023/24 capital budget, £3.188m forecast spend, £0m forecast underspend:

The project has been re-profiled in line with the current timetable for delivery and this means slippage of £14.457m from the 2023/24 programme to 2024/25 & 2025/26.

(iv) Housing Assistance Policy

£5.130m 2023/24 capital budget, £3.123m forecast spend, £2.007m forecast underspend:

The majority of forecast expenditure is on providing Disabled Facilities Grants to local residents. Final spend is dependent upon local need and timing of providing grant assistance. It is anticipated that any underspend at year-end will be available to be carried forward into the next financial year.

(v) **Public Toilet Refurbishment**

£0.749m 2023/24 capital budget, £79k forecast spend, £0.670m forecast underspend:

Expenditure on this programme was previously predicated on the achievement of capital receipts from the disposal of closed public conveniences, however as part of the closedown of the 22/23 accounts £400k has been identified that removes the need for these disposals. This will now allow for investment in these facilities to be planned.

(vii) **Office Accommodation**

£3m 2023/24 capital budget, £0 forecast spend, £3m forecast underspend:

Accommodation requirements are still under review given scope for flexible working as highlighted by Covid. Similarly to the Public Toilet Refurbishment scheme, the financing of the Office Accommodation project is dependent on the proceeds of asset sales from existing office accommodation.

(viii) **Ramsgate Future High Street Fund**

£0.803m 2023/24 capital budget, £0.803m forecast spend, £0m forecast underspend:

It is mainly the highway element of the scheme which has been delayed. This has been caused by delays in the approval of the s278 agreement with KCC, these delays have also impacted on the coalition and review of contract documents due to the change in time period for the proposed works. As a result £1.867m has been slipped to 2024/25,

7.4a It is proposed that the following changes to last year's capital programme (already reflected in the Annex 1 opening balances) be approved by Cabinet, as per recommendation 3 to this report:

(i) **Ramsgate Port & Harbour Truck:** Now that the truck has been purchased, transfer the remaining budget of £10,562 to Ramsgate Harbour Toilet Cabin at Outer West Marina to offset additional anticipated costs. As the cost of the truck was under £15,000 (the threshold for capital) it becomes revenue rather than capital.

7.4b It is proposed that the following changes to this year's capital programme be approved by Cabinet, as per recommendation 3 to this report:

(ii) **Ramsgate Port & Harbour Truck:** As per 5.4a(i) above, remove the residual budget of £14,438.

(iii) **Walpole Coping and Sea Wall:** Reprofile this £450k project to 2024/25.

- (iv) **End User Computing - Refresh of Devices:** Transfer additional budget of £178k to this project from IT Infrastructure. Funding to replenish the IT Infrastructure budget to be identified.
- (v) **Ramsgate East Pier Building Structural Improvements:** Transfer additional budget of £22.5k to this project from the Property Enhancement Programme.
- (vi) **Margate Town deal:** Reprofile £14,456,556 of the budget to future years.
- (vii) **Ramsgate Future High Street Fund:** Reprofile £1,867,059 of the budget to future years.
- (viii) **Margate Levelling Up Fund:** Reprofile £4,890,956 of the budget to future years.
- (ix) **Ramsgate Levelling Up Fund:** Reprofile £18,242,381 of the budget to future years.

7.5a It is proposed that the following changes to last year's capital programme (already reflected in Annex 1 opening balances) be recommended to Council for approval, as per recommendation 2 to this report.

- (i) **Replace Crematorium Chapel Roof:** Increase the budget by £2,150, funded from revenue and reserves, for additional spend on this project.
- (ii) **Homelessness Accommodation:** Increase the budget by £60,000, funded from housing capital receipts, for additional spend on this project.
- (iii) **Community Parks:** Increase the budget by £29,110 funded from revenue and reserves, to replace fire damaged playground equipment at Warre Recreation Ground.
- (iv) **Viking Bay Boardwalk:** Add a budget of £41,000, which is externally funded, to replace the Viking Bay Boardwalk.
- (v) **Thanet District LED Lighting:** Increase the budget by £70,000 from external funding, for additional spend on this project.

7.5b It is proposed that the following changes to this year's capital programme be recommended to Council for approval, as per recommendation 2 to this report.

- (vi) **IT Infrastructure:** Once funding has been identified, increase the budget by £178,000 to replace the virement of this amount to Device Refresh.
- (vii) **Smart Metering Upgrade:** Increase the budget by £5,000, funded from revenue, for additional spend on this project.

7.6 It is noted that the following 2023/24 budget transfers have been approved by Council management:

- (i) **Ramsgate Harbour - Toilet Cabin at Outer West Marina:** Increase budget by £6,078 by transfers from Pontoon Decking Improvements (£3,489) and Harbour Gate & Bridge (£2,589).
- (ii) **Replacement Mobile Elevating Work Platform (MEWP) at Ramsgate Port & Harbour:** Increase budget by £720 by transfer from Pontoon Decking Improvements.

7.6 **Capital Receipts**

As at 30 June 2023 there was a forecast deficit of £0.216m in capital receipts to fund the 2023/24 GF capital programme. This is in addition to the Office Accommodation project and £0.670m of the Public Toilet Refurbishment project, which are both assumed to be self-financing from receipts from the sale of associated assets.

8. Housing Revenue Account (HRA)

8.1 The HRA is currently forecasting a surplus against the budget of £199k. This would result in a year-end net deficit of £1.237m in 2023-24, which would be financed by drawing down from HRA balances.

8.2 Income

8.2.1 Dwelling rents are forecasting a surplus of £37k. This is as a result of a slow down in Right-to-Buys (RTB) in the first quarter of 2023/24 and a lower level of voids.

8.3 Expenditure

8.3.1 Repairs and Maintenance

Repairs and Maintenance remains under pressure since the service came back in house. Until the major works in the capital programme have been completed and the overall R&M schedules have cleared the backlog, this budget continues to be stretched.

It is too early in the financial year to accurately forecast a potential overspend at this time and so detailed monitoring will be undertaken over the next few months.

8.3.2 Contribution to Capital

An additional £70k has been added as an additional contribution to capital to fund the proposed £70k cost of IT replacement in the HRA Capital Programme.

8.4 HRA Investment Income

Interest rates continue to rise, the base rate is now 5.25%. However the HRA interest earned is based on an average of HRA cash balances held over the course of the year multiplied by the average investment rate and so it's difficult to accurately predict actual interest to be earned. A prudent assumption of £180k additional interest earned over budget has been forecast for Q1.

Table 2 - HRA – Forecast against Budget 2023/24

	2023/24 Budget	Move- ment	2023/24 Budget	2023/24 Forecast	2023/24 Variance
	£'000	£'000	£'000	£'000	£'000
Income:					
Dwelling Rents	(14,922)		(14,922)	(14,959)	(37)
Non-dwelling Rents	(277)		(277)	(277)	-
Charges for services and facilities	(579)		(579)	(579)	-
Contributions towards expenditure	(520)		(520)	(520)	-

Agenda Item 12

TOTAL INCOME	(16,298)	-	(16,298)	(16,335)	(37)
Expenditure					
Repairs & Maintenance	5,255		5,255	5,255	-
Supervision & Management	5,901		5,901	5,901	-
Depreciation & Impairments	4,310		4,310	4,310	-
Allowance for bad or doubtful debts	260		260	260	-
Contribution to Capital	300	70	370	370	-
Non-service specific expenditure	246		246	246	-
Debt Management Costs	9		9	9	-
TOTAL EXPENDITURE	16,281	70	16,351	16,351	-
Other Adjustments:					
Share of Members and Democratic Core	148		148	148	-
HRA Investment Income	(770)		(770)	(950)	(180)
Debt Interest Charges	1,487		1,487	1,487	-
Government Grants and Contributions	0		0	0	-
Adjustments, accounting /funding basis	588		588	588	-
Deficit/ (Surplus) for HRA Services	1,436	70	1,506	1,289	(217)

9. Housing Revenue Account Capital Programme – Forecast 2023/24

- 9.1 **Annex 2** shows the revised 2023/24 Capital Programme.
- 9.2 At the end of June 2023 £1.022m had been spent or committed, this represents 4.24% of the revised budget.
- 9.3 A £70k budget has been added to the programme for the purchase of new ICT equipment for the housing team, to be funded via a revenue contribution to capital.
- 9.4 As per the Council report dated 13 July 2023, £7.485m has been added to the HRA Capital Programme for the acquisition of new affordable housing units at Spitfire Green and the Local Authority Housing Fund funded units initially for the Ukraine and Afghan refugee households.

