

OVERVIEW & SCRUTINY PANEL

Minutes of the meeting held on 18 June 2024 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Phil Fellows (Chair); Councillors D Green, Austin, Bright, Britcher, Currie, Davis, Farooki, Paul Moore, Packman, Pope, W Scobie, Wing and Wright

In Attendance: Councillor J Bayford

28. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Kup substituted by Councillor Wright.

29. DECLARATION OF INTERESTS

There were declarations of interest made at the meeting.

30. MINUTES OF PREVIOUS MEETING

Councillor Green proposed, Councillor Britcher seconded and the Panel agreed the minutes to be a correct record of the meeting held on 21 May 2024.

31. BOAT HOIST REPLACEMENT

Tony Marmo, Head of Coastal and Public Realm introduced the report and made the following comments:

- This report sets out proposals for Cabinet's approval to undertake the procurement and award of a contract to purchase a replacement boat hoist for Ramsgate Royal Harbour and to delegate authority to the Director of Environment to agree the final terms and sign the contract with the successful bidder;
- The boat hoist is a key asset to Ramsgate Royal Harbour, generating an income of around £95,000 per year through its use and the boat hard-standing area;
- The existing boat hoist at Ramsgate Royal Harbour is 30 years old and is showing signs of wear. During the last LOLER inspection, the boat hoist was downgraded to 32.5tonnes instead of the original 40 tonnes. The cost to restore the boat hoist to its 40 tonne capacity will be £67,000;
- Due to the age of the vehicle, keeping it in a suitable operational condition will incur large costs year on year, which are additional to the £67,000, which would need to be spent now. These costs are not currently accounted for in the Ramsgate Royal Harbour budget;
- The Ramsgate Royal Harbour long term tenants such as ESL pilotage, RNLI lifeboats and the fishing fleet require the boat hoist to be able to lift more than 32.5 tonnes and for this reason are travelling to Dover for Boat Hoist and repair services;
- The cost of a new boat hoist was budgeted for as part of the £674,000 2024/25 budget in the Maritime Vehicle & Equipment Replacement Programme. The cost of a new machine is in the region of £260,000 to £300,000.

Tony Marmo then requested that the Overview and Scrutiny Panel review the report and consider any representations it wished to make to Cabinet ahead of its meeting on 25 June 2024.

The Panel discussed the report and asked what the size of the tonnage will be for the new boat hoist and whether any insurance arrangements had been made.

Tony Marmo and Matthew Kenney advised the Panel that the new boat hoist will have a capacity of 40 tonnes and will be a like for like replacement of the existing boat hoist. The insurance cover was in place, under the Council's current insurance arrangements.

The Panel noted the report.

32. JACKEY BAKERS RECREATION GROUND PAVILION

Tony Marmo introduced the report and made the following comments:

- The Council received a petition on 30 June 2023 relating to the Council's management of the public open space, Jackey Bakers Recreation Ground;
- On 14 December 2023, Cabinet approved the next steps to be undertaken by officers in response to the petition. This included approving the demolition of the existing pavilion and the purchase of a temporary portacabin style changing facility once demolition has occurred;
- On 28 March 2024 Council agreed that a capital budget of £370,000 be allocated to facilitate this and this budget is now available for 2024/25;
- The existing pavilion building at Jackey Bakers Recreation Ground is dilapidated and presents a health and safety risk. It is beyond economical repair and is currently fenced off to prevent unforced access to the perimeter of the building;
- This report sets out proposals for Cabinet's approval to undertake the procurement and award of a contract to demolish the existing pavilion, erect a temporary changing facility and to delegate authority to the Director of Environment to agree the final terms and sign the contract with the successful bidder;
- A RIBA stage 2 Cost Plan undertaken by consultants B&M has estimated the value of the contract at £360,000;
- B&M have also undertaken building and services surveys and produced a contract specification for competitive tendering based on the plans and designs they have also produced;
- Planning prior approval for the demolition of the existing pavilion was granted at the Planning Committee held on the 13th December 2023;
- A further application for planning permission to erect the temporary pavilion has been submitted in early May 2024.

