

## CABINET

### Minutes of the meeting held on 18 September 2018 at 7.00 pm in Council Chamber - Council Offices.

**Present:** Councillor Robert W Bayford (Chairman); Councillors Savage, Game, I Gregory and Ashbee

**In Attendance:** Councillors Campbell, Connor, Crow-Brown, L Fairbrass, Jaye-Jones, Rusiecki, D Saunders, M Saunders and Stummer-Schmertzing

#### 517. APOLOGIES FOR ABSENCE

There were no apologies received at the meeting.

#### 518. DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 519. MINUTES OF EXTRAORDINARY MEETING

Councillor Gregory proposed, Councillor Savage seconded and Members agreed the minutes as a correct record of the extraordinary meeting that was held on 19 July 2018.

#### 520. MINUTES OF PREVIOUS MEETING

Councillor Game proposed, Councillor Gregory seconded and Members agreed the minutes as a correct record of the meeting that was held on 26 July 2018.

#### 521. QUARTERLY PERFORMANCE REPORT Q1 2018/19

Cabinet noted a presentational refresh of the report. This new approach was meant to ensure a more transparent and clear to understand sharing of performance information. The council priorities and targets remained the same with a focus on issues that mattered most to local people.

The performance figures demonstrated a general trend of improvement, with room for improvement in some areas. Members also acknowledged the demand which continued to be placed upon the Council's Housing Team, where increased pressure meant that some key figures this quarter have been below target.

An example cited at the meeting was that as at the end of March the council had some 51 households in hotel accommodation. However that figure currently stood at two. A recent letter of praise following a visit from the Ministry of Housing, Communities and Local Government acknowledged the good work by the Housing Team.

Cabinet further considered the recommendations from the meeting of the Finance, Budget & Performance Scrutiny Panel held on the 30 August 2018, which are as detailed below:

##### **Recommendation 1**

That the "Count of enterprises in Thanet" indicator should be amended to a 'Count of enterprises across Kent.' This was because the level of retention (under the business rates retention scheme) was dependent on how Thanet District Council performed

against other councils participating in the scheme in attracting business enterprises to operate in the district.

### **Recommendation 2**

That Cabinet introduces performance targets for the issues highlighted in 'Grey' in the report, if it was not possible to do so, a report be brought back to the Panel advising why the proposal could not be implemented. Members thanked the Panel for the proposals.

Councillor Campbell and Councillor Crow-Brown spoke under Council Procedure Rule 20.1.

Councillor Gregory proposed, Councillor Game seconded and Cabinet agreed the following:

1. To note the Council's performance;
2. That with regards to recommendation 1 from the Finance Scrutiny Panel: confirm that future performance reports would identify a comparison of enterprises within Kent;
3. That with regards to recommendation 2 from the Finance Scrutiny Panel: to explore how best to report the contextual indicators which currently do not have a target (i.e. those represented as grey in the Cabinet report) in order to understand whether new performance measures can be introduced in future.

## **522. QUARTER 1 BUDGET MONITORING REPORT 2018-19**

Cabinet received an update on the budget performance for the first quarter of the current financial year. The key highlights were as follows:

There was projected overspend of £750k in the General Fund. Members noted that these were early days and all budgets would continue to be regularly monitored to ensure that the council's expenditure remained within the agreed budget.

Members were advised that the Housing Revenue Account (HRA) was currently forecast to have a deficit of £471k in 2018-19. This represented a £185k increase against the budgeted deficit of £286k.

On the other hand the projection for the General Fund Capital Programme was that this would be fully spent at year end. However, Members were reminded to be cautious about this assumption given last year's results (where it was found that a large slippage actually materialised at year end). A report at the half year mark would give a more realistic indicator of the performance of the capital programme.

With regards to the HRA Capital Programme; of the £20.834m budget allocated to HRA capital schemes, it was currently anticipated that £9.1m would be unspent at year end. This was mainly due to Phase 2 and 3 of the New Build Programme, which required re-profiling.

Councillor Campbell spoke under Council Procedure 20.1.

Councillor Gregory proposed, Councillor Ashbee seconded and Members agreed the following:

1. To note the 2018-19 Quarter 1 forecast position for:
  - (i) The General Fund;
  - (ii) The Housing Revenue Account;

- (iii) The General Fund and Housing Revenue Account Capital Programmes;
2. The updated General Fund and Housing Revenue Account capital programmes as set out in Annex 1 and 2 to the Cabinet report.

**523. MEDIUM TERM FINANCIAL STRATEGY (MTFS)-2019/23**

Cabinet considered a report which set out the Medium Term Financial Strategy (MTFS). The MTFS provided an integrated view of the whole of Thanet District Council's (TDC) finances which also set out objectives to be met, risks to be managed and the policies to be applied over the period 2019-2023. It was pointed out that whilst the report was focused on the Council's future financial position, it was helpful to look back at past circumstances as highlighted below:

It was not long that the council was exposed to and had to manage a number of significant financial risks. Decisions made in the past meant the council was having to "firefight" events rather than being able to focus on improving service delivery. As a result, reserves diminished and the delivery of the TDC's corporate priorities was compromised. Action had to be taken to get the council at least on a stable footing, to be able to build for the future.

The council had just had its 2017-18 accounts audited and the result showed a satisfactory financial position as well a modest rebuilding of reserve levels. The council secured an unqualified value for money conclusion and unqualified audit opinion from the auditors. In its Audit Findings Report, Grant Thornton stated "the Council's current reserves position, despite the improvement during 2017-18, does not provide much room for manoeuvre should the full range of savings not be identified". In short, the council still had some way to go on its road to recovery.

The council, like all other local authorities, was experiencing a challenging period whilst central Government pushed on with its drive to reduce the national deficit. The Government was currently undertaking a Fair Funding Review and a review of business rates. In addition the autumn budget and the 2019 Comprehensive Spending Review would also have a significant impact on the future direction of the Medium Term Financial Strategy (MTFS). This report therefore needed to be considered within the context of these external uncertainties.

Cabinet further considered the assumptions made for the projected funding, pressures and anticipated savings.

Members were advised that a revision to the CIPFA Prudential Code for Capital Finance in Local Authorities was issued in December 2017, with a new requirement being that local authorities were now required to produce a Capital Strategy for approval.

Another revision to the CIