

OVERVIEW & SCRUTINY PANEL

Minutes of the meeting held on 15 October 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, Kup, Nichols, Pope, W Scobie, Wing and Worrow

In Attendance: Councillors Albon and J Bayford

40. APOLOGIES FOR ABSENCE

Apologies were received from the following members:

Councillor Farooki;
Councillor Paul Moore, substituted by Councillor Nichols;
Councillor Packman.

41. DECLARATION OF INTERESTS

There were declarations made at the meeting.

42. MINUTES OF PREVIOUS MEETING

Councillor Kup proposed, Councillor Britcher seconded and the Panel agreed the minutes to be a correct record of the meeting held on 17 September 2024.

43. CABINET MEMBER PRESENTATION

Councillor Albon, Cabinet Member for Cleansing Services made a presentation at the meeting during his presentation made the following points:

- The current rate of recycling in the district was 35.4%. That rate placed Thanet District Council (TDC) at position 250 out of 343 councils in England and eleventh position out of twelve councils in Kent County;
- The above figures needed to be considered in a given context which is that Thanet District is none of the most deprived areas in the county in comparison to other areas;
- Currently TDC was receiving £310k annually from KCC for the waste collected by the Council. This payment would be replaced with a performance related payment which is the Extended Producer Responsibility Scheme (EPR);
- This scheme was a regulatory reform effort to seek cost recovery from waste collection;
- This new approach meant that the Council would need to ensure that collection rates increased in order to get increased payments from KCC;
- The path to improve waste collection would include offering recycling to all households, promote garden waste collection service and adhere to the service standards for waste collection to ensure that there was no residual waste being collected;
- Council would consider offering bespoke service for households that have storage space challenges like those living in flats;
- Additional investment would need to be considered by the Council;

- It would be a statutory requirement that all households would need to be offered food waste collection by April 2026;
- TDC had received £142k as transitional funding for this change;
- There was capacity for increasing garden waste collection by another 3,000 households;
- The July promotion had increased the garden waste collection by 194 households. This promotion would be repeated in April 2025;
- The Council would re-trail leafing.

The Panel asked questions and made comments as follows:

- One member said that if the Council did not collect residual waste, it might end up in the streets. They further asked how the Council make households change their behaviour regarding waste collection;
- The member suggested that rubble bags could be offered to households;
- Another member said that it was encouraging to note that the Council was trying to find best ways for increasing household waste collection. They also asked if sharing of bins between neighbours could be considered. The member asked how the large red bags were proving to be a good way of collecting waste in HMOs and flats;
- The Member further asked if new bins would be distributed to residents;
- One member asked if there would be consideration of seasonal peaks and ebbs regarding waste collection in order to create flexibility for the service;
- They also said that in instances where households were constantly leaving excess waste, they could be offered larger bins;
- Another member welcomes the mixed recycling waste initiative. They asked if this approach would cover the whole district or would be for a proportion of the households;
- They also asked how the new EPR scheme would impact on TDC;
- One member asked if there were any plans for setting up recycling plants in the district and whether these could be placed at sites close to where households did not have storage;
- They further asked if there were any plans for recycling plastics;
- Another member asked if the Council was going on schools outreach as a way of getting through to families;
- One member asked what the impact of KCC cuts were on TDC's recycling service;
- One member asked if information on services provided for each street could be shared with members and whether information on the percentage of households that were recycling in comparison to those that had a service provided;
- Another member asked how the new changes to the service would be shared with residents.

Councillor Albon, Matt Elmer, Head of Cleansing Services and Mike Humber, Director of Environment responded as follows:

- For TDC to bring recycling rate up, some new initiatives should be adopted and this would take some time to achieve as I would require a gradual process;
- Communal bins worked very well specially for those properties along the seafront;
- HMOs were still a big challenge. The enforcement team would need to look into HMOs;

- Moving forward the Council would like to phase out red bags and replace them with red bins;
- Changing behaviour through education was another way of improving household waste collection;
- Mixed recycling for about 12,218 households was the best approach for increasing recycling;
- The current quality of recycling was very good. The Council would like to maintain that quality;
- The Council would know in November how much it would get from the new EPR scheme, but it would be substantially more than the current payments. That fund would be invested in the district;
- Plastic wrappers would be coming on stream for recycling;
- Historically the Council has had problems with contamination at recycle sites. This was in addition to fly-tipping;
- Kerb sites were a better option as these would be close to households that needed them;
- The Council had an education officer who went around schools to make presentation and encourage children to recycle household waste;
- KCC cuts had not significantly affected TDC. However lack of contact from KCC Highways was an issue that needed addressing, particularly on issues relating to waste collection vehicles finding it difficult to access some streets across the district when on collection rounds due to drivers parking on double yellow lines;
- When new changes became imminent, the Council would issue out some communication and get the message out to residents. Such options like letter drops and door knocking would be considered;

The Panel noted the update and thanked Councillor Albon for the presentation.