Tony Marmo then requested that the Overview and Scrutiny Panel review the report and consider any representations it wished to make to Cabinet ahead of its meeting on 25 June 2024.

The Panel discussed the report, made comments and asked questions as follows:

- This was a big step forward and it was good to note that the Council was responding to petitions from residents;

- There were some concerns in the last few months regarding health and safety issues around the facility;
- Fencing-off the premises was the right decision that had been taken. However it appeared as if the changing rooms were still being used even after the premises had been fenced-off;
- Children had been seen on the roof where there was potentially hazardous material. In view of this, was this property not a Council liability?
- How long would the temporary facility be in place, before a permanent structure is installed?
- Would the temporary facility be able to host teams if they were to attend the Kent Cup Competition?
- Would the new temporary structure have facilities for women, men and children?
- How would the Council make the building safer?
- The site was isolated and one way of providing more security for it was looking for a joint operator. Had the Council considered this option as this would ensure that the facility was fully utilised?
- Did the £350k project costs include the costs for a connection to services?
- When would the changing rooms be ready for use?
- What lifespan did the temporary structure have?
- With housing development in Haine Road, there would be more footfall as more people would potentially be using the facility.

Tony Marmo and Bob Porter, Director of Place responded as follows:

- As soon as officers became aware of health and safety issues the structure was closed. Since then new signage and fencing have been put up to ensure a secure area has been created;
- Officers conduct a daily check of the premises to ensure the site is safe and secure;
- Under planning permission conditions, the temporary structure could be used for up to two years;
- Officers were currently developing a project to take forward the master plan for the site;
- There were external funding opportunities for new sporting facilities. Officers were currently talking to Kent FA and Active Kent about such opportunities;
- S106 agreement funding would normally be used for new sports facilities;
- As there are 4 changing rooms officers would have to make arrangements for how the temporary facilities could be used depending on the scheduled of matches;
- Pitch power assessments have been done by the Open Spaces team in conjunction with the Kent FA. The pitch power funding for drainage works based on the assessment, could only be applied for by community groups or football clubs;
- There will be future discussions on whether the safety fencing currently surrounding the pavilion would be kept and these discussions would involve the community;
- Officers will consider if the current daily checks being done could be continued when the temporary structure is completed;
- The temporary facilities would have accessible facilities;

- Officers would only know when the changing rooms would be ready for use once planning permission has been granted and the contractor procured, but it certainly would not be at the start of the new season;
- The temporary building would have a good lifespan as long as it was not vandalised. This was a facility that could be used elsewhere once a permanent building was put up.

The Panel noted the report.

33. EXTENSION TO THE ALCOHOL PUBLIC SPACE PROTECTION ORDER

Penny Button, Head of Neighbourhoods introduced the report and said that the new Order was a combining the Alcohol PSPO and the other current PSPO. The current two PSPOs only covered the urban areas and the proposed Order would now cover some rural areas as well. The Panel was requested to review the proposals in the report.

The Panel discussed the report, made comments and asked questions as follows:

- Some residents had raised concerns regarding the content of the proposed Order, which did not define harassment and stress. Was there an increase in this type of crime or were there hotspots for such crimes that would provide justification for effecting such an Order?
- It was important for the Council to protect freedom of speech. The proposed PSPO was legally flawed and could be legally challenged;
- Has there been a reported increase in anti-social behaviour?
- What was the argument for increasing the extent of the Order? Would it not result in a decrease in resources available for enforcing the Order?
- Who was the authorised person to enforce this Order?
- Did KCC have community wardens who could help with enforcement of the Order?
- Was this new Order going to replace any other provisions in the current Order?
- One Member raised the concern that whilst welcoming the proposed PSPO, it should be noted that anti-social behaviour was being pushed to those areas not covered by PSPOs;
- In addition to PSPOs, were there any preventative measures planned?
- How many officers did the council have to enforce the PSPO and were there any plans to take on extra officers for the summer months?
- How could the Council educate women that harassment was a crime so that they could report such incidents?
- Could the Order be used retrospectively?
- What was the burden of proof for reporting such crimes?
- Could individuals use their mobile phones to record and report incidents?
- The Order should be more focused in its application as there were usually repeat offenders;
- Did the Council signpost people to services for them to understand the impact of these behaviours for both victims and offenders?
- It was important to ensure that this new Order could be enforced;
- It was also important to be more focused when making recommendations to Cabinet.