Contact Officer: *Matthew Sanham, Head of Finance and Procurement*
 Reporting to: *Chris Blundell, Director of Corporate Services - Section 151*

Annex List

Annex 1 GF Capital Programme
 Annex 2 HRA Capital Programme
 Annex 3 GF Revenue Budget Summary

Background Papers

Budget monitoring papers held in Financial Services

Corporate Consultation

Finance: *N/A*

Legal: Sameera Khan, Interim Monitoring Officer

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**ANNEX 1 - General Fund Capital Programme Report
No 1**

Capital Programme 2023/24	Capital Budget 2023/24 (incl unused budget from last year) £	Additions / Removals £	Revised Capital Budget 2023/24 to Cabinet 21 Sept 2023 £	Estimated Outturn 2023/24 £	Estimated Variance Overspend / (Underspend) against Revised Budget 2023/24 £	Committed Spend to 30 June 2023 £	Comments
Deputy Chief Executive (incl East Kent Services)							
Housing Assistance Policy (Disabled Facilities Grants & Better Care Fund)	4,651,000		4,651,000	2,883,000	-1,768,000	491,810	
Margate Housing Intervention - Loan Scheme	40,000		40,000	40,000	0	0	
Housing Assistance Policy (additional support for home owners and private sector landlords)	478,912		478,912	240,000	-238,912	0	
Homelessness Accommodation	31,005		31,005	31,005	0	1,283	
Homelessness Accommodation (phase 2)	1,000,000		1,000,000	1,000,000	0		
End User Computing - Refresh of Devices	260,734	178,000	438,734	438,734	0	37,840	£178k budget transfer from IT Infrastructure
Financial Management System	174,489		174,489	174,489	0	0	
IT Infrastructure	302,325	-178,000	124,325	124,325	0	115,528	£178k budget transfer to Device Refresh - funding to replenish the IT Infrastructure budget to be identified
Total	6,938,466	0	6,938,466	4,931,553	-2,006,913	646,461	
Corporate Governance							
Public Toilet Refurbishment	749,308		749,308	78,989	-670,319	78,989	
Office Accommodation	3,000,000		3,000,000	0	-3,000,000	0	
High Street Heritage Action Zone Grant - Ramsgate	117,900		117,900	117,900	0	46,099	
51-57 High Street, Margate - Refurbishment	45,161		45,161	45,161	0	0	
Margate Town Deal	17,644,556	-14,456,556	3,188,000	3,188,000	0	72,987	£14.5m budget reprofiled to future years
Ramsgate Future High Street Fund	2,669,958	-1,867,059	802,899	802,899	0	67,053	£1.9m budget reprofiled to future years
Margate Levelling Up Fund	6,163,533	-4,890,956	1,272,577	1,272,577	0	0	£4.9m budget reprofiled to future years
Ramsgate Levelling Up Fund	19,666,932	-18,242,381	1,424,551	1,424,551	0	472,421	£18.2m budget reprofiled to future years
Property Enhancement Programme	328,075	-22,500	305,575	305,575	0	85,941	£22.5k transfer to Ramsgate East Pier Building Structural Improvements
Total	50,385,422	-39,479,452	10,905,970	7,235,652	-3,670,318	823,490	
Operational Services							
Replacement of Lead Lights at Port	37,567		37,567	37,567	0	0	
Westbrook Promenade Infrastructure Improvements	52,763		52,763	52,763	0	1,694	
School Gate Safety Enforcement Partnership	222,500		222,500	0	-222,500	0	
CCTV (previously CCTV & Street Lighting)	45,680		45,680	45,680	0	44,709	
Ramsgate Harbour Sluice Gate	105,000		105,000	105,000	0	0	
Thanet District LED Lighting	406,888		406,888	406,888	0	54,509	
Ramsgate Port & Harbour - Truck	14,438	-14,438	0	0	0	0	Project moved to revenue as under £15k
Ellington Park	18,057		18,057	18,057	0	9,723	
Pontoon Decking Improvements	8,512	-4,209	4,303	4,303	0	0	£3,489 budget transferred to Ramsgate Harbour Toilet Cabin and £720 to MEWP
Ramsgate Port & Harbour - Additional Self Storage Containers	55,000		55,000	55,000	0	0	
Upgrade of Amenity Blocks	73,730		73,730	73,730	0	2,549	
Broadstairs Flood & Coast Protection	880,000		880,000	880,000	0	4,188	
Ramsgate Dock Office on Eastern Crosswall	30,000		30,000	30,000	0	0	

**ANNEX 1 - General Fund Capital Programme Report
No 1**

Capital Programme 2023/24	Capital Budget 2023/24 (incl unused budget from last year) £	Additions / Removals £	Revised Capital Budget 2023/24 to Cabinet 21 Sept 2023 £	Estimated Outturn 2023/24 £	Estimated Variance Overspend / (Underspend) against Revised Budget 2023/24 £	Committed Spend to 30 June 2023 £	Comments
Ramsgate Port - Berth 4/5 Replacement	251,249		251,249	251,249	0	117,684	
Walpole Coping and Sea Wall	450,000	-450,000	0	0	0	0	Project reprofiled to next year
Vehicle & Equipment Replacement Programme	2,155,362		2,155,362	2,155,362	0	20,254	
Boat Wash Separator	46,953		46,953	46,953	0	0	
Crematorium Cloisters	100,000		100,000	100,000	0	0	
Ramsgate Flood & Coast Protection	1,425		1,425	1,425	0	0	
Ramsgate Port & Harbour Utilities Supply Upgrade	540		540	540	0	0	
Westbrook to St Mildred's Sea Wall Work	450,000		450,000	450,000	0	0	
Viking Bay to Dumpton Gap Sea Wall Work	398,668		398,668	398,668	0	90	
Replace Crematorium Chapel Roof	2,548		2,548	2,548	0	0	
Royal Harbour Multi-Storey Lift Replacement	330,427		330,427	330,427	0	4,719	
Harbour Gate & Bridge	2,589	-2,589	0	0	0	0	Project finished and residual budget transferred to Ramsgate Harbour Toilet Cabin
Replacement Mobile Elevating Work Platform (MEWP) for Ramsgate Port & Harbour	27,280	720	28,000	28,000	0	28,000	£720 budget transferred from Pontoon Decking Improvements
Ramsgate Harbour - Toilet Cabin at Outer West Marina	35,562	6,078	41,640	41,640	0	0	£2,589 budget transferred from Harbour Gate & Bridge and £3,489 from Pontoon Decking Improvements
Ramsgate Port - Transformer	60,000		60,000	60,000	0	0	
Crematorium Memorial Gardens	60,000		60,000	0	-60,000	0	
Ramsgate Harbour - Marina Access Gates CCTV	21,000		21,000	21,000	0	0	
Port Control Signal Light Repeaters for Ramsgate West Pier	16,500		16,500	16,500	0	0	
Infrastructure	1,320,000		1,320,000	1,320,000	0	4,706	
Viking Bay Boardwalk	41,000		41,000	41,000	0	41,000	
Ramsgate East Pier Building Structural Improvements	260,000	22,500	282,500	282,500	0	1,500	£22.5k transfer from Property Enhancement Programme
Ramsgate East and West Pier Hand Railings and Access Gates	170,000		170,000	170,000	0	0	
Customs Cutter Berth Refurbishment	70,000		70,000	70,000	0	0	
Ramsgate Harbour - Replacement of Oil Disposal Point	40,000		40,000	40,000	0	0	
Vehicle CCTV Cameras, Trackers and Software Upgrade	261,032		261,032	261,032	0	0	
Smart Metering Upgrade	105,000	5,000	110,000	110,000	0	110,000	£5k budget increase funded from revenue
Replacement Dock Master's Office	21,000		21,000	21,000	0	0	
Community Parks	27,758		27,758	27,758	0	0	
Total	8,676,025	-436,938	8,239,087	7,956,590	-282,497	445,326	
Total Programme	65,999,913	-39,916,390	26,083,523	20,123,795	-5,959,728	1,915,277	
Capital Salaries	100,000		100,000	100,000	0	0	
Grand Total	66,099,913	-39,916,390	26,183,523	20,223,795	-5,959,728	1,915,277	

