

CABINET

Minutes of the meeting held on 19 December 2024 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

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

In Attendance: Councillors J Bayford and Wing

73. APOLOGIES FOR ABSENCE

There were no apologies made at the meeting.

74. DECLARATIONS OF INTEREST

There were no declarations of interest.

75. MINUTES OF PREVIOUS MEETING

Councillor Everitt proposed, Councillor Keen seconded and Members agreed the minutes as a correct record of the meeting held on 28 November 2024.

76. THANET DISTRICT PARKING STRATEGY

Cabinet considered proposals for the adoption of a Thanet Parking Strategy. The decision to create a strategy for Parking in Thanet was rooted in a motion tabled at Full Council in 2022 by Councillor Crittenden, which called for an impact assessment of the increased pressures on parking caused by ongoing developments within the district. Since taking on the new parking portfolio in May of this year, the Cabinet Member had been struck by how something so every day proved to be such an emotive topic for local residents. This was borne out by the incredible response to the two waves of consultation regarding the strategy, which garnered almost five thousands responses. This equated to over three percent of Thanet's total population.

Cabinet acknowledged for the first time, the impact of parking on the day to day lives of residents and also created a clear and actionable plan to improve and enhance a new approach for the district. The Thanet District parking strategy would ensure there was high quality and appropriately located parking that supported economic development and regeneration, prioritising active & sustainable transport, and providing a positive parking experience for residents, businesses and visitors.

Covering off-street and on-street parking across the district, this strategy identified eight overarching objectives, sub-divided into fifty-two specific actions. Some of these actions were 'quick wins' that would, if Cabinet chose to adopt the strategy this evening, would be implemented within the next 12 months. This parking strategy was not something to be left on a shelf, gathering dust. It would make a very real contribution to the realisation of the Council's Corporate Plan.

With an emphasis on maximising use of our off-street car parks, the Council would be encouraging vehicles off town-centre streets and thereby making them safer. The seamless integration of active transport and EV charging would help the Council on toward our net zero goals and the protection of the local environment. Clearer pricing, signage and wayfinding would help reduce pressures on residential neighbourhoods and encourage increased use of local facilities and business to create a thriving place.

A clear plan for car parks would mean that whether it is by the introduction of new payment technologies or the consideration of new or alternative uses, they would become increasingly cost efficient assets for the local community. The quick wins and short to medium term actions within this strategy would make an almost immediate and positive difference to peoples' lives in Thanet. Cabinet welcomed and acknowledged the recommendation from the Overview & Scrutiny Panel that it should be reviewed at fixed intervals. Cabinet offered to provide annual updates to the Panel on how the implementation of the actions agreed was progressing.

Cabinet thanked all those who participated in the creation of this work, that included the consultants at Ethos, Ms Button and her team, the many ward councillors who attended the community engagement events and especially the residents who took time out of their busy lives to attend events or to complete the surveys.

It was proposed that Cabinet agree to the recommendation in the report to Adopt the Thanet District Parking Strategy and agree to the initial implementation plan. Cabinet agreed to the Overview & Scrutiny Panel proposal to fix a five year review of the Parking Strategy.

Councillor K. Bright proposed, Councillor Keen seconded and Cabinet adopted the Thanet District Parking Strategy and agree to the initial implementation plan.

77. OPTION TO PURCHASE CAR PARK, RAMSGATE

Cabinet discussed proposals for the option to buy the leasehold interest in the Royal Harbour Multi-Storey Car Park in Ramsgate. The current lease runs until 2073 with no break options. Rent was reviewed every five years based on the construction price index (CPI) and was currently just over £227k per annum. However, by July 2025, it was expected to rise to above £300,000 per annum.

The lease allowed the Council to buy the property every five years, with the next opportunity in July 2025. The purchase price would be 12 times the rent amount, currently estimated to be at circa £3.6 million plus VAT, though VAT could be reclaimed if the car park use continued. The Council would also need to conduct legal and survey checks before purchasing. The costs could vary slightly depending on the levels of work required. The main reason for purchasing the car park was the significant long-term financial savings it offered.