Penny Button and Mike Humber responded as follows:

- Paragraph 7 was the addition, but the rest was still the same as was in the current Order. Definitions were in the legislation;
- There had been an increase in harassment of women over time;
- The Council through the Community team was already undertaking most of the work for enforcing the PSPO;
- TDC Officers and Kent Police were the authorised persons to enforce the Order;
- There was currently a challenge with street drinkers and this was something the Council was looking into;
- KCC wardens would not be given that authority to enforce the PSPO;
- Paragraph 7 was not a replacement of any provisions of the current Order but rather an additional tool for enforcement;
- The Council had a strategy that had actions for preventing offending. These actions were to be rolled out in the next twelve months;
- There currently were five officers in the Community team, including the manager. Kent Police were looking to increasing officer numbers;
- Officers were going to check on the actual police officer numbers to be added and report back to the Panel;
- The Council conducted some awareness campaigns to educate women on the crime of harassment. Officers would check if these campaigns included school visits and reports to the Panel;
- Officers used Community Warning Notices as the first action against offenders. That would be followed by a Community Protection Notice and any further re-offending would result in a fine;
- The burden of proof was the likelihood of something happening and it was to be reported at the time this incident was happening;
- This new Order was not meant to stifle freedom of speech but to address situations where individuals felt intimidated moving in streets where there were street drinkers;
- The council uses restorative justice in some areas;
- Any recommendations for additional funding to enforce the PSPO would have to go to Full Council for approval and this could be included in the budget proposals for 2025/26.

Councillor Green proposed and Councillor Wing seconded that the Panel recommends to Cabinet following that:

The Panel had concerns about resources for enforcing the PSPO and the justifying enforcement without adequate resources.

When put to the vote the motion was lost.

Councillor Austin proposed, Councillor Wing seconded and the Panel agreed to forward to Cabinet the following recommendations, that:

The Panel had concerns about resources for enforcing the new combined PSPO.

34. PURCHASE OF HOMES AT PHASE 3, SPITFIRE GREEN, NEW HAINE ROAD FOR AFFORDABLE RENT

Ashley Jackson, Head of Housing and Planning introduced the report and made the following points:

- Council approved an accelerated affordable housing development programme of at least 400 new homes, constructed or acquired, by 2027;
- Officers were already working in partnership with BDW on a number of sites, and they contacted the Council regarding Phase 3 at Spitfire Green, New Haine Road;
- Although they had made enquiries with other Registered Providers, no offers for the units had been received and they were keen to maintain continuity throughout the sites by working with us. These homes were anticipated to be EPC B and construction would start early next year;
- The capital cost for these 32 Section 106 affordable rent units at Phase 3 of Spitfire Green, New Haine Road, Ramsgate was £4,050,000 and £212,000 for associated costs;
- Paragraph 3.4 shows that the proposed purchase would generate a cash flow deficit in year 1 of £43,813 with a break-even point in year 16, with surpluses accumulating between year 16 and year 50. The project shows a surplus over a 30 to 50 year period;

- The Council was being very proactive in its approach to what had been described as the 'market failure' across the South East;
- Councils and developers from Kent, Essex and East Sussex had been discussing the difficulty in sourcing registered providers to take the affordable housing set aside in s106 allocations. Thanet was among those councils seizing the opportunity and stepping in. This was actually having multiple positive impacts, as it was achieving the following:
 - § Ensuring those affordable homes are not lost to the open market;
 - § Providing homes that can be not only let to those on the housing register but directly let through local lettings plans to those in temporary accommodation;
 - § Actually helping developers with their investments in our district.