**ANNEX 1 - General Fund Capital Programme Report
No 1**

Capital Programme 2023/24	Capital Budget 2023/24 (incl unused budget from last year) £	Additions / Removals £	Revised Capital Budget 2023/24 to Cabinet 21 Sept 2023 £	Estimated Outturn 2023/24 £	Estimated Variance Overspend / (Underspend) against Revised Budget 2023/24 £	Committed Spend to 30 June 2023 £	Comments
Funded By	Capital Budget 2022-23 (incl unused budget from last year) £	Additions / Removals £	Revised Capital Budget 2023/24 to Cabinet 21 Sept 2023 £				
Revenue and Reserves	740,818	5,000	745,818				
Capital Receipts	5,053,465		5,053,465				
Prudential Borrowing	6,326,963		6,326,963				
External Funding	53,978,668	- 39,921,390	14,057,278				
Total	66,099,913	- 39,916,390	26,183,523				

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ANNEX 2 - HRA Capital Programme							
Capital Programme 2023-24	Original Capital Budget 2023-24 (incl balances b/f from 2022-23) £	Additons / Removals £	Revised Capital Budget 2023-24 to Cabinet 21 Sept 2023 £	Estimated Outturn 2023-24 £	Estimated Variance Overspend / (Underspend) against Revised Budget 2023-24 £	Committed Spend to 30 June 2023 £	Comments
MAJOR WORKS AND DISABLED ADAPTATIONS							
Re Roofing	501,210		501,210	501,210	0	50,786	
Replace Windows Doors	568,233		568,233	568,233	0	1,696	
Kitchen & Bath Replacements	959,780		959,780	959,780	0	61,143	
Electrical Rewiring	276,678		276,678	276,678	0	6,764	
Heating	590,751		590,751	590,751	0	28,811	
Tower Block Works	2,668,722		2,668,722	2,668,722	0	15,390	
Fire Precaution Works	469,497		469,497	469,497	0	107,309	
Planned Refurbishments	165,131		165,131	165,131	0	0	
Structural Repairs	1,962,610		1,962,610	1,962,610	0	33,621	
Thermal Insulation	47,350		47,350	47,350	0	8,692	
Lift Refurbishment	315,000		315,000	315,000	0	0	
Disabled Adaptations	300,000		300,000	300,000	0	14,246	
Estate Improvements	392,263		392,263	392,263	0	7,996	
Garages	58,808		58,808	58,808	0	746	
Playground Works	50,000		50,000	50,000	0	0	
IT Infrastructure		70,000	70,000	70,000	0	0	
Capital Salaries	311,000		311,000	311,000	0	0	
Total	9,637,033	70,000	9,707,033	9,707,033	0	337,198	

PURCHASE/REPLENISHMENT SCHEMES							
Margate Housing Intervention	1,832,015		1,832,015	1,832,015	0	8,000	
New Build And Aquisitions Programme	5,031,112	7,485,000	12,516,112	12,516,112	0	676,486	
Capital Salaries	56,000		56,000	56,000	0	0	
Total	6,919,127	0	14,404,127	14,404,127	0	684,486	
Grand Total	16,556,160	7,555,000	24,111,160	24,111,160	0	1,021,684	

Service Area	Original Budget	Revised Budget	Forecast	Variance	Usage of Reserve (Unplanned)	Revised Variance
	£	£	£	£	£	£
Chief Executive						
- Chief Executive	311,330 [1]	311,330	311,330	0	0	0
- Head of Strategy & Transformation	1,483,230	1,530,190	1,530,190	0	0	0
Place						
- Planning	251,630	261,030	261,030	0	0	0
- Housing	638,240	488,410	788,410	300,000	300,000	0
- Housing Options	1,745,680 [2]	1,839,470	1,839,470	0	0	0
- Building Control	-343,790 [3]	-343,790	-343,790	0	0	0
- Asset Management	1,625,030 [4]	1,630,970	1,630,970	0		0
Environment						
- Parking & Enforcement	-170,890 [5]	-170,440	-450,440	-280,000	280,000 [7]	0
- Waste & Street Cleansing	4,123,560 [6]	4,119,560	4,329,560	210,000	0	210,000
- Maritime & Technical Services	-237,190	-243,190	279,810	523,000	0	523,000
- Bulky/Clinical Waste	-170,000	-170,000	-110,000	60,000	0	60,000
- Toilets	426,290	425,790	425,790	0	0	0
- Coastal Development	1,196,780	1,196,840	1,246,840	50,000	0	50,000
- Crematorium	-654,380 [8]	-653,980	-603,980	50,000	0	50,000
- Operations & Commercial Services	1,797,800 [9]	1,932,650	1,932,650	0	0	0
Corporate Services and s151 Officer						
- Legal	1,237,760	1,242,760	1,252,760	10,000	0	10,000
- Land Charges	-46,470 [10]	-46,470	-46,470	0	0	0
- Committee/Electoral	757,610	757,610	757,610	0	0	0
- Head of Finance	1,725,420	1,725,420	1,725,420	0	0	0
Corporate						
- Finance	5,057,360 [11]	4,920,840	4,506,840	-414,000	0	-414,000 [12]
	20,755,000	20,755,000	21,264,000	509,000	580,000	489,000

[1] Total S
Now to include Strategy and Transformation

[2] X5C

[3] 18734

[4] Total Y

[5] 13090
13113
13118
19136

[6] Decrim Reserve

[7] 19127
19124
11427

[8] 11020

[9] Total V

[10] 15038 - Remove from legal

[11] Overspends as a result of Utilities Cap being increased

[12] Interest - needs to be split between GF/HRA

Department for Levelling Up, Housing and Communities Funding update Simplification Pathfinder Pilot

Cabinet	21 September, 2023
Report Author	Louise Askew, Head of Regeneration and Growth
Portfolio Holder	Cllr Rick Everitt, Leader of the Council
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	Where the effect would be on communities living or working in the district, in an area comprising two or more wards.
Ward:	Margate and Ramsgate wards

Executive Summary:

In 2019 Thanet District Council responded to central government's call out for projects as part of the Future High Street Fund. Over the following three years Thanet was successfully awarded over £50m in regeneration funding through a series of programmes from government. The ambition of the council has mirrored that of our communities, which has been taken forward through the funding applications submitted. Many of the projects aim to provide opportunities for the creation of new jobs and enabling the growth of businesses. It is an exciting time for Thanet due to this significant investment, albeit the challenges that we need to overcome linked to the increasing costs within the construction industry.

Over the time since 2019, when the council had a small capital programme the council has needed to invest in recruiting staff, bringing in specialists and developing processes and procedures in order to enable delivery of these programmes. This will help the council into the future in terms of delivering significant capital projects in Thanet. In order to manage delivery and the monitoring and evaluation processes to all external funders is not insignificant and the council is pleased to present this report on some changes in relation to these processes.

The council has formally been approached by the Department for Levelling Up, Housing and Communities (DLUHC) inviting us to be part of a Simplification Pathfinder Pilot. The Pilot relates to the reporting mechanisms for three capital programmes funded by DLUHC - Future High Street Fund, Town Deal and Levelling Up Fund.

Guidance was provided by central government on the Pilot, which has now been published online and council officers have participated in meetings with central government leads to understand the implications of the Pilot.

The Simplification Pathfinder Pilot provides a simplified and consolidated model for the delivery of the three capital programmes, reducing the administrative burden at a local and government level. The aim is to increase local flexibility, and reduce bureaucracy and inefficiency within the delivery process.

Thanet is one of ten local authority areas that have been invited to be part of the Pilot, and although it is not mandatory, the council has accepted the invitation.

Recommendation(s):

- Note the details of the submitted Investment Plan on the basis of the profile of spend and delivery against the Intervention Themes.
- Approve the disbanding of the Margate Town Deal Board in order to set-up new and relevant governance arrangements for the Simplification Pathfinder Pilot.
- Approve the recommendation to set-up a new Partnership Board with final recruitment of Board members to be in consultation with the Leader of the Council.
- Approve the projects being included and delivered through the new amalgamated Simplification Pathfinder Pilot identified in section 4.1

Corporate Implications

Financial and Value for Money

The proposals within this paper have already received budget approval and have been incorporated into the council's capital programme. The projects are fully funded from external grant funding allocations.

In accordance with the council's key decision framework, further Cabinet approval will be sought before the tendering of any individual contract associated with these projects with a value of £250,000 or above.

For all the Government funded programmes, we have already received part of this funding, to commence delivery. In addition all future DLUHC funding will be drawn down in advance of any works being undertaken. The Section 151 Officer is required to scrutinise and approve regular monitoring returns to DLUHC. These returns will cover actual and forecast spend, alongside programme delivery and output metrics.