For example, if the rent remained at the forecasted 2025 levels of £302k annually, the Council would have to pay £14.5 million pounds in rent over the next 48 years. Whereas if the Council bought the property, the cost of borrowing over the same period would be circa £12.7 million, it would be cheaper by £1.78 million. However, the rents would continue to rise. Therefore if the current rate of increase was assumed, the total rental payments could escalate to £27.6 million pounds. This meant that purchasing would save the Council an even greater amount of up to £14.9 million. These were the financial savings alone before considering the benefits from having full control over the site with flexibility to explore future uses and full control over maintenance and repair plans.

Councillor Wing spoke under Council Procedure Rule 20.1.

Councillor Duckworth proposed, Councillor Keen seconded and Cabinet approved exercising the option to purchase the leasehold interest in Royal Harbour Multi-storey car park, Ramsgate at the next available option trigger date and finances the purchase from borrowing.

78. ACCELERATED TEMPORARY ACCOMMODATION PROGRAMME

Cabinet considered proposals for accelerated temporary accommodation provision for the district. This item, alongside the general housing acquisition programme, was probably the most important item ever presented to Cabinet by the Portfolio Holder for Housing. Cabinet wanted to bring home those local residents who had been placed in temporary accommodation outside the district. There currently were 303 households in temporary accommodation, both due to long term central underfunding of social housing and local pressures relating to gentrification and rent inflation. A hundred and fifty seven of these households were placed outside Thanet, due to the unavailability of rental properties within Thanet.

Households that were placed out of the local area existed under extreme pressure. They risk losing jobs, school places, support networks, and known health professionals. They incurred extra expenses and suffered isolation and worsening of mental health at a time when their mental health was already under extreme strain due to becoming homeless. Cabinet had made active efforts to reduce these pressures, including working to make provision for funding for transport back to school places and jobs through the Household Support Fund. However, these efforts could not fully address the key issue. Cabinet was therefore asked through these proposals to approve the purchase of 170 homes for temporary accommodation, for the explicit purpose of bringing home households who were currently placed out of the local area, and to keep households in Thanet in the future. This was a plan that was huge in significance and scope; but it was also another project that continued the Council's tradition in Housing of creating a virtuous circle, where both social and financial needs were addressed.

The social, emotional, and financial strain for Thanet residents of being placed outside Thanet is enormous. It was damaging for families and individuals, places strain on education placements and the management of health conditions, and this is why the Portfolio Holder for Housing had long argued for investment in in-house, local temporary accommodation. This was a priority for the current Cabinet before the incumbents became the administration. Cabinet was now in a position to ensure that the Council provided this level of support for residents, and grow the in-house provision, to ensure social and financial stability.

The costs of out of area and external placements were financial as well as social, as demonstrated by the fact that an investment of this scale would stand to save £114,000 in the first year alone, with over £1,000,000 per year saved by year ten. In 2023/24, the council's general fund incurred a £1.2 million net overspend due to the costs of temporary accommodation. Predicting the 2024/25 net overspend was challenging due to the fact that the need for temporary accommodation was based on demand but was currently predicted to exceed the £800,000. Temporary accommodation is not delivered within the Housing Revenue Account, and as such the costs for it come directly from our General Fund, which had an impact on the delivery of other Council services.

Through continuing acquisition, the Council already had 32 units of local in house temporary accommodation across Thanet, as well as 41 Porchlight units that the Council funded specifically for Thanet residents. Cabinet knew that taking this approach would improve outcomes for residents and create significant financial savings. This will reduce temporary accommodation costs in future years as a result of borrowing costs being fixed, whereas the cost of using third party, temporary accommodation providers would likely rise. People from Thanet need to be able to stay in Thanet. Creating temporary accommodation that ensures that people facing homelessness can stay in the district is vital to them being able to maintain work, school and family connections at a time when they're most needed. This approach embodied Cabinet's ambitious and innovative approach to addressing housing need. Cabinet was proud of the work done by the Housing and Finance Departments. Cabinet was also proud of what had been delivered for residents by the District Council.

Cabinet was asked to:

1. Firstly, progress with a programme to acquire or develop up to 170 homes for use as temporary accommodation.
2. Secondly, that Cabinet recommend the required general fund capital budget of £38.762m as part of the annual budget setting process across the financial years 2025/26 and 2026/27 to deliver this.
3. Thirdly, that a six monthly update on the delivery of the programme be provided to Cabinet.
4. And that finally, the letting of these homes be in accordance with the Council's Temporary Accommodation Policy, approved by Cabinet in July 2024.

