PETITION REFERRED TO OVERVIEW & SCRUTINY PANEL BY COUNCIL - PLEASURAMA SITE, RAMSGATE

To: Overview & Scrutiny Panel – 23 April 2013

Main Portfolio Area: Commercial Services

By: Harvey Patterson, Corporate & Regulatory Services

Manager

Classification: Unrestricted

Ward: **Eastcliff**

Summary: Pursuant to Council Procedure Rule 16.3, to consider the

Petition Site referred to the Overview & Scrutiny Panel at the meeting of Council held 18 April 2013 concerning the

Pleasurama.

For Decision

1.0 Introduction

- 1.1 Thanet District Council received a petition with 1072 valid signatures. A supplementary petition with 5 valid signatures was also received on 13 March 2013.
- 1.2 The petition requested Council to:
 - "Stop the Freehold of the Pleasurama site being sold".
- 1.3 The full text of the petition stated that:

"We the undersigned believe the proposed sale of the Pleasurama freehold to the current developer is an unacceptable solution, since this developer has lost public trust and confidence and this proposal will not achieve the stated aim, of regenerating the Ramsgate Seafront. We now call on Thanet District Council to dismiss this developer and this proposal on the following grounds:"

- 1.4 At the meeting of Full Council held on 18 April 2013 an officer report regarding that petition was considered by Members and the following was agreed that:
 - The petition be referred to the Overview and Scrutiny Panel (unconfirmed Council minutes).

2.0 Background

- 2.1 On 26 July 2012 the Cabinet received and considered an exempt report concerning Ramsgate Royal Sands. Upon the motion of Councillor Poole, seconded by Council Hart it was resolved as follows (minute14/2012 refers):-
 - 'THAT the revised development agreement summarised in Annex 1 to the (Cabinet) report is agreed, with delegated authority granted to the Corporate and Regulatory Services Manager to sign the final agreement, once all advance conditions are met, in consultation with the Cabinet Member for Commercial Services.'
- 2.2 On 16 August the Overview and Scrutiny Panel considered a 'call-in' of the decision of the Cabinet in relation to the Ramsgate Royal Sand site. Upon the motion of Councillor Harrison, seconded by Councillor Bayford, it was resolved to recommend to Cabinet as follows (minute 282/2012 refers):-
 - 1. That before any final decision is made, external due diligence be undertaken and the report brought back to the Overview & Scrutiny Panel;
 - 2. That the final decision is made by the Cabinet Member for Commercial Services, Leader of Council and Officers;
 - 3. That points (i.e. all unanswered Questions/Queries) raised by Members of the Panel be responded to and the report authors be present when such issues would be considered next'.
- 2.3 On 23 August 2012 Cabinet received and considered an exempt report in relation to the recommendations of the Overview & Scrutiny Panel. Upon the motion of Councillor Poole, seconded by Councillor Fenner, it was resolved as follows (minute 24/2012 refers:-
 - 'As all the concerns expressed by the Overview & Scrutiny Panel have now been addressed, Cabinet confirms its decision taken on 26 July 2012.'
- 2.4 On 6 December 2012, a Member sponsored Motion on Notice on Royal Sands (Pleasurama Site) which is detailed below had been considered by Full Council and was referred to Cabinet:

'This Council expresses its concern about the worrying lack of progress of SFP Ventures (UK) Ltd in developing the Royal Sands construction project.

Council notes that SFP Ventures (UK) Ltd have been in negotiations with the Council to change the current development agreement.

Council understands that this new agreement is ready for approval once SFP Ventures (UK) Ltd has demonstrated that:

- a) it has finance in place to complete the project; and
- b) that is has an agreement in place with a hotel management company to run the hotel which forms part of the development agreement with the Council.

Council notes that more than 4 months have elapsed since it requested SFP Ventures (UK) Ltd to provide the information in A) and B) above.

Council recommends to Cabinet that if SFP Ventures (UK) Ltd are unable to provide the information requested by the Council in A) and B) above by 31 January 2013 that Cabinet refuses to agree any new terms with this company and will robustly enforce the existing agreement including taking back the leasehold of the Royal Sands development if necessary.'

- 2.5 Council resolved not to debate the motion as a result of which the motion stood referred to the Cabinet for consideration. (Minute 58/2011 refers).
- 2.6 Cabinet considered the motion on 22 January 2013 and resolved the following:
 - That a review period of 4 months from 22nd January 2013 is now in force and requested officers at the end of this period to prepare an options report to Cabinet if either the finance is not in place for the completion of the development or no agreement is in place for the construction and operation of a hotel.

3.0 Options

3.1 Panel Members may choose to debate the petition referred by Council and make recommendations to Cabinet, since this issue is an executive function;

4.0 Corporate Implications

4.1 Financial and VAT

4.1.1 The financial and VAT implications have been considered by the Cabinet at previous meetings.

4.2 Legal

4.2.1 The Legal implications have been considered by the Cabinet at previous meetings.

4.3 Corporate Implications

4.3.1 The Corporate implications have been considered by the Cabinet at previous meetings.

4.4 Equity and Equalities

4.4.1 The Public Sector Equalities duty is not engaged.

5.0 Recommendation

5.1 That the Overview & Scrutiny Panel decides whether to debate the petition.

6.0 Decision Making Process

6.1 The Overview & Scrutiny Panel may choose to make recommendations to Cabinet for onward submission to Council for noting.

Contact Officer:	Harvey Patterson, Corporate & Regulatory Services Manager, ext 7005
Reporting to:	Dr Sue McGonigal, Chief Executive

Annex List

Annex 1	Council Report – 18 April 2013
Annex 2	Annex to Council Report – 18 April 2013

Background Documents

Title	Where to Access Document
None	N/A

Corporate Consultation Undertaken

Finance	N/A
Legal	N/A