Legal

There are no direct legal implications arising directly from this report. However, specialist advice about the potential State Aid/Subsidy Control implications will be sought as required for individual projects. Whilst the UK Government has not yet formalised the new Subsidy

Control regime following Brexit, specialist advice is likely if proposals are working alongside private sector partners and are not providing open access infrastructure for the benefit of the public.

The Simplification Pathfinder Pilot technical guidance specifically outlines that the council must consider whether any existing or new investment will be used to provide a subsidy and, if so, whether that subsidy will contravene the UK's international obligations on subsidy control, or the Subsidy Control Act 2022. This is particularly relevant if the value of a project is changing, the council will need to conduct a subsidy control appraisal.

Risk Management

Through the development and delivery of previous regeneration projects, the council has established the apparatus and experience for reviewing and managing the various key risks of delivering large capital programmes, including those which rely on ongoing management, improving heritage buildings, and enhancing protected coastal environments.

The council is responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the external funding programmes are exposed.

As part of the development of the projects robust risk registers were developed. The registers are live documents and they are updated quarterly. The Risks identified in the Risk Register as "High" are reviewed regularly, and those that provide a risk to the Council will be on the Councils corporate risk register.

Through the monitoring and evaluation process for the three programmes the most significant risks are reported back to the Department of Levelling Up, Housing and Communities on a quarterly and six monthly basis in the monitoring and evaluation reports.

Key risks

Significant Inflation pressure c20-30% increases

- Continue to lobby central government on the impact of the increase in costs of materials and labour and the subsequent inflationary increases.
- Possible value engineering required.
- Constant reviews of other investment opportunities/funding sources.

Availability of materials and labour

- A risk/contingency allowance is included within the cost plan.
- Suitable contract terms between the client and the main contractor will be included at the point of agreeing the Main Works Contract.
- Cost/delay likelihood expected to be known far in advance of commencing on site.
- Constant reviews of the market and supply chain will be undertaken to establish lead in times and general market concerns and issues.
- Possible value engineering required.

Commitment of private sector partners

- Continued engagement with potential private sector partners.
- Development of design proposals that are attractive to the market and can be scaled to meet changing requirements of the sector.
- Possible value engineering required.

Unsecured financial contributions to the projects

- Early discussions with Private sector partners.
- Early discussions with 'other' funders to understand their requirements and ensure project delivery fit.
- Work ongoing to develop successful bids for financial contributions.

Current market conditions

- Market testing will be carried throughout each design stage to ascertain cost trends.
- Early contractor engagement to ensure the supply chain is being actively managed.

Failure or underperformance of contractors

- Use of established procurement routes, robust contracts and engagement with potential contracts early on,

Capacity of the council to support delivery of significant spend from projects within programme timescales

- Review use of extra external resources to add capacity to existing teams within the council.
- Utilise funding for fees within the projects to add capacity.
- Hold workshops to review priorities across the council in terms of delivery.

Corporate

The Ramsgate Future High Street Fund, Margate Town Deal, and Ramsgate and Margate Levelling Up Fund projects all support the council's corporate priority for Growth, by encouraging regeneration. It will also enhance the environment through a variety of activities including traffic management, greening activities, as well as supporting our communities through new job opportunities and providing improved wellbeing.

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.

It is a requirement of the Simplification Pathfinder Pilot that local authorities consider their duty on how policies, investment or decisions made within the scope of this pilot affect persons with the nine protected characteristics under the Equality Act 2010.

Corporate Priorities

This report relates to the following corporate priorities: -

(delete as appropriate)

- *Growth*
- *Environment*
- *Communities*

1.0 Introduction and Update

1.1 Thanet District Council has been successfully awarded capital funding from three key government programmes - Future High Street Fund, Town Deal and the Levelling Up Fund programme.

- Future High Street Funds - £2.7m - to provide a creative workspace and improved highways in Ramsgate.
- Margate Town Deal - £22.2m - to develop the creative productions and skills, enhance coastal wellbeing, create highway and public realm improvements, and to improve our heritage assets.
- Ramsgate Levelling Up Programme - £19.8m - focusing on projects to enhance the Port, Harbour and providing places for local people to engage and develop skills to access the new job opportunities being created in these areas.
- Margate Levelling Up Programme - £6.3m to deliver a digital campus in Margate high street by East Kent Colleges Group.

1.2 The projects within these programmes have been through a central government approval process and the councils own approvals where required, including the allocation of the funding into the capital programme. All the investments and costs associated with these programmes are fully funded from external grants and contributions. Clear monitoring and evaluation activities have been put in place which will ensure all expenditure relating to the projects are managed appropriately, and within the total package of funding provided, aiming to mitigate any financial risk the council.

1.3 It is important to note however that nationally the projects within these capital programmes are financially challenged due to the macroeconomic impacts of leaving the EU and the war in the Ukraine, which saw a huge impact on cost and access to

materials and labour. In the last year the increasing inflation has compounded the already increasing costs. These recent economic events were unknown when the projects were submitted for DLUHC funding, therefore a reasonable level of inflation and contingency was included in the project submissions, however they did not match the unprecedented levels of 20-30% cost increase that some of the projects in the district are facing. There are a number of ways in which these can be dealt with. Firstly, for a new build scheme it is relatively easy to apply a value engineering principle, either reviewing the size and scale of the building or the materials being used. However, there is more of a challenge if the building is existing, of heritage value and listed, making scope changes and value engineering much more difficult to scale. One of the projects particularly being impacted by this is the Smack Boys restaurant with rooms scheme - it has to be amended on the basis of business viability due to the increase in costs for the refurbishment and repurposing of the building.

- 1.4 Through the current development stages of the different projects the impact of cost increases and inflation is being reviewed with solutions being identified and sought out. These include looking for further external funding, from public and private sources, reviewing options for individual projects of value engineering and considering other ways in which the projects can be delivered in order to deliver the desired outputs and outcomes. This work is ongoing with the project management, cost consultants and design teams, working with relevant stakeholders and has added time in the development of these projects.
- 1.5 Funding applications are being drafted for the National Lottery Heritage Fund, Arts Council England and South East Local Enterprise Partnership. The council is also engaging with other government departments and agencies, the Thames Estuary Growth Board and private sector organisations. The Leader of the council has written to the Secretary of State for Levelling Up; Michael Gove, to highlight the challenges being faced by local authorities like Thanet District Council in picking up the macroeconomic impacts on the existing funding programmes.

2.0 The Simplification Pathfinder Pilot

- 2.1 DLUHC invited a small group of 'pathfinder' local authorities across England to pilot a simplified approach to funding delivery, of which Thanet is one. These authorities were all invited on the basis that they have a number of capital funded schemes awarded through central government programmes. The Chief Executive was required to accept being part of the Simplification Pathfinder Pilot by Friday 21 July, 2023 on behalf of the council and the Executive Team.
- 2.2 The Pilot authorities have greater ability to make decisions locally about the funding and project delivery in their funding portfolio, with devolved decision-making responsibility over the three capital funding programmes, increasing local flexibility,

and reducing bureaucracy and inefficiency within the delivery process. The delivery model that will be tested through this pilot is built around the following principles:

- A single allocation which, subject to assurance, can be managed flexibly across a portfolio of projects.
- Through an investment plan there will be a single set of outcomes and outputs, covering the full portfolio of activity that will be delivered.
- Streamlined reporting: one three-monthly RAG (Red, Amber, Green) report (focusing on spend and progress) and one six monthly delivery report.
- Change management: authorities will only need to seek approval from DLUHC if they are making a 'material change' to their investment plan
- There will be one main contact in the DLUHC area team for discussions about the pilot.

2.4 As part of the Pilot the council will no longer be required to submit individual project-level adjustment requests unless it is considered to be a "material change". A single amendment to funding plans is a "material change" if it involves moving at least £5m to a different intervention theme or moving at least £5m between projects in the same intervention theme. This provides the council with the flexibility to deliver effectively in line with local priorities, reduce the administrative burdens of agreeing all individual changes and maintain proportionate controls to ensure that funding continues to deliver good value for money. Any 'Material changes' will require views to be sought from key local stakeholders and must include MPs. The following do not constitute a material change and can be reported to DLUHC in the six monthly monitoring returns:

- Movement of funding between intervention themes below the £5m threshold.
- Movement of funding between projects in the same intervention theme below the £5m threshold.