44. MARGATE HARBOUR ARM BUILDING IMPROVEMENTS

Andreea Plant, Head of Property introduced the report and made the following points:

- This report was in relation to the procurement and award of a contract to undertake essential improvements to the concrete roof structure and installation of a hand railing to the upper walkway at the Margate Harbour Arm, Stone Pier, located at Margate. The estimated value of the contract will be circa £320 thousand;
- The Margate Harbour Arm is both an important historic structure being Grade 2 Listed structure and the home of a number of different businesses. The Council was currently responsible for all external and structural repairs and maintenance. The building's exposure to the harsh environment in its location had increased the weathering effects to the structure. Without this crucial maintenance of the roof structures, the building would in the near future become difficult to let out leading to a loss of income for the Council;
- In relation to the hand railings, there was currently a risk to the public, who may gain unauthorised access to the roof area during busy periods. This posed a risk with regards to both the loading to the structure and the risk to the person of falling off as there was no edge protection;
- A capital budget of £320k was approved to be funded from the Property Enhancement Fund for the financial year 24/25.

Members of the Overview and Scrutiny Panel were asked to:

1. Note and scrutinise the report and consider any representations to Cabinet in advance of its meeting on 24 October 2024, where it is recommended that Cabinet:
2. Approves the key decision to award a contract with a value in excess of £250k to undertake essential roof improvements to the building structures and the installation of handrails to the upper walkway of the Harbour Arm, Stone Pier, following a procurement exercise.
3. Agrees that the Director of Place shall negotiate the final terms and sign the contract with the successful bidder.

A member asked whether there would be any impact on the operations of the businesses and whether the new railings would stop the public from trespassing.

Andreea Plant said that it was difficult to determine whether the new railings would be a deterrent to trespassing.

The Panel noted the report.

45. FUEL SUPPLY CONTRACT

Matt Kenney, Maritime Operations Manager and Harbour Master introduced the report and made the following comments:

- This report was about the procurement and award of a contract for the supply of fuel at the Ramsgate Royal Harbour;
- The estimated value of the contract will be £140k per year over a 7 year contract. This is 4 years with the potential for a further 3 year extension. This makes the total estimated contract value of £980,000;
- Ramsgate Royal Harbour owns its own fuel barge to which it can supply customers with three types of fuel; Red FAME free Gasoil, White Gasoil and Unleaded petrol. In order to maintain the supply Ramsgate Royal Harbour requires a fuel contractor that can supply the above fuel at a reasonable rate within an appropriate timescale when requested;
- Without the supply of fuel many of the harbour customers and visiting craft would not be able to use their boats and would therefore have to berth at different marinas. This would see a massive loss of income for the harbour.
- The Overview and Scrutiny Panel was asked to scrutinise the report and consider any representations it wished to make to Cabinet in advance of the Cabinet meeting on the 24 October 2024 and note and comment on the two proposed recommendations to Cabinet, as follows:
 1. Approve the key decision to award a contract with a value in excess of £250k and thought to be approximately £980,000 over a 7 years period, to supply fuel at the Ramsgate Royal Harbour, following a procurement exercise;
 2. Agree that the Director of Environment, having sought advice from legal services, agree the final terms of any contract award and sign the contract with the successful bidder.

The Panel noted the report.

