

## CABINET

### Minutes of the meeting held on 14 November 2013 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

**Present:** Councillor C. Hart (Chairman); Councillors Everitt, Fenner, D Green, Johnston and Poole

**In Attendance:** Councillors Bayford, Bruce, Edwards, Gideon, King, Marson, Watkins, Wells, Wiltshire and Wise

#### 107. APOLOGIES FOR ABSENCE

There were no apologies received at the meeting.

#### 108. DECLARATIONS OF INTEREST

Councillor Wiltshire declared that she was a Kent County Councillor on agenda item 6 (East Kent Opportunities – Spine Road Repayment).

Councillor C. Hart declared a significant interest on agenda item 6 (East Kent Opportunities – Spine Road Repayment).

#### 109. MINUTES OF PREVIOUS MEETING

The minutes were agreed subject to the following amendments in order for the decision on Minute Item Number 103 to read as reflected below that:

Councillor Johnston proposed, Councillor C. Hart seconded and Cabinet adopted the Destination Management Plan, attached in Annex 1 to the report and agreed that officers in consultation with the Cabinet Portfolio Holder for Community Services take forward its delivery.

#### 110. CORPORATE PERFORMANCE REPORT

A progress update regarding the implementation of the Corporate Performance Plan was given at the meeting. The report projected overall good progress.

Councillor Fenner advised the meeting of the following corrections to the Corporate Plan Report:

- a. On pages 17 & 31, item 13 in the list of community groups should read "Project Motorhouse;"
- b. On pages 27 and 28, target and actual information for the number of visits to TDC owned sport and leisure centres is incorrect. The target should read 209,876 and the actual should read 270,561.

The following Members spoke under Council Procedure Rule 24.1:

Councillor Bayford;  
Councillor Wells;  
Councillor Wise.

Councillor Fenner proposed, Councillor C. Hart seconded and Members agreed to note the council's performance and consider the remedial actions listed; as set out in option 3.1 of the report.

**111. MELLTREE PROPERTIES LIMITED - WRITE-OFF OF BALANCE OF DEBT**

The meeting was advised that a European Regional Development Fund grant of £68,750 was paid to Melltree Properties Limited by the Council in 2007 for the conversion of 42 High Street and 16 Marine Drive, Margate into artist studios.

The full conversion did not happen and consequently the Council sought recovery of the grant from the company and from the two company directors. Counsel's advice was sought. Their recommendation was that Council accept the offer to avoid incurring further litigation costs. Accordingly the litigation was settled.

Councillor Everitt proposed, Councillor C. Hart seconded and Members agreed to approve the write off of the balance of the debt owed by Melltree Properties Limited in the sum of £63,750 and task the legal officer to refer the matter to the Kent Police for further investigation.

**112. EAST KENT OPPORTUNITIES - SPINE ROAD REPAYMENT**

Councillor C. Hart declared a significant interest on agenda item 6 (East Kent Opportunities – Spine Road Repayment) and left the Council Chamber before commencement of discussion on the item.

Councillor Poole in the Chair.

East Kent Opportunities was set up to incorporate KCC's landholdings at Manston Park and Eurokent and TDC's landholdings at Eurokent. KCC forward funded the spine road across the site on the understanding that this would ultimately be repaid by EKO. Repayment was originally due in 2010/11 but KCC agreed to reschedule this to 2013/14.

The Council's share of the liability is 50% which equates to £2.7m plus interest plus any further spend in relation to the Spine Road during 2013/14. If the Council were to borrow externally to fund this repayment it would incur interest charges of £113k per annum, based on borrowing of £2.7m over 40 years at 4.2%. The better option was for Council to use its internal balances instead.

Councillor Wells and Councillor Wiltshire spoke under Council Procedure Rule 24.1.

Councillor Everitt proposed, Councillor Johnston seconded and Members agreed to approve the repayment of the Spine Road liability from internal balances.

**113. BUDGET MONITORING REPORT 2013/14**

Councillor C. Hart returned to the Council Chamber and took the Chair.

The report that provided an update against the General Fund, Housing Revenue Account and capital programmes for 2013/14 based on monitoring undertaken for the period to the end of September was given at the meeting.

Councillor Wise spoke under Council Procedure Rule 24.1.

Councillor Everitt proposed, Councillor C. Hart seconded and Members agreed the following:

Cabinet agreed the following:

1. That Cabinet notes the projected outturn position for 2013/14 for the General Fund;
2. That Cabinet notes the current Housing Revenue Account position;
3. That Cabinet approves the variations to the General Fund Capital Programme identified in Annex 3 to the report;
4. That Cabinet approves the budget variations to the HRA Capital Programme identified in Annex 4 to the report.

**114. BUDGET STRATEGY 2014/15**

Members considered the reports on the draft budget strategy for the General Fund, Housing Revenue Account and Capital budgets for the financial year 2014/15. The report also presented the proposed fees and charges for that year and the assumptions for the medium term.

The report set out the funding streams available to support the Council's revenue budget. The Council had faced significant cuts in funding over the last four years – a cut of 35% from 2010/11 to 2013/14. Further cuts of 14% had been announced for 2014/15.

A review had also been undertaken of the Council's vehicles, plant and equipment and this has identified that a number were nearing the end of their useful life. In order to protect the ability to deliver front line services to the public, a new vehicle, plant and equipment reserve would be set up to put funds aside for a replacement programme. It was proposed that any in-year underspends from those services requiring the asset replacement were set aside in this reserve.