- However, the changes to the multiple dwellings relief for Stamp Duty Land Tax (SDLT) that was announced in the Spring 2024 budget had provided a further obstacle to the Council's due diligence and viability tests to buy larger numbers of homes;
- The Council had since written to the Chancellor of the Exchequer to raise with them these concerns. Officers realised the rationale for bringing the measure was to prevent perceived abuse of the rules and speculative claims for relief, but increasing the amount of SDLT Councils pay on larger acquisitions had the significant potential to adversely hamper attempts to deliver the positive outcomes listed above;
- As the homes had been designated as affordable homes in the planning consent and section 106 agreement, they had been designed specifically for that purpose and accordingly were considered appropriate for the HRA, in line with the needs of households on the council's register or those living in temporary accommodation. There was a significant level of need for 1-bedroom homes, as well as for larger family homes. The unit sizes and the mix of dwellings were as follows:
 - 18 x 1 bed units
 - 14 x 2 bed units

- It is proposed that the new homes be let in accordance with the council's adopted allocations policy.

Ashley Jackson then requested members of the Overview and Scrutiny Panel to review proposals detailed in the committee report and consider any representations to Cabinet in ahead of its meeting on 25 June 2024.

The Panel discussed the report, made comments and asked questions as follows:

- How long was the borrowing for?
- Although the right to buy was not an issue, it should be noted that after fifteen years the tenant would get a large discount. If the project's break-even would be realised in year sixteen, what risk exposure would the Council have for the future?
- Was the right to buy not a risk to the Council, as there was the potential to lose millions due to the discount?
- The Council needed to continue to provide social housing in order to push private sector housing rent levels down;
- How did the Council factor in risk into the business model for this programme?
- One Panel member said that they the Council should be weary of the possibility of Aa Section 114 Notice;
- They further asked if the Housing Revenue Account was stress tested;
- Did the Council also consider the impact of projects on the delivery of other services?
- Did officers use net present value to check viability of the project models used?
- How many houses had been offloaded to other social landlords and how many more did they have?
- The Council should ensure that more local residents should have access to these houses.

Ashley Jackson, Bob Porter and Matt Sanham responded as follows:

- The borrowing was for thirty years;
- Right to buy would have some impact as there were three hundred of the 3,500 properties owned by the Council;
- There was a risk posed by the right to buy the facility. In the business plan, officer carried out prudent forecasting of risk of the right to buy and the Finance team helped with that forecasting exercise to mitigate the risk;
- It was worth noting that the economic ability of the tenants determined whether they could exercise their right to buy. Officers were of the view that the risk was manageable;
- Officers had stress tested the HRA. Interest rates and inflation were the key variables. The Finance team had carried out the analysis. The Business Plan was also stress tested with different interest rates. Currently the rent policy was also a key factor to consider;
- It was also worth noting that the HRA could be managed in a deficit;
- The housing programme did not impact any service delivery for other service areas;
- This housing programme was opportunity led and officers kept an eye on interest rates for developments;
- There were developments in Spitfire Green and another in Minster;
- The Council knew it was buying these properties, but did not have control on who could or could not buy the properties. The feedback the Council was getting was that local young people were also buying properties in these developments.

The Panel noted the report.

35. TDC ELECTRICITY AND GAS SUPPLY TENDER

Matt Sanham, Head of Finance and Procurement introduced the report and made the following comments:

- The proposals before the Panel were for a four year contract for the Council's maximum demand sites detailed in the report;
- The proposals were also for the Council to move 246 sites that were currently being provided with gas and electricity for a fix term fixed price contract to a new flexible contract;
- The new contract would cover the Council's main operational sites as well as the Council's housing portfolio;
- In the new contact, there would be an endeavour by the Council to use a hundred percent renewable energy.