2.5 With all of the funding programmes being amalgamated the deadlines for delivery have also been brought together with an overall deadline for all projects of March 2026, which adds an extra year onto the Levelling Up Fund and Future High Street Fund. This provides an element of comfort where there could be slippage in terms of delivery timescales, but in particular for those projects where we are seeking other funding, like the National Lottery Heritage Fund which has specific timescales for their funding programmes. The intention is to stay within current timescales, however the Levelling Up Funded projects have been slightly reprofiled in order to ensure there is time within the development phase for delivery.

2.6 There is a presumption that there will be no movement of funding between the towns of Margate and Ramsgate and any reallocation of funding would be required to be made through a Cabinet decision.

2.7 The council was required to complete an investment plan in order to be accepted into the Pilot. The plan included a summary of all of the projects within the three different programmes, including the funding allocated and the outputs and outcomes associated with these projects. These were then profiled across the updated

intervention themes outputs and outcomes identified in the pathfinder investment framework. The indicators are capital based and already used to measure the Towns Fund and Levelling Up programmes. The intervention themes are:

- Enhancing sub-regional and regional connectivity
- Unlocking and enabling industrial and commercial development
- Strengthening the visitor and local service economy
- Improving the quality of life of residents
- Employment & education

Annex 1 provides a list of the output and outcome indicators linked to the intervention themes above and a summary of the mapping of existing projects across the Pilot intervention themes.

2.8 The original deadline for the Investment Plan was 8 August, 2023, however the final Technical Guidance was published by DLUHC on 31 July, 2023 with revised templates provided the week before the deadline. On the basis of the short timescales and resource implications due to the summer holidays the council requested an extension for submission of the Investment Plan which was provided until the second week in September.

2.9 The Investment Plan includes a mapping of each existing project within three capital programmes to the above intervention themes and comparable outputs and outcomes were identified and profiled within the investment plan. This enables central government to see the amount of funding that will be invested each year, in each of the new intervention themes. The below table outlines the funding allocated by financial year and the intervention theme that it is allocated to.

Intervention themes	Forecast spend in FY23-24 (£)	Forecast spend in FY24-25 (£)	Forecast spend in FY25-26 (£)
Enhancing sub-regional and regional connectivity	£49,891.81	£811,459.00	£1,287,960.65
Unlocking and enabling industrial, commercial, and residential development	£2,575,506.96	£8,383,891.11	£3,163,556.60
Strengthening the visitor and local service economy	£1,133,578.67	£5,258,927.27	£5,679,157.83
Improving the quality of life of residents	£486,853.61	£1,703,800.00	£1,352,157.83
Employment and education	£3,043,132.92	£10,247,842.44	£4,429,056.60
Total Spend	£7,288,963.97	£24,405,919.82	£15,911,889.51

- 2.10 The investment plan was approved and signed off by the Section 151 Officer, Senior Responsible Officers (Chief Executive, Director of Place and Head of Regeneration and Growth) who are responsible for delivery of the funding and the Leader of the Council. It is important to note that this Simplification Pathfinder Pilot does not mean that Thanet is starting again in terms of the projects being taken forward, it is merely a revised way in which the council and relevant governance arrangements will report back to central government through a revised monitoring and evaluation framework and revised payment mechanisms.

3.0 Next Steps

- 3.1 Thanet District Council remains the Accountable Body through which the funding will flow. As part of its responsibility the council is required to establish a consolidated governance structure which will oversee the total portfolio of projects. This board will have no decision-making power but will exercise strategic oversight over pilot activity. The council has the flexibility to set out how the consolidated governance arrangements will work for the district, with an overview provided of the approach in the investment plan. DLUHC advised that Town Deal Boards could be reconstituted/expanded into this consolidated governance structure if this worked for the local authority area - for example where the programmes were all being delivered within a similar geographical area. DLUHC advised that changes to the scope and membership of existing Town Deal Boards could be considered, including expanding the scope to include all projects across a broader geography or all projects in a particular locality. In relation to membership it could remain the same, with increased members for a wider geographical remit.
- 3.2 For the Thanet Simplification Pathfinder Project it is proposed that the Margate Town Deal Board be disbanded with a new Partnership Board established in order to provide strategic oversight over Pilot activity in Thanet. In order for the existing Town Deal Board to cover the required remit of the Pilot a further six-eight Ramsgate representatives would need to be added, in order to provide relevant geographic intelligence and coverage. This could create a Board double the size of the existing Town Deal Board with approximately 20 people, which was considered to be too large to facilitate its role of strategic oversight effectively.
- 3.3 A draft Terms of Reference and an outline of what the makeup of the board should look like is provided in Annex 2. The guidance sets out that the membership should include a private sector chair, the MPs representing the area, local representatives from business and community and representatives from all tiers of local government for the expanded geography. The final Partnership Board members will be approved in consultation with the Leader of the council.
- 3.4 Key Stakeholders including the MP's and any relevant Town Deal Boards or delivery partners are required to be engaged with as part of the process. The Leader of the

council with key officers has met with the two MP's that cover Thanet. Members of the Margat Town Deal Board and any relevant delivery partners have been written to.

3.5 As long as our Investment Plan is approved and we have met the assurance criteria the payments will be as following:

- 2023-24 an aggregate payment of remaining funding will be made in the third quarter;
- 2024-25 payments will be made in the first quarter subject to satisfactory performance;
- 2025-26 payments will be made in the first quarter subject to satisfactory performance.

Where applicable, the submission of a 'credible plan' will be required if we need to re-profile any underspend from the previous year.

4.0 List of Projects

4.1 The projects included within the Simplification Pathfinder Pilot include:

- Future High Street Fund
 - Creative Workspace
 - Highway Improvements
- Ramsgate Levelling Up Fund - Modern Port Infrastructure
 - Green Campus
 - Port Infrastructure
- Ramsgate Levelling Up Fund - Inclusive Harbour Attractions
 - Visitor Accommodation opportunities (amended from the Smack Boys restaurant with rooms project)
 - Fishing Facilities
 - Clock House
 - Pier Yard
- Ramsgate Levelling Up Fund - Assets to Connect to Opportunity
 - Newington
 - Town Centre
- Margate Levelling Up Fund - Margate Digital Campus
- Margate Town Deal Intervention 1 - Scaling Margate's Creative Production and Skills
 - Margate Creative Land Trust including participation and engagement activities
 - Theatre Royal including participation and engagement activities

- Margate Town Deal Intervention 2 - Coastal Wellbeing
 - Access Walpole
 - Testing New Uses, participation and skills programme for wellbeing, including beach facilities
 - Improved Coastal Environment
- Margate Town Deal Intervention 3 - Active Movement and Connections
- Margate Town Deal Intervention 4 - Diversifying Heritage Assets
 - Margate Winter Gardens
 - Destination Dreamland

5.0 Options

5.1 Approve the recommendations:

- Note the details of the submitted Investment Plan on the basis of the profile of spend and delivery against the Intervention Themes.
- Approve the disbanding of the Margate Town Deal Board in order to set-up new and relevant governance arrangements for the Simplification Pathfinder Pilot.
- Approve the recommendation to set-up a new Partnership Board with final recruitment of Board members to be in consultation with the Leader of the Council.
- Approve the projects being included and delivered through the new amalgamated Simplification Pathfinder Pilot identified in section 4.1

5.2 The opportunity to form part of the Simplification Pathfinder Pilot provides the council with the opportunity to streamline governance arrangements and the monitoring and evaluation processes which will reduce the burden on officers directly delivering the schemes. If the council does not participate in the Pilot it will impact on the deliverability of the schemes, the timelines and the ability to be more flexible in relation to project adjustments. This will provide challenges for current resources and potentially have a negative reputational impact on the council. The projects are going through a robust review and those being put forward through this report are those that are considered deliverable within the funding programmes and therefore should be adopted, changing the projects or recommendations relating to that will require significant stakeholder engagement, project changes through central government and will impact on timescales and costs. It is therefore advised that the recommendations support the viability of delivery.

Contact Officer: *Louise Askew, Head of Regeneration and Growth*
Reporting to: *Bob Porter, Director of Place*

Annex List

Annex 1: Current projects mapped to Pathfinder Intervention Themes
Annex 2: Draft Terms of Reference for the Partnership Board

Background Papers

[Margate Town Deal webpages](#)

[Ramsgate Levelling Up Fund webpages](#)

[Future High Street Fund](#)

[Margate Levelling Up Fund bid](#)

[Department for Levelling Up, Housing and Communities Simplification Pathfinder Pilot: Technical Guidance](#)

Corporate Consultation

Finance: *Chris Blundell - Director of Corporate Services and Section 151*

Legal: *Sameera Khan - Interim Head of Legal and Monitoring Officer*

Annex 1

Pathfinder Investment Framework: interventions, outputs and outcomes

Intervention Theme	Outputs	Outcomes
Enhancing sub-regional and regional connectivity	<ul style="list-style-type: none"> - Total length of pedestrian paths improved (km) - Total length of new pedestrian paths (km) - Total length of new cycle ways (km) - Total length of improved cycle ways (km) - Total length of resurfaced / improved road (km) - Total length of newly built roads (km) - Number of alternative fuel charging/re-fuelling points (n of) - Amount of land made wheelchair accessible/step free (m2) 	<ul style="list-style-type: none"> - Footfall (absolute number) (n of) - Cycle flow (n of) - Pedestrian flow (n of) - Vehicle flow (n of) - Public transport reliability (%) - Change in perceived / experienced accessibility (% change)
Unlocking and enabling industrial and commercial development	<ul style="list-style-type: none"> - Amount of rehabilitated land (sqm) - Number of dilapidated buildings improved (n of) OR Number of derelict buildings refurbished (n of) - Amount of floor space repurposed (residential, commercial, retail) (sqm) 	<ul style="list-style-type: none"> - Percentage of adults who are satisfied with their local area as a place to live (%) - Number of major commercial planning applications granted (n of) - Number of minor commercial planning applications granted (n of)
Strengthening the visitor and local service economy	<ul style="list-style-type: none"> - Amount of public realm improved (sqm) - Number of public amenities / facilities created (n of) - Number of public amenities / facilities improved (n of) - Amount of new retail space created (sqm) - Amount of existing retail space improved (sqm) - Amount of new hospitality space created (sqm) - Amount of existing hospitality space improved (sqm) - Number of local events or activities supported (n of) - Number of improved community / sports centres (n of) - Number of neighbourhood improvements undertaken (n of) - Number of heritage buildings renovated/restored (n of) OR Number of buildings renovated / restored (n of) - Number of improved cultural facilities (n of) - Number of new community/sports centres (n of) - Number of new cultural facilities (n of) 	<ul style="list-style-type: none"> - Number of people using a new / improved public facility (n of) - Vacancy rate of commercial units (%) - Percentage of residents who report feeling safe in their local area (%) - Number of crimes reported (n of) - Number of anti-social behaviour crimes recorded (n of) - Number of day visitors (n of) - Total consumer spending at cultural venues (£) - Number of visitors to cultural venues - Number of cultural events (n of) - Audience numbers for cultural events (n of)
Improving the quality of life of residents	<ul style="list-style-type: none"> - Number of trees planted (n of) OR Number of new trees planted (n of) - Amount of existing parks/greenspace/outdoor improved (sqm) - Amount of new parks / greenspace / outdoor space (sqm) - Number of properties better protected from flooding and coastal erosion (n of) 	<ul style="list-style-type: none"> - Percentage of residents who report feeling safe in their local area (%) - Number of crimes reported (n of) - Number of anti-social behaviour crimes recorded (n of) - Change in number of properties better protected from flooding and coastal erosion (% change)
Employment & education	<ul style="list-style-type: none"> - Number of full-time equivalent (FTE) permanent jobs created directly through the projects - Number of full-time equivalent (FTE) permanent jobs safeguarded directly through the projects - Number of temporary FT jobs supported during project implementation - Amount of new educational space created (sqm) 	

Current projects mapped to Pathfinder Intervention Themes

Project	Enhancing sub-regional and regional connectivity	Unlocking and enabling industrial and commercial development	Strengthening the visitor and local service economy	Improving the quality of life of residents	Employment and education
Future High Street Fund:					
Creative Workspace					
Highway Improvements					
Ramsgate Levelling Up Fund:					
Green Port Ramsgate					
Inclusive Harbour Attractions					
Assets to Connect to Opportunity					
Margate Levelling Up Fund: Margate Digital Campus					
Margate Town Deal:					
Intervention 1 - Scaling Margate's Creative Production and Skills Margate Creative Land Trust					
Intervention 1 - Scaling Margate's Creative Production and Skills Margate Theatre Royal					
Intervention 2 - Coastal Wellbeing					
Intervention 3 - Active Movements and Connections					
Intervention 4 - Diversifying Heritage Assets Margate Winter Gardens					
Intervention 4 - Diversifying Heritage Assets Destination Dreamland					

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Annex 2

Proposed Terms of Reference and membership for the Regeneration Partnership Board

Purpose

The Regeneration Partnership Board is a partnership of key stakeholders from the public, private and third sector which have a strong presence in Thanet.

The Board will be led by Thanet District Council as the Accountable Body for a number of government funded programmes. The Board will provide the governance arrangements for the strategic oversight of delivery of the projects within the Margate Town Deal, Margate and Ramsgate Levelling Up Fund and the Future High Street Fund projects as part of the Simplification Pathfinder Pilot.

The Partnership Board will have no formal decision-making power but will exercise strategic oversight over Pilot activity.

The Role of the Board

- Uphold the Seven Principles of Public Life (the Nolan Principles) as detailed Code of Conduct;
- Oversee delivery of the government funded projects ensuring the accountable body is in compliance with government agreements;
- Maintain commercial confidentiality where required;
- Working together - Board Members should take collective responsibility for how they are performing, and may discuss improvement actions they could take;
- Identify additional and appropriate opportunities to service the interests of the delivery of the externally funded programmes;
- Bring other perspectives constructively to the discussion;
- Where relevant, support with their own skills and connections;
- Through their oversight mitigate any risks, particularly financial, legal and reputational; and
- Ensure all publicity rules and obligations are met including the government's requirements for branding and recognition.

The Role of the Accountable Body

The Board serves as an advisory function to Thanet District Council as the Accountable Body for the Towns Fund and Levelling Up Fund. The main role of all Members of the Board will be to take a district-wide perspective and to develop consensus in the best interests of the district as a whole. Members will be recognised for their contribution in bringing ideas, knowledge and expertise to the process. They are required to fulfil their role as public-private partnerships whilst ensuring robust stewardship of public resources.

The role of the Accountable Body - Thanet District Council is to:

- Uphold the Seven Principles of Public Life as set out in Code of Conduct;
- Convene robust governance arrangements for the government funded regeneration programmes, these need to align with the governance standards and policies of the Accountable Body;
- Publish the governance structure and ways of working, agenda, papers and minutes;

Agenda Item 13

Annex 2

- Facilitate and manage the communications and stakeholder engagement;
- Develop a delivery team, delivery arrangements and agreements;
- Engage and manage external specialist resources where funding available and appropriate;
- Ensure that decisions are made by the Board in accordance with good governance principles;
- Ensure transparency requirements are met;
- Provide updates to the Board which manage and report any identified risks and delivery outcomes;
- Undertake any required Environmental Impact Assessments or Public Sector Equalities Duties;
- Ensure a suitable local assurance process is in place;
- Receive and account for the external funding allocation;
- Monitor and evaluate, and submit monitoring reports on the delivery of the programmes;
- Ensure that the Council is not put at any financial, legal, or reputational risk by the Regeneration and Growth Board.

The Role of the Chair

The role of the Chair is to lead the Board in delivering its objectives and work programme effectively. The key responsibilities of the post are to:

- Uphold the Seven Principles of Public Life as set out in Code of Conduct;
- Provide strategic and dynamic leadership for the Board;
- Ensure that all sectors on the Board are actively engaged;
- Run meetings effectively and fairly ensuring the Board adheres at all times to high standards of ethics and governance;
- Exert a casting vote in Board Decisions if circumstances so require;
- Reflect the agreed view of the Board in discussions with partners and stakeholders;
- On behalf of the Board, work with the Accountable Body to ensure there is a strong assurance framework in place for external funding programmes; and
- Ensure through engagement with the Accountable Body, that the funding programmes are not put at any financial, legal, or reputational risk.

Membership of the Board

There are a number of representatives suggested by the Department for Levelling Up, Housing and Communities in their original guidance documents for some of their funding programmes. The suggested organisations include all tiers of local government and the local MP, alongside representatives from The Local Enterprise Partnership (LEP) and other anchor institutions. The Board should also include local businesses, investors and organisations that represent the community.

The Council will be looking for people who consider themselves to have the skills required to put themselves forward as potential representatives. The below table outlines the proposed membership of the Regeneration and Growth Board.