This was, without doubt, one of the most significant and meaningful choices that could ever be made by Cabinet. Councillors from across the different political groups as well as those on the Overview and Scrutiny Panel had already expressed their support for what had been a huge piece of work for both Housing and Finance.

Councillor Bayford spoke under Council Procedure Rule 20.1.

Councillor Whitehead proposed, Councillor Keen seconded and Cabinet agreed the following, that:

1. The Council progresses with a programme to acquire or develop up to 170 homes for use as temporary accommodation;
2. Cabinet recommend to Full Council, the required general fund capital budget of £38.762m as part of the annual budget setting process across the financial years 2025/26 and 2026/27;
3. A 6 monthly update on the delivery of the programme is provided to Cabinet;
5. Letting of these homes will be in accordance with the Council's Temporary Accommodation Policy, approved by Cabinet in July 2024.

79. HOUSING ALLOCATIONS POLICY

Cabinet considered proposals for a new Housing Allocations Policy. The Housing Allocations Policy was one of the Council's most important policies within Housing and one of the most complex. It was this policy that determined how the Council allocated Council and affordable rented housing, how the Council supported people, and how it also determined need. The allocations policy directly determined who was eligible to apply for housing, how applications were assessed and prioritised and how affordable and social rented homes in the district would be allocated.

Work on this policy had been ongoing for over a year now, with ongoing drafts and discussions around changes and current needs and priorities, before it was brought to the Tenant and Leaseholder Group and the Housing Cabinet Advisory Group. A number of changes were made from the existing Allocations Policy which were detailed in the report, specifically proposing changes to the following:

- Eligibility;
- Banding;
- Advertising and Allocation;
- Equality and Diversity;
- Complaints.

There were a number of changes that were of particular importance within the new policy, including greater support for veterans to expand eligibility within the pre-existing B banding for veterans, and preventative safeguards to ensure that affordable and social

housing allocations could not be accessed by other authorities through temporary placement out of area.

There were also many areas that Cabinet wished to consult on that included how to address medical needs within the banding system, how to best assess and prioritise the complexities of multiple disabilities within one household, and how these factors could influence allocations and the size of property needed.

Cabinet was asked to consider the following recommendations, that:

1. The consultation draft of the Allocations Policy be agreed
2. The draft policy be subject to public consultation to be conducted early in 2025.
3. The results of the consultation will be published on the Council's website.
4. Authority be delegated to the Head of Housing and Planning in consultation with the Cabinet Member for Housing to make minor amendments to the policy.
5. That the policy be reviewed on an annual basis, or when required.

Cabinet noted that this policy document would be brought forward for consultation. The Housing Cabinet Advisory Group had discussed these proposals at length. Cabinet also extended an invitation to Housing representatives, interested Councillors and residents to further discuss the Allocations Policy, as more input and opinions were needed to make this policy reflective of local need.

Councillor Whitehead proposed, Councillor Keen seconded and Cabinet agreed the following, that:

1. The consultation draft of the Allocations Policy be agreed;
2. The draft policy be subject to public consultation to be conducted early in 2025;
3. The results of the consultation will be published on the Council's website;
4. Authority be delegated to the Head of Housing and Planning in consultation with the Cabinet Member for Housing to make minor amendments to the policy;
5. That the policy be reviewed on an annual basis, or when required.

80. DISABLED FACILITIES GRANTS - HOUSING ASSISTANCE POLICY

Cabinet was being asked to consider and agree the following recommendations:

1. Approve the consultation draft of the Housing Assistance Policy;
2. Agree that the council conducts a public consultation on the draft policy;
3. Agree that the results of the consultation be published on the Council's website;
4. Delegate the determination of any minor amendments to the policy to the Head of Housing and Planning in consultation with the Cabinet Member for Housing.

Councils across England were required by the Housing Grants, Construction and Regeneration Act 1996 to offer Disabled Facilities Grants (DFGs) to people who qualified. These grants were mandatory and were restricted to helping people with disabilities to adapt their homes to make them accessible and more suitable for their needs. The funding for these grants came from central Government via the Better Care Fund.

If a Council wished to offer financial assistance towards anything other than DFGs they had to adopt and publish a Housing Assistance Policy which would give full details of the assistance they would offer to householders in their area for property adaptation, improvement or repair. Better Care Funding had previously been spent on:

- Individual DFGs;
- Health and Housing Co-ordinators (in our case co-funded with Dover);
- The Town & Country Housing Home Straight scheme to provide support to those who struggle with hoarding;
- A handyperson Enablement Service co-funded with Dover;
- Contribution towards salaries for staff facilitating the expenditure of the budget.

It was absolutely imperative that the Council had in place a fair policy that took into account changes since the last policy was agreed in 2019. Changes were necessary because of the increased costs of adaptation and the flexibility required to address needs. Proposals that were being consulted on included the following:

- Increasing the maximum grant allowance from £30,000 to £50,000;
- Extend discretionary grants to tenants rather than just to Landlords;

Councillor Whitehead proposed, Councillor Keen seconded and Cabinet agreed the following, that:

1. The consultation draft of the Housing Assistance Policy is approved;
2. The council conducts a public consultation on the draft policy;
3. The results of the consultation be published on the Council's website;
4. Following consultation any minor amendments be approved by the Head of Housing & Planning in consultation with the Portfolio Holder for Housing.

81. TLS KPI Q1 & Q2 - HOUSING PERFORMANCE REPORT

Cabinet considered the performance Key Performance Indicator (KPIs) for Q1 and Q2. This was the first time that the compliance KPIs were presented as a dash board. The reporting format changed following the review of the compliance policies, which had allowed for a far more accessible form of presentation.

Although the KPIs were still reporting 1 property not compliant for gas at the end of Q2, this had been resolved in Q3. Therefore, currently there was a 100% compliance for gas. Cabinet noted that the fire risk assessments now had its own dashboard and this was because the Council was now comprehensively monitoring outstanding actions.

There were currently 538 actions in total with 338 of those being overdue. One hundred and eleven of the overdue actions were being directly addressed through capital programmes, towerblock retrofit and refurbishment project, with the award of the low rise flatted blocks door replacement contract and with the contract award for passive fire works.

The team was also currently part way through an internal audit of their compliance arrangements which would be reported to the Governance and Audit Committee in due course. Any recommendations that impact on performance or compliance position would be reported in the next cycle.

The operational performance KPIs were stable and showing trends as was expected. Partnering contractors were performing well and this was also supported by the customer satisfaction surveys. This result was expected for Q1 & Q2 as these were the warmer dryer months, when fewer repairs were reported. Reports of damp mould and condensation also declined during Q2. This was a seasonal trend that was also expected to be experienced.

One area that had seen a dip in performance was with the void turnaround time. In Q2 it took on average 43 days to re-let a property. This average change was mainly due to very complex voids being completed during this period, which dramatically increased the overall average.

The arrears performance continued to show a positive trend at 3.05% at the end of Q2. This was a 0.19% improvement from the previous quarter and showed what a difference the improved arrears service and support had made to residents.

Councillor Whitehead proposed, Councillor Keen seconded and Cabinet agreed to note the report.

82. 2025/26 BUDGET UPDATE

Cabinet considered recommendation to amend the budget setting timetable for 2025/26 to accommodate a late provisional local government finance settlement received just two days before this Cabinet meeting. This would provide sufficient time to finalise the budget proposals for the forthcoming year. This report set out a revised committee timetable for Cabinet's consideration and approval. The budget setting process began this summer. Cabinet and officers had dedicated a tremendous amount of time and effort to get to the position they were in now. Cabinet thanked all who had been involved and contributed to this process to date. The typical corporate budget setting cycle for Thanet District Council involves:

- Taking an early draft budget for consultation or a budget strategy paper to Cabinet in the November preceding the forthcoming financial year;
- Present the draft budget at an early January Cabinet meeting;
- Overview and Scrutiny Panel review the draft budget in January and consider making recommendations to a second January Cabinet meeting;
- Cabinet approves the draft budget in January and recommends the budget to Council for approval;
- Council meets in early February to approve the budget; and the Council tax for the next financial year is usually approved at a second Council meeting in February. This year an early draft budget or budget strategy paper was not presented to an autumn meeting of the Cabinet, which is due to the context in which the budget is being set for next year.

The last two years the Council has been in a position to accommodate a significant amount of growth in the budget, both reflecting inflationary increases and genuine service investment. This was largely facilitated by increasing the amount of business rates and fees and charges income in our base budget. As such a draft budget and consultation was beneficial to this process, as meaningful consultation could be undertaken on a range of budget proposals.

