
OVERVIEW & SCRUTINY PANEL CALL-IN OF A CABINET DECISION - ROYAL SANDS DEVELOPMENT

To: **Extraordinary Overview & Scrutiny Panel – 25 September 2014**

Main Portfolio Area: **Financial Services & Estates**

By: **Senior Democratic Services Officer**

Classification: **Unrestricted**

Ward: **Thanet Wide**

Summary: **The Overview & Scrutiny Panel called-in a Cabinet decision on the Royal Sands Development. This covering report highlights the grounds for that call-in.**

For Decision

1.0 Introduction and Background

- 1.1 Cabinet considered an officer report regarding the Royal Sands Development on 11 September 2014 and were cognisant of the fact that they had previously made a number of decisions relating to this subject on the basis of recommendations from the Overview & Scrutiny Panel. One of the decisions implemented by officers was to serve a Notice on the developers' legal advisor requiring remedy of the breach of the agreement.
- 1.2 The Panel may wish to note that this Notice triggered a clause in the current development agreement that requires that the parties enter into mediation. The mediation process started on 10 July 2014 when the Council's Project Team (the mediation team) supported by external expert legal advisors met the developer on a 'without prejudice basis.' At the September Cabinet, officers requested for time to continue the negotiations with the developer. The report that was considered at the meeting is attached as Annex 1 to the Panel report.
- 1.3 A commitment was given by Cabinet to publish all reasonable questions from members of the public and the Cabinet responses to these questions and queries within two weeks of the Cabinet meeting. Cabinet also gave a commitment to publish the conclusions to the negotiations. The published minutes for the 11 September 2014 Cabinet meeting are attached as Annex 2 to the report.
- 1.4 On the basis of the above discussion Cabinet agreed the following:
- i. To authorise officers to defer the recommendations of the Cabinet paper dated 20th February 2014 whilst positive negotiations continue;
 - ii. That a report be brought back to Cabinet in October 2014, documenting the outcome of the negotiations for final decision.
- 1.5 Cabinet will sit at an extraordinary meeting on 16 October 2014 to consider the officer recommendations from the outcome of the mediation with the developer.

2.0 Reasons for Call-in

2.1 The Chairman of the Overview and Scrutiny Panel called-in the Cabinet decision on 15 September 2014. In calling-in the decision the Chairman indicated the follows:

“I am not persuaded by the argument and evidence given in the report to postpone implementing the earlier Cabinet decision agreed on 20 February 2014. I have some doubt about the clarity of aims and desired outcomes arising out of this decision and I would therefore wish for these to be explored further. Given the considerable local interest in the site I would wish for the matter to be called in.”

2.2 At the Cabinet meeting on 20 February agreed the following:

1. That the recommendations of the Overview & Scrutiny Panel be received and adopted;
2. That the Developer's request for an extension of time be refused;
3. That the power to implement the recommendations of the Overview & Scrutiny Panel be delegated to the Cabinet Member for Financial Services and such power to be enacted by a published decision notice following consultation with the Chief Executive.

3.0 Options

3.1 The Panel could request Cabinet to reconsider its decision made on 11 September.

3.2 Members may wish to take no further action in which case the Cabinet decision becomes implementable from the date of this meeting.

4.0 Overview & Scrutiny Panel Procedure Rules for Call-in

4.1 Under the call-in procedure as outlined in the Overview and Scrutiny Procedure Rule 15.0:

4.1.1 If, having considered the decision of Cabinet, the Panel is still concerned about it, it may refer it back to Cabinet for reconsideration, setting out in writing the nature of its concerns or refer the matter to full Council.

4.1.2 If referred to Cabinet, Cabinet shall then reconsider within a further 15 working days from the date of this meeting, amending the decision or not, before adopting a final decision.

4.1.3 If the Panel does not refer the matter back to Cabinet, the decision shall take effect on the date of this meeting.

4.2 The Overview and Scrutiny Procedure Rule 15.0 also provides for a referral of the decision by the Panel to full Council. If that is the case, Council should meet within 15 working days of referral and if it objects to the decision, it will refer it back to Cabinet, together with its views on the decision. Cabinet would then have to convene to reconsider within 15 working days of the Council meeting.

5.0 Corporate Implications

5.1 Financial and VAT

5.1.1 The financial implications of the Cabinet decision are as outlined in the Cabinet report attached.

5.2 Legal

5.2.1 The legal implications of the cabinet decision are as outlined in the Cabinet report attached.

5.2.2 The procedure for calling in Cabinet decisions is as prescribed by Overview & Scrutiny Procedure Rule 15.0.

5.3 Equity and Equalities

5.3.1 There are no equity and equalities issues arising directly from this report.

6.0 Recommendation

6.1 With reference to the options in section 3.0 of the report, Members' guidance is sought.

7.0 Decision Making Process

7.1 If the Panel refers the decision to Cabinet it may be possible to include it in the agenda for the Extraordinary Cabinet meeting of the 16 October 2014. If the decision is referred to Council for reconsideration it would be necessary to organise an extraordinary meeting to discuss the matter.

Contact Officer:	Charles Hungwe, Senior Democratic Services Officer, Ext 7186
Reporting to:	Glenn Back, Democratic Services & Scrutiny Manager, Ext 7187

Annex List

Annex 1	Cabinet Report – Royal Sands Development
Annex 2	Cabinet Minutes – 11 September 2014

Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation Undertaken

Finance	Matt Sanham, Finance Manager (Corporate Finance Manager)
Legal	Steven Boyle, Interim Legal Services Manager & Monitoring Officer