The following Members spoke under Council Procedure Rule 24.1:  
Councillor Wells;  
Councillor Wise;  
Councillor Bruce.

Councillor Everitt proposed, Councillor C. Hart seconded and Members agreed the following:

1. That Members approve the approach being used to develop the budget estimates for the General Fund, Housing Revenue Account and Capital Programme for 2014-2018;
2. That Members recommend to Council the draft fees and charges for 2014/15;
3. That Members note the financial risk assessment for the General Fund Revenue Account that will be used to inform the setting of reserves for 2014-2018, and the associated impact on the levels and types of reserves held.

**115. RAMSGATE MARITIME PLAN**

The development of the Ramsgate Maritime Plan had been under the guidance of the Cabinet Advisory Group. The proposals in the draft Maritime Plan and the comments provided by the Cabinet Advisory Group would need to be studied further by Cabinet. Members proposed to receive the Draft Plan at this stage, and then subject the scope of the Plan in setting out the future development of the port and harbour at Ramsgate and their governance to further consideration.

Councillor Poole advised the meeting of the following corrections to the draft Ramsgate Maritime Plan Report:

The draft Maritime Plan at page 120 on the approval process that reads as follows: "This plan was prepared by our project team and scrutinised by the Cabinet Advisory Group on 31 July 2013 and Overview and Scrutiny on 20 August 2013. Subsequently it was approved by Cabinet on 12 September 2013;" is out of date and this paragraph should be deleted for the time being.

The following Members spoke under Council Procedure Rule 24.1:  
Councillor Bayford;  
Councillor Bruce;  
Councillor Watkins

Councillor Poole proposed, Councillor C. Hart seconded and Members agreed to Cabinet receive the report.

#### **116. NOTICES OF MOTION 1 & 2:-HOUSING BENEFIT SOCIAL RENTED SIZE CRITERIA**

Members considered the report on the two notices of motion that were referred to Cabinet by Council. The report detailed proposals for Council to agree to measures to assist residents of Thanet who were affected by the Housing Benefit Social Rented Size Criteria.

Councillor Wells and Councillor King spoke under Council Procedure Rule 24.1.

Councillor D. Green proposed, Councillor C. Hart seconded and Members agreed the following:

1. To remove 25% of all allocations within the Council's own housing stock and make them direct lets to tenants who wish to move and are affected by the SRSC;
2. To not take any legal action against any tenant for non-payment of their rent if they are affected by the SRSC until two direct offers of appropriate accommodation have been offered to them;
3. That the client officer continues to monitor legal action taken by EKH against people affected by the SRSC to ensure fairness and all appropriate assistance has been offered.

#### **117. DRAFT TENANCY STRATEGY**

The Government had introduced wide-ranging reforms to social housing legislation, regulation and policy. This marked a significant shift in the way that social housing was allocated and managed. Changes had been made to the types of tenancies that social housing providers could offer and the rents they could charge. Cabinet Members indicated that this proposal did not in any way affect the rights of existing tenants. The Act allowed for more flexible arrangements for new tenants.

Councillor Marson spoke under Council Procedure Rule 24.1.

Councillor D. Green proposed, Councillor C. Hart seconded and Members agreed the Draft Tenancy Strategy for consultation.

#### **118. THANET'S ECONOMIC GROWTH AND REGENERATION STRATEGY**

Cabinet acknowledged that Thanet's economic growth and regeneration was a key priority for the Council and Members expressed their commitment to driving growth across the district by promoting investment, skills, employability, job creation and innovation to provide a sustainable and balanced economy.

Cabinet was therefore proposing a strategy that outlined the key activities that were needed to help make a positive difference to Thanet's economy and to encourage the growth required to create jobs. The aim was to deliver Council priorities in a way that was inclusive, supported business growth and encouraged local people to take advantage of employment opportunities. The strategy was developed in partnership and consultation with local businesses and organisations, whose input was important.

Councillor Bayford spoke under Council Procedure Rule 24.1.

Councillor C. Hart proposed, Councillor Poole seconded and Members agreed to adopt Thanet's Economic Growth and Regeneration Strategy.

**119. OSP UPDATE REPORT TO CABINET - EKHUFT NEW CLINICAL STRATEGY PROPOSAL**

In 2012, Cabinet members requested that Overview and Scrutiny monitor and review proposed changes to services at East Kent hospitals. In May 2012 a new Task and Finish Group was established to study the proposed Clinical Strategy and in turn make recommendations to Cabinet. Members were advised that the proposals were not yet ready to go to public consultation.

Councillor Johnston proposed, Councillor C. Hart seconded and Members agreed to defer making a final decision on the matter until after the Overview & Scrutiny Panel has made recommendations to Cabinet regarding the public consultation by the EKHUFT Board on the proposed Clinical Strategy for East Kent.

**120. COUNCIL REFERRAL: INTERIM RECOMMENDATIONS FROM THE OVERVIEW & SCRUTINY PANEL TO CABINET - FREEHOLD OF PLEASURAMA SITE, RAMSGATE**

Cabinet was invited by the Overview & Scrutiny Panel to some consider interim recommendations from the Panel regarding the current Development Agreement for the Pleasurama Site.

Cabinet observed that the first recommendation had become redundant as the Executive had already authorised the Council to seek external legal advice regarding the matter. Members said that they could not make a definitive decision on the issue as this point in time.

Councillor Wells and Councillor Gideon spoke under Council Procedure Rule 24.1.

Councillor Everitt proposed, Councillor C. Hart seconded and Members agreed to note the report.

Meeting concluded: 9.30 pm