46. PURCHASE OF LAND AT EATON ROAD, MARGATE FROM SOUTHERN HOUSING IN THE HOUSING REVENUE ACCOUNT

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

- The subject of the report is the purchase of the land from Southern Housing at Eaton Place, on Eaton Road in Margate;
- This land was currently owned by Southern Housing and the Council had been in negotiations for the past 18 months to acquire the land in order to keep the homes that were delivered on that site as affordable housing;
- It is important to note that the site currently had 78 units split in 2 blocks; 36 were for social rent and 42 were market rent;
- Southern Housing had been working hard to decant both blocks. However, they only had to offer alternative accommodation to the social housing tenants. They had rehoused these tenants in other Southern Housing units as well as in other Housing Association units. TDC had rehoused 2 households;
- The Council would not exchange contracts with residents in-situ and the contract would ensure that the land was unencumbered. There were currently seven households still there, who Southern were working closely with;
- The Council had negotiated an offer of £600,000 for the land and this represented excellent value (at £10,000 per plot) for potentially 60 properties it would likely seek to build on the footprint. This was a very important deal;
- Southern could have chosen to sell on the open market which meant that there the Council could have lost the opportunity to add to the affordable homes numbers;
- This was a good example of partnership working between the Council and Housing Associations in the local area;
- The report also proposed that the Council contributed towards 50% of the demolition costs, up to a maximum of £300,000. This would ensure joint management of the demolition process;
- The proposed purchase did not come without risk. For example, the site did not have planning permission for replacement units. However as the site was already residential units, it was not envisaged to be an issue. It was also subject to grant funding from Homes England but this was expected to be within the 26-29 bidding round. Officers were not anticipating any problems;
- This paper also proposed to appoint a design team to progress redevelopment designs to RIBA Stage 3/4.

Members asked questions and made comments as follows:

- One member said that initially it was reported that it was the land that was the problem on this site;
- They further asked who had signed off the buildings as meeting the acceptable standards;
- Another member asked why the Council wanted 60 properties out of the 78 properties available;
- One member said that this was a real success story as all these properties could have gone to the private sector;
- Another member asked how long the project would take to complete.

Ashley Jackson responded as follows:

- The problem was never about the land, but the properties that had been built;
- The buildings were not signed off by the Council's Building Control team;

- TDC elected to purchase 60 properties after considering what it wanted to put up on this site;
- The project would be completed in 18 months from March 2025, after the properties become empty.

Members noted the report.

47. THANET PATHFINDER PROJECTS - PROCUREMENT APPROVALS

Louise Askew, Head of Regeneration and Growth introduced the report and made the following points:

- This report was part of the formal process required in delivery of the programme. The Council had been through a process to review the best procurement method for each of the Pathfinder Schemes on the basis of the geographical location of the projects, the timescales for delivery and the value of the projects;
- The report related to four of the Ramsgate schemes and was a key decision as the contract value was over £250,000. This Panel was asked to note and scrutinise the report and consider any representations to Cabinet in advance of its meeting on 26 October 2024. The proposed recommendation to Cabinet, was as follows:
 1. Cabinet is asked to authorise the procurement and award of contracts for a number of procurements for projects in the Simplification Pathfinder Project through the SCAPE Framework. The schemes are Clock House, Pier Yard, and the Highways Works - which are now combined and the Green Campus project;
 2. Cabinet is asked to authorise the procurement and award of contracts for a number of procurements for projects in the Simplification Pathfinder Project through the SCAPE Framework.
- The interventions identified in the report had already had approval for their selection in the Future High Street Fund and Levelling Up Fund Bids, and were prioritised as part of the Simplification Pathfinder Pilot investment Plan. This report was part of the procedural requirements of the council to gain approval for the procurement;
- There were several steps of delivery for these government-funded programmes following the award of funding. This included planning permissions and various Cabinet permissions. It also included different stages of procurement, lease disposals, management and governance arrangements to support the project's delivery. The procurement of contractors; whether they were individual contractors or under a one Tier 1 contract as being proposed, would need a cabinet decision. The Council was at the right stage in the project's delivery to procure the contractors for these Ramsgate projects;
- The project team worked up the procurement strategy, engaged with the market and discussed the procurement strategy at the relevant internal project meetings. This report did not outline detail about the individual projects and the detail had been presented at various engagement events. Further engagement events would happen where required in each of the projects and most notably was the Pier Yard and Highways interventions.

Members asked questions and made comments as follows:

- One Member said that the amount of funding available was £1 million less than the original bid. They asked what had the money been spent on due to the clustering of projects, was there a danger that funding for project would be used for another, particularly where there was the Green Campus project which as underfunded;
- They also asked if the final designs would be shared with councillors and the public;
- Another member asked whether there were elements of the project that could be pulled out without affecting the project;
- They further asked if using a single contractor posed a risk that they would sub contract leading to the Council losing control over the project works;
- One member said that councillors had been advised that the fishing project was not viable. They also said that Phases 1&2 had not been consulted on and that there was no match funding for these phases;
- Another member said that this was a good news story. Funding was allocated to the Council without adequate notice. It was worth noting that small councils did not have the capacity of large teams to manage such large projects;
- A member said that the Regeneration team had done a great deal of work to get the projects where they were;
- They also said that final designs of the two projects should be shared with councillors before implementation;
- Another member said that they were concerned by the design of the Pier Yard Car Park. They said that it was imperative that the fishing industry had 24/7 access rather than allocated time slots;
- A member asked for time scales and the process for awarding the contracts. They said that councillors should be informed first;
- One member asked if the bus stops near the project sites would be moved.