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Lead Council Member	
Council Chief Executive	
Director of Place	
Chair	
County Council Member	
Ramsgate Town Council	
Margate Charter Trustees	
Margate MP	
Ramsgate MP	
Local businesses and investors - Ramsgate	
Local businesses and investors - Margate	
Community	
Community	
<i>Attendees - including but not limited to:</i>	
Head of Regeneration and Growth	
Regeneration Project Manager's	
Cities and Local Growth representatives	
Kent County Council senior officer	

Quorum and Decision Making

The Chair will be appointed by Thanet District Council.

The Vice Chair will be the Chief Executive/Lead Member of the Accountable Body.

The Board shall delegate to the Chair of the Board the authority to make urgent decisions, having consulted by way of email with Board members, where a Board cannot be convened in a timely manner to consider a matter. The decision shall be published as soon as practically possible once taken.

A quorum shall be seven Members present at the meeting, including the Accountable Body.

Each member of the Board shall have one vote which may be cast on matters considered at the meeting, where voting is required.

Any decision of the Board must be a majority decision. In the case of a tie, the Chair or acting Chair will have the casting vote.

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The Board cannot make decisions that puts the Accountable Body (Thanet District Council) in any risk relating to financial, legal, or reputational matters.

Meetings

The Board will meet on a quarterly basis.

The Board may meet at other times during the year as agreed between the members of the Board and may approve recommendations via written procedure. The above section regarding Quorum and Decision Making shall still apply in these situations.

Board meetings will not be open. Other persons and external advisers may be invited to attend all or part of any meeting as and when appropriate as observers and shall be entitled to speak at the meeting with the prior permission of the Chair but shall not be entitled to vote.

Meetings may be taken in person or virtually where required.

With the prior agreement of the Chair, any Board Member may participate in a meeting by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can communicate with each other. Participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and shall be entitled to vote and be counted in a quorum accordingly.

Communication and Reporting Arrangements

Meetings of the Board shall be called by the Accountable Body and the Chair of the Board. The agenda shall be approved by the Chair.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person required to attend no later than three business days before the date of the meeting. Any supporting reports and/or papers shall be sent to each member of the Board and other attendees (as appropriate) at the same time.

The proceedings and resolutions of meetings of the Board, including the names of those present and in attendance, shall be minuted by the Secretariat of the Board. Draft minutes of each meeting will be circulated promptly to all Members of the Board. Minutes of meetings of the Board shall be approved in draft form by the Chair and disseminated to the Board. They will then be uploaded onto the council's website.

Respecting Confidentiality

On occasions the Board may wish to discuss matters where one or more members wish to retain confidentiality. This may include instances where the Board is to issue a press release or arrange an event. In such circumstances, and where specifically requested by one or more members of the Board, all Board members are expected to retain confidentiality in the context of the matters being considered.

Matters may require more stringent levels of confidentiality due to commercial sensitivity. In these instances, the Board may consider the requirement of using non-disclosure agreements in relation to particular discussions.

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Third parties reporting to the Regeneration and Growth Board may wish for their submission to remain confidential due to commercial (and other reasonable requests), these will be considered on a case by case basis.

The Board may amend these Terms of Reference where required, and they will be reviewed on an annual basis. Government may also publish further guidance on their funding programmes which impact the Terms of Reference of this group, where relevant.

Ancillary Matters

Freedom of Information

- The Board and its activities will be subject to Freedom of Information requests, in addition to the Data Protection Act 2018 and the Environmental Information Regulations (various). Provision will be made via the Councils website, and support will be provided by Thanet District Council to manage and respond to such requests.
- It is likely that members of the public may have direct questions that relate to how the Board functions and the decisions it makes. These in the first instance will be directed to the Director of Regeneration to manage, and where appropriate engage with the Chair and/or the Board.

[A Code of Conduct will be added to the Terms of Reference - there is already one for the Margate Town Deal Board]

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Coastal Zone Term Maintenance Contract

Cabinet	21 September 2023
Report Author	Luke Glover
Portfolio Holder	Cllr Steve Albon - Cabinet Member for Cleansing and Coastal Services
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	An Executive Decision that involves incurring expenditure anticipated to be £250,000 or above
Ward:	All wards

Executive Summary:

The council is responsible for the maintenance of structures along 16 miles of the authority's 19 mile coastline. Maintenance works are undertaken by a civil engineering contractor via a term contract. The current contract will expire in January 2024. It is proposed that a competitive procurement exercise takes place for a new 3 year term contract with an option to extend to 5 years.

Recommendation(s):

This report seeks the approval of Cabinet to incur expenditure via a coastal zone maintenance term contract of approximately £1.5m over a 5 year period starting early in 2024.

Corporate Implications

Financial and Value for Money

Coastal zone maintenance is funded purely from general fund revenue budgets. Separate budgets exist for upper promenades, lower promenades, tidal pools and coastal structures such as retaining walls. The combined value of these recurring budgets is currently £244k. Other civil engineering maintenance work at or away from the coastline is sometimes delivered via this contract arrangement (where the work content is a good fit with the contract schedule) and therefore the annual contract value will be indicated as £300k per year in the proposed tender document. For the maximum 5 year duration of the contract the value could therefore be up to £1.5m.

Legal

The project will be competitively procured in accordance with the council's contract standing orders. The council's legal team will undertake the contract award. The council has had similar term contracts in place for coastal zone maintenance works for in excess of 20 years and this type of maintenance contract offers relatively low legal and corporate risk.

Risk Management

This is a relatively high value revenue funded contract but the delivery risk is considered low due to the nature of contract delivery. The work programme is informed by planned and ad hoc inspections by the Technical Services team. Between 100-200 Individual works orders are raised each year for coastal zone maintenance works. The value of the vast majority of works orders is between circa £100 and £8,000. The maximum works order value under the contract is £50,000. Works are supervised and inspected by a member of the Technical Services team and then paid for based on monthly valuations. The contractor is required to undertake risk assessments and plan all works to the satisfaction of the contract administrator.

Corporate

The coastline and coastal access is important to the local economy and particularly to seasonal trade. This contract is vital to the continued maintenance of assets in the coastal zone. Sea walls and coastal protection assets provide important public amenity in the form of a coastal promenade with multiple access points to the foreshore for the benefit of beach users. Sea walls prevent flooding or erosion of land by wave action. These assets are an important part of the local environment that are maintained by the council in accordance with its corporate priorities.

Equality Act 2010 & Public Sector Equality Duty

The proposal has limited relevance to the duty in respect of the protected characteristics. It is the officer's assessment that the duty is not engaged by this proposal.

There is a possibility of short term impacts on pedestrian access whilst maintenance works are undertaken but this will support the long term accessibility of the coastal estate.

Corporate Priorities

This report relates to the following corporate priorities: -

- Environment
- Communities

1.0 Introduction and Background

1.1 The council is responsible for the maintenance of structures along 16 miles of the authority's 19 mile coastline including approximately 11 miles of sea walls. The

coastal zone is a harsh environment and these flood defence and coastal erosion risk management assets which have a present day value of circa £100m, require constant maintenance.

- 1.2 Maintenance works are undertaken by a civil engineering contractor via a term contract. The current contract will expire in January 2024. It is proposed that a competitive procurement exercise takes place for a new 3 year term contract with an option to extend to 5 years.

2.0 Current Situation and Proposed Works

- 2.1 The civil engineering works are primarily associated with the maintenance of coastal defence structures; the works may take the form of responsive repairs, general maintenance, or emergency works for which a 24 hour call out service will be required within a 2 hour response time.
- 2.2 Typical work orders include concrete repairs, handrail repairs, fencing, bituminous surfacing, steel works or drainage works, larger works such as the replacement of promenade berm slabs can sometimes be undertaken via the contract. The majority of the works are undertaken in the vicinity of the lower and upper promenade areas. Some of the works will also be undertaken within the tidal zone and some works may be ordered in locations away from the coastline, for example in car parks and open spaces although the primary purpose of the contract is for coastal works.
- 2.3 The duration of the contract is 3 years. Subject to the right of the council as contract administrator and at its sole discretion, the contract may be extended by up to 2 years. The maximum length of the contract will therefore be 5 years.
- 2.4 The procurement process will be undertaken on the basis of an open tender. All tenders will be accepted subject to the tenderer providing suitable responses to grounds for Mandatory and Discretionary Rejection. Evaluation will be on the basis of price and quality criteria.