The Panel discussed the report, made comments and asked questions as follows:

- When the Council set the current budget, was there an assumption that there would be a reduction or was there a potential virement to follow?
- What social value would the Council get from any new contract arrangement?
- The Council should consider selling the aspect of social value for future contract arrangements;
- Are any potential savings going to be passed on to leaseholders?
- The positive issue in the proposed contract was that usage would now be based on actual usage rather than estimates;
- What was the justification for spending £200k on the ferry terminal when it is not in use?

Matt Sanham responded as follows:

- There was no cost reduction factored into the 2024/25 budget;
- Officers had no inclination on whether in future there would be a reduction as there was no evidence to support any view at the moment;
- There would be notional savings and therefore there is no plan for officers to report changes per se;
- It was difficult to quantify the social value that would come with such a contract. However the vast majority of the properties that were included in this proposed contract were in the Council's housing stock. Therefore the lower the cost of the utilities levied, the better quality of life for those residents;
- The rollout of the meter max system would provide for more accurate charging for the use of energy. This system would ensure that users would be charged for the actual amount of energy used;
- Not all commercial sites were to be included in these proposals. There were specific sites highlighted in the report;
- The contract was not just for the terminal but also for all the utilities at the port more widely.

The Panel noted the report.

36. REVIEW OF OVERVIEW & SCRUTINY PANEL WORK PROGRAMME FOR 2024/25

The Chair invited the Panel to comment on the report. Panel members requested that the current be reviewed at the next meeting as it contained some criteria that were out of date. They said that the scoring matrix should be a working document that was flexible enough to respond to urgent merging issues that would require the attention of the Panel. It would mean such urgent matters could jump the list of scrutiny topics. They also requested for training by the Monitoring Officer on new guidance for scrutiny that was published by the government.

The Chair asked for suggestions on topics for the cabinet member presentations for future meetings, in order to give Cabinet Members enough lead time to prepare. One committee member requested for a presentation on parking at either the 15 October or 19 November meeting. Another suggested a presentation by the Leader on the Council's progress as measured against the five corporate priorities. There was also a request for a presentation on Key Performance Indicators by the Property team.

The Panel also requested that a report be brought to a future meeting on Cabinet responses to Overview and Scrutiny Panel scrutiny review reports and recommendations. This would include responses to the Panel's Coastal Review report and Tourism Review report.

Councillor Austin, Chair of the External Grant Funding Review Working Party gave an update report on the work of the working party. Councillor Austin said that the sub group had held an evidence gathering meeting with Council officers from Regeneration, Community and Finance teams on 6 June. A meeting would be arranged with infrastructure organisations and local voluntary community organisations respectively in July after the General Elections.

Nick Hughes advised the meeting that Cabinet was required to respond to Panel review reports. He also said that the officers were currently working on updating service plans for their various service areas. Once that exercise is completed, that would be the best time to invite the Leader to a Panel meeting to make a presentation on corporate priorities.

Bob Porter also advised the Panel that teams in his service areas were also going through a review of the service plans and working on new KPIs for the portfolio areas, statutory compliance and conditions of commercial properties. They were also working on a new project planning process that included post project management. Any new projects would in future have to go through this new framework.

The Panel agreed the following:

- The terms of reference of the External Grant Funding Review Working Party as detailed in Annex 4 to the report;
- That the External Grant Funding Review Working Party report back to the Panel on their review work at the 17 September 2024 Panel meeting;
- The Protocol for establishing the Panel's future working parties;
- That an item on developing a new scoring matrix for prioritising scrutiny projects be added to the 16 July 2024 Panel agenda;
- That Councillor K. Bright be invited to the 15 October 2024 Panel meeting to make a presentation the Parking portfolio;
- That a report back be made to the Panel on actions taken by Cabinet in response to scrutiny review reports and recommendations to Cabinet.

The Panel noted the report.

37. **FORWARD PLAN & EXEMPT CABINET REPORTS LIST**

The Panel noted the report.

Meeting concluded: 9.14 pm