Louise Askew and Lucia Tanner, Regeneration Project Manager responded as follows:

- There would not be any movement of funds between projects even though there was a single contractor managing different projects as each project had its own budget. Cabinet was the decision maker that could make such movements of funds;
- Fees for processing these projects, staffing resources and consultancy costs were all built into the bid;
- Pier Yard had a significant amount of work put into it. The Council was using the SCAPE Framework which works on agreed set of rates with contractors;
- This was a public sector procurement framework that the Finance and Legal Departments had reviewed;
- Engagement events would be held for the Highways and Pier Yard projects. Council was working with stakeholders that included KCC on these projects;
- An engagement event had been held for the Green Campus and nothing had changed regarding that project;
- An engagement event was held in July this year for the Pier Yard project;
- Cost consultancy had been recommissioned. The Council was keeping the approach for a smaller footprint for the Green Campus;
- Risk was reduced by having a single contractor managing all these projects and the council was still looking at achieving 10% net gain;
- This report was about the procurement process. The project had been approved already by government and TDC Cabinet;

- A place plan workshop was held in Broadstairs and Council received feedback from the public. A number of councillors had attended this workshop;
- RIBA Stage 2: It was common to have contracts at this stage as the Council would move towards formal contracting;
- With regards to match funding, Windfarm had had indicated that they would match fund but they had since changed ownership and the Council was still in discussion with them;
- For a third party operator a decision would need to be made by Cabinet as this would involve a contract of more than seven years;
- Officers were currently working on models of management for the Green Campus;
- The Green Campus project had gone to the Planning Committee for a decision regarding planning consent. Pier Yard and Highway schemes were at RIBA Stage 2. A briefing would be offered to councillors to provide a progress update;
- The issue regarding bus stops could only be dealt with by Stage Coach.

Councillor Green proposed, Councillor Fellows seconded and the Panel agreed to forward the following recommendation to Cabinet, that:

Cabinet is asked to ensure that the final designs for the Highway Scheme and Pier Yard Scheme will be presented to councillors for information through a councillor briefing before a final decision is made.

48. NEW POLICY FOR ADOPTION FOR ACQUISITION AND DISPOSAL OF PROPERTY

Andreea Plant, Head of Property introduced the report and made the following points:

- The Council's new Acquisition and Disposal Policy, which had been developed to provide a clear framework for identifying and managing surplus property assets. This policy was extremely important as it aligned property disposals with the Council's broader financial, operational, and strategic goals, ensuring that capital receipts were reinvested effectively as part of the overall capital strategy and asset management planning;
- The policy acted as a reference document which housed various commercial property principles such as achieving Best Value under Section 123 Local Government Act 1972;
- It also detailing various Disposal Methods, Disposals to Special Purchasers Disposal and Planning Permission Principles behind the Release or variation of land covenants Public Open Space and Common Land Considerations Land Exchanges Easements and Wayleaves General Principles for Acquisitions and an entire array of other General Issues.

Members of the Overview and Scrutiny Panel were asked to review and scrutinise the proposed policy and provide any recommendations to the Cabinet ahead of their meeting on 24th October 2024 where it was recommended that this policy be adopted.

The Panel asked questions and made comments as follows:

- A member asked whether it would be councillors through committee work or officers who would be reviewing the policy every two years;
- They also asked if there was any benefit in moving assets equivalent to cash;

- Another member said that they were glad that the community transfer provision was still the Council policy. They also said that the policy was heavily weighted towards making profit. They said that there were no safeguards that provided for reasons for disposal;
- The member asked what reasons would be made for an asset to be considered for disposal and whether this policy took any lessons from the past;
- Another member said that the council was not historically good with managing covenants. They asked at what stage and how would the Council check covenants.

Andreea Plant and Bob Porter responded as follows:

- If there were significant changes to the policy, then the updated policy would need to be adopted through the formal decision making process with the final decision being made by Cabinet;
- If the changes were significant then officers would agree the minor changes;
- The Council kept a value for each property and kept track of those values;
- If a property was declared surplus, that was when they would also be declared as cash value;
- A property could be considered for disposal if the building was no longer needed and its disposal would help finance a capital programme. A property would also be disposed if a lot of capital expenditure was required to refurbish it with no hope of recouping the capital;
- Covenants tended to be obscure and sometimes the Lands Registry did not have the information at hand;
- The Council had covenant indemnity policy in place where the covenant were not available;
- The Council now had a Policy Manager who now worked with service managers and Heads of Service to come up with a uniform approach for developing and reviewing Council policies;
- Policies were reviewed in order to comply with any changes in legislation, to reflect the council's corporate priorities, to respond to levels of risk to the Council and when policies were out of date.

