
OVERVIEW & SCRUTINY PANEL CALL-IN OF A CABINET DECISION - TRANSFER OF FORT ROAD HOTEL FROM THE GENERAL FUND TO THE HOUSING REVENUE ACCOUNT

To: **Extraordinary Overview & Scrutiny Panel – 28 April 2015**

Main Portfolio Area: **Housing and Planning Services**

By: **Senior Democratic Services Officer**

Classification: **Unrestricted**

Ward: **Thanet Wide**

Summary: The Overview & Scrutiny Panel called-in a Cabinet decision on the transfer of Fort Road Hotel from the General Fund to the Housing Revenue Account. This covering report highlights the grounds for that call-in.

For Decision

1.0 Introduction and Background

1.1 On 2 April 2015 Cabinet considered an officer report on the Transfer of Fort Road Hotel from the General Fund to Housing Revenue Account. After some debate Councillor Nicholson proposed, Councillor Harrison seconded and Members agreed the following:

1. To transfer the Fort Road Hotel from the general fund to the housing revenue account;
2. To allocate the property for housing purposes;
3. The use of HRA balances and 141 receipts where appropriate to undertake the development works up to £950K;
4. The use of repairs reserve to fund the General Fund costs already incurred prior to transfer.

2.0 Reasons for Call-in

2.1 The Chairman of the Overview and Scrutiny Panel called-in the Cabinet decision on 13 April 2015. In calling-in the decision the Chairman indicated the following reason for the call-in; that:

“I believe that not all the options for the site have been considered.”

3.0 Options

- 3.1 The Panel could request Cabinet to reconsider its decision made on 2 April 2015.
- 3.2 The Panel could opt to make a recommendation to the 2015/16 Overview and Scrutiny Panel to set up a sub-group to consider this issue in greater detail. If this option is adopted by the Panel; it would mean that the executive can go ahead and implement the Cabinet decision without further delays.
- 3.3 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 the decision 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 in Annex 1.
- 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 Recommendations

Members are requested to consider making any of the following recommendations:

Either

6.1 That Cabinet reconsiders its decision made on 2 April 2015;

or

6.2 That Members recommend to a future meeting of the Overview & Scrutiny Panel that a sub-group be set up to review the issue in greater detail;

or

6.3 That no further action is taken by the Panel.

7.0 Decision Making Process

7.1 If the Panel refers the decision back to Cabinet, the Executive ought to meet within 15 working days. However it is not possible for Cabinet to meet within the timescale prior to the May Elections and comply with the pre-publication requirements of the Access to Information Rules. The referral will therefore need to be considered by Cabinet as soon as practicable in the new municipal year.

7.2 If Members of the Panel choose to set up a sub-group to review this Cabinet decision, they can only do so as a post-hoc scrutiny review and that leaves the executive to implement the decision without further delays. The purpose of the post decision scrutiny would be to draw some lessons for the future.

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Annex List

Annex 1	Cabinet Report – Transfer of Fort Road Hotel from the General Fund to Housing Revenue Account
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Background Papers

Title	Details of where to access copy
None	N/A

Corporate Consultation Undertaken

Finance	Nicola Walker, Interim Head of Financial Services
Legal	Steven Boyle, Head of Legal and Democratic Services & MO