3.0 Options

- 3.1 Option 1 - to incur expenditure via a coastal zone maintenance term contract of approximately £1.5m over a 5 year period starting early in 2024. All expenditure shall be in accordance with allocated budgets.
- 3.2 Option 2 - do not approve expenditure on this project. Note, this would effectively mean that assets maintenance could not be achieved in a manner compliant with the council's contract standing orders and the closure of parts of the coastal zone including promenades would be more likely when defects are observed which cannot be repaired in a timely manner.

5.0 Recommendation

- 5.1 That Cabinet approves Option 1 - to incur expenditure via a coastal zone maintenance term contract of approximately £1.5m over a 5 year period starting early in 2024.

Contact Officer: Luke Glover - Deputy Technical Services Manager
Reporting to: Mike Humber - Director of Environment

Annex List

None

Corporate Consultation

Finance: Matthew Sanham (Head of Finance, Procurement and Risk)

Legal: Sameera Khan (*Interim Head of Legal & Monitoring Officer*)

LED Street Lighting Conversion Project

Cabinet	21 September 2023
Report Author	Luke Glover
Portfolio Holder	Cllr Steve Albon - Cabinet Member for Cleansing and Coastal Services
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	An Executive Decision that involves incurring expenditure anticipated to be £250,000 or above
Ward:	All wards

Executive Summary:

The council is responsible for the maintenance of approximately 500 street lights across the district in locations such as car parks, open spaces, coastal promenades and paths. This report sets out the high level purpose of the project and the proposed timescale. A project is included in the 2023/24 capital programme to replace and upgrade some of the existing street lighting with newer technology energy efficient LED fittings.

Recommendation(s):

That Cabinet approves Option 1 - to incur expenditure of approximately £333k for the replacement and/or upgrade of lighting provision at various locations within the district.

Corporate Implications

Financial and Value for Money

A budget of £283k is allocated in the 2023/24 capital programme for the upgrade of existing lighting infrastructure including modern LED technology luminaires and where required, new lighting columns. A contribution of £50k has been approved by Broadstairs and St Peter's Town Council for the upgrade of lighting around Viking Bay in Broadstairs bringing the total budget for the proposed project to £333k.

Legal

The project will be competitively procured in accordance with the council's contract standing orders. The council's legal team will undertake the contract award.

Risk Management

The council is responsible for approximately 500 street lights in the district. This includes the requirement to inspect and maintain the lighting infrastructure. It is important that works to modernise and replace luminaires and lighting columns continues in a planned manner to reduce the likelihood of failures with an associated increase in health and safety risk.

Corporate

Sufficient and reliable lighting in public spaces such as parks, promenades and car parks is essential for the health and safety of all who use those spaces. The proposal to install new technology low energy consumption fittings is well aligned with the Council's Net Zero Strategy.

Equality Act 2010 & Public Sector Equality Duty

The proposal has limited relevance to the duty in respect of the protected characteristics. It is the officer's assessment that the duty is not engaged by this proposal.

Corporate Priorities

This report relates to the following corporate priorities: -

- Environment
- Communities

1.0 Introduction and Background

- 1.1 The council is responsible for the maintenance of approximately 500 street lights across the district. These are generally located around car parks, open spaces, coastal promenades and paths.
- 1.2 A project is included in the 2023/24 capital programme to replace and upgrade some of the existing street lighting with newer technology energy efficient LED fittings. This will not only reduce energy consumption in line with the Council's net Zero Strategy, the fittings also have a much longer design life so will also reduce future maintained visits to replace luminaires.

2.0 Current Situation and Proposed Works

- 2.1 The street lighting is the subject of routine inspection and maintenance but much of the lighting stock is in poor condition. The lighting technology is generally old with high energy consumption light fittings which are the subject of more frequent failures than modern equivalents.

- 2.3 It is proposed to procure a lighting contract. This will include the upgrade of luminaires to modern low consumption and low maintenance LED units. Where necessary the contract will also include the replacement of defective lighting columns on a priority basis based upon inspection and condition assessment.
- 2.4 Works are anticipated to start in January 2024 and be completed by July 2024
- 2.5 A sum of £283k remains in the 23/24 capital programme following some urgent works in 2022/23 with a value of £95k. Broadstairs and St Peter's Town Council has also approved a £50k contribution to this project for the upgrade of lighting at Viking Bay in Broadstairs.

3.0 Options

- 3.1 Option 1 - to incur expenditure of approximately £333k for the replacement and/or upgrade of lighting provision at various locations within the district.
- 3.2 Option 2 - do not approve expenditure on this project. Note, there is insufficient revenue funding to maintain the lighting stock without the proposed capital upgrade work and this would lead to some columns being disconnected or removed due to their condition in the short term.

4.0 Recommendation

- 4.1 That Cabinet approves Option 1 - to incur expenditure of approximately £333k for the replacement and/or upgrade of lighting provision at various locations within the district.

Contact Officer: Luke Glover - Deputy Technical Services Manager
Reporting to: Mike Humber - Director of Environment

Annex List

None

Corporate Consultation

Finance: *Clive Bowen (Finance Manager) Matthew Sumner (Capital Treasury Accountant)*
Legal: *(Sameera Khan - Interim Head of Legal & Monitoring Officer)*

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TDC Electricity Supply Tender

Cabinet	21 September 2023
Report Author	Matthew Sanham (Head of Finance, Procurement and Risk)
Portfolio Holder	Councillor Rob Yates, Cabinet Member for Corporate Services
Status	For Decision
Classification:	Unrestricted
Key Decision	Yes
Reasons for Key	An executive decision that involves expenditure over £750k
Ward:	All

Executive Summary:

This report seeks authority for the Council to enter into a new contract for the supply of electricity to 264 sites within TDC's portfolio that is within the approved budget.

The Council is required to ensure best value for money when procuring its contracts and as such the Council is required to re-procure its Electricity Supply contract before the renewal date of 1st October 2023.

The value of the estimated contract is detailed in the report and exceeds £750k.

Recommendation(s):

Cabinet is asked to agree to letting of the contract for electricity supply services as laid out in the report.

Corporate Implications

Financial and Value for Money

The contract is estimated to cost £880k over the 1 year term. This cost is based on a submission from one supplier as at 29 August 2023. Due to the volatility of energy prices this changes on a daily basis.

LASER Energy is a trading style of Commercial Services Kent Ltd - A Company wholly owned by Kent County Council.

LASER's Procurement Team (KCC) will run a mini tender based on our current requirements under a framework containing multiple suppliers for the supply of the electricity.

Legal

It is important that the Council maintains an electricity supply to all its 264 sites which include HRA properties, Port and Harbour and Council Offices.

Procurement of the contract will be in accordance with the Council's CSOs and will ensure that value for money is maintained.

Corporate

The provision of electricity supplies to Thanet Council sites is an essential service to maintain the operations within the sites.

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.

The required service to be procured will protect the Council and will ensure that financial interests of the Council and taxpayers are protected.

CORPORATE PRIORITIES

This report relates to the following corporate priorities: -

- Growth
- Environment
- Communities

1.0 Introduction and Background

- 1.1 The Council's current electricity supply contract comes to an end at the end of September 2023 and requires reprocurring to ensure ongoing value for money.

- 1.2 The Council currently maintains its utility services with a number of different suppliers and the intention is to get all sites under the one supplier.
- 1.3 Electricity supplies are vitally important to all Council owned properties which include but limited to; Council Offices, Port and Harbour sites, Housing properties including tower blocks, Toilets, Cemeteries and Crematorium, Coast Protection and Car Parks
- 1.4 Cabinet approval of key decisions are required for any expenditure that is for a contract over a number of years with an expected value in excess of £750k.
- 1.5 The letting of a contract for the Electricity supply is therefore considered a key decision.
- 1.6 It should be noted that the Electricity supply will be provided on a renewable tariff at the time of contract signing.

2.0 Options

- 2.1 Only two options have been considered.
 - a. To procure a new contract for the Electricity supply, with the objective of securing best value for money for the Council;
 - b. To not procure a new contract, which could mean being charged un-favourable Out of Contract rates with the current supplier.
- 2.2 To not maintain the current contract is deemed not to be an option given the risk this would pose to an increased cost to the Council.

Contact Officer: Zoe Harrison (Financial Systems, Income and Payments Manager)
Reporting to: Matthew Sanham (Head of Finance, Procurement and Risk)

Finance: Chris Blundell (Director of Corporate Services - Section 151)

Legal: Sameera Khan (Interim Head of Legal & Monitoring Officer)

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