For next year's 2025/26 budget there was less scope to increase the income budget from business rates and fees and charges as there had been in recent years. At this stage of the budget setting process, at the point of writing this report, there was also uncertainty about the level of central government funding that would be allocated to each local authority for the forthcoming year. Whilst there remained uncertainty over the council's funding allocations for next year, significant progress had still been made to develop the 2025/26 budget.

One of the key tools for implementing the budget strategy was the use of budget prioritisation meetings, to consider services' current resource allocations and also assessing any budget proposals. Heads of Service and Directors were asked to formulate proposals against the priorities contained in the Corporate Plan, so that the Council could prioritise activities which align with the things that matter most to local people. A series of prioritisation meetings were chaired by the Leader of the Council, who

was assisted by a panel comprising the Deputy Leader, Portfolio Holder for Finance, the Chief Executive, the three Directors, the Head of Finance, Procurement and Risk, the Head of Strategy and Transformation and also Finance Officers. There were numerous budget prioritisation meetings, held throughout July and August. At each meeting a specific service area was considered and the relevant Portfolio Holder and Head of Service were invited to present any budget proposals for inclusion in the draft budget and answer any questions the panel had regarding the finances of that service area. These proposals had been ranked and prioritised, with the number that could be included in the budget being determined by the level of funding that was allocated in the settlement.

To further support the budget process, the views of residents on the shape of next year's budget would be captured through an engagement exercise in the new year. Due to the short timeframes involved it would only be possible to run a relatively short consultation exercise. After carefully listening to residents, Cabinet would return in the next year with the final budget proposals to recommend to Council for approval.

Councillor Yates proposed, Councillor Keen seconded and Cabinet agreed the following, that:

1. The proposed revised committee timetable for the 2025/26 budget setting process; and
2. To note the progress made to date in developing the 2025/26 draft budget.

83. THANET PATHFINDER PROJECTS - CONTINGENCY ALLOCATION

Cabinet considered the report on Thanet Pathfinder Projects that recommended movement of funding across themes and projects. When the Council entered into the Pathfinder Pilot with central government the council reallocated funding from the restaurant with rooms scheme to the Clock House to support the funding application to the National Heritage Lottery Fund. In response to the application being unsuccessful the Council allocated a budget to the Clock House scheme based on cost plans and in line with the original budget secured through the Levelling Up Fund.

The report considered by Cabinet provided a process where officers could work more flexibly across the programme to ensure that the level of contingency was appropriate for the projects. The teams were still working through final designs and value engineering to ensure they were able to get the best value from the funding in order to deliver the outputs agreed with central government. Thanet District Council was not alone in facing these challenges, engagement with other Pathfinder and Levelling Up Fund areas showed a similar picture across the country. The impact of cost increases and infraction had been significant on this regeneration programme of funding from central government.

A Thanet Regeneration Partnership Board meeting was held where this approach to contingency was discussed. Feedback from the Chair and the Board was that the approach was sensible due to the cost environment that the Council was working in, and it was important that the Council managed expectations and risk within these projects. The Board noted that there was regret that this had to be done, but it was important to realise what had happened in relation to costs since the projects were originally planned. It was important to make sure main projects of the programme that were providing outcomes were delivered.

Cabinet was asked to agree the following, to:

1. Note that moving funding between themes and projects up to a value of £5,000,000 is permissible under the Simplification Pathfinder Project;
2. Agree to the movement of £1,109,000 from the current Clock House project which has a higher than required budget to a contingency for Ramsgate projects;

3. Delegate authority to the Section 151 Officer in consultation with the Leader of the Council, to approve the allocation of contingency funding to the Ramsgate projects, except that;
4. Note that any potential future use of this contingency pot for the Port Infrastructure project will be presented to Cabinet for approval.

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

1. To note that moving funding between themes and projects up to a value of £5,000,000 is permissible under the Simplification Pathfinder Project;
2. To the movement of £1,109,000 from the current Clock House project which has a higher than required budget to a contingency for Ramsgate projects;
3. To delegate authority to the Section 151 Officer in consultation with the Leader of the Council, to approve the allocation of contingency funding to the Ramsgate projects, except that;
4. To note that any potential future use of this contingency pot for the Port Infrastructure project will be presented to Cabinet for approval.

Meeting concluded: 7.45 pm