The Panel noted the report.

49. PURCHASE OF CAGED WASTE VEHICLES

Matt Elmer, Head of Cleansing Services introduced the report and made the following points:

- This report proposed the planned purchase of six new 7.5 tonne Caged Tipper vehicles. These vehicles formed part of the rolling vehicle replacement programme and were required to replace equivalent vehicles which had reached the end of their planned working life;
- In line with the council's Net Zero Strategy, our intention was to investigate the possibility of all of the vehicles being electric powered, however a combination of factors meant that a full electric cage fleet was not possible, these factors were:
 - A very narrow market for EV versions of these vehicles - after extensive research only two suitable vehicles were found with the required range

- Cost - the capital cost of purchasing these vehicles is more than twice that of a diesel powered one
 - Lack of infrastructure - the power supply into the depot is currently insufficient to serve the required high capacity chargers
 - Actual range - whilst the manufacturers claim that the vehicles in question have the required range, this is yet to be tested on a real working day in Thanet.
- With these considerations in mind, it was decided to recommend purchasing two electric powered tipper vehicles and four 7.5 tonne combustion engined diesel vehicles through a compliant procurement route using funding allocated for that purpose in the 2024/25 vehicle replacement programme. Annex 1 to the report provided more detail on the vehicle research undertaken and the assessment for the required vehicle range were done;
 - While the electric vehicles would cost more than the £80,000 per vehicle allocated in the rolling vehicle replacement programme, the diesel versions were expected to be less than the provision. However, some reprofiling of funds would be necessary to make adjustments from £480k to £590k in total. This was subject to Cabinet's approval of the recommendations in the report. This reprofiling of funding would be managed within the existing approved 2024/25 budget. There was therefore no extra funding that would be required;
 - The process of assessing how best to increase the capacity of the power supply to the depot had been started. This would include assessing solutions for the short, medium to long term period and how this could be incorporated into the developments at Manston Road;
 - The Council had recently been investigating the use of Hydro treated Vegetable Oil (HVO) which was a bio-based fuel that was a low carbon alternative to standard white diesel. Due to the way it was produced, this type of diesel reduced emissions by up to 90%, in comparison to standard diesel.
 - The price of HVO had come down steadily over the last 18 months to the point where the difference between it and standard diesel was now around 15%. It was fully mixable with normal white diesel and all manufacturers had confirmed the support for its use. This would therefore not affect warranties. Annex 2 of the report provided more detail on this work and a proposed trial using selected vehicles from the existing fleet.

Members asked questions and made comments as follows:

- One Member asked what HVO fuel the Council would be trialling;
- Another member said that this was broadly a good compromise. They further asked the replacement of diesel fleet would be partial or for the entire fleet;
- A member asked whether officers were confident that HVO fuel use would be a success and whether EV infrastructure would in the meantime continue to be set up on council properties;
- They further asked if there were any funding opportunities from government;
- The Port of London Authority would have a lot of information on HVO use and performance as they had been using these fuels for a while;
- They also said that hybrid engines were an intermediate approach and the range for these vehicles were unlimited;
- One member asked whether the Council had put in place extra caution for fire protocol for electric vehicles at depots.

Matt Elmer and Mike Humber responded as follows:

- The HVO fuel being used for trials was second generation;
- A mixed approach to the procurement of new vehicles was the best way forward;
- There were other councils around the country that were also trialling HVO fuels;
- TDC was getting the electric vehicles from the same company that also supplied the Council with diesel engine vehicles;
- Officers were now reviewing EVF infrastructure and would be setting up the right balance to accommodate new EVs;
- The hybrid market for 7.5-tonne trucks was very small. However the 3-tonne market was much better;
- Extra caution measures had been put in place to minimise the risk of fires related to EVs. This included ensuring that appropriate gaps were left between parked EVs at the depot. A protocol was in place as this was an insurance requirement.

The Panel noted the report.

50. REVIEW THE OVERVIEW & SCRUTINY PANEL WORK PROGRAMME FOR 2024-25

The Chair confirmed that Councillor Joanne Bright was the Chair of the Youth Services Provision Review Working Party.

The External Grant Funding Review Working Party report was going to be presented to the November Panel meeting for onward recommendation to Cabinet.

Members noted the report.

51. FORWARD PLAN AND EXEMPT CABINET REPORTS LIST

The Panel noted the report.

Meeting concluded: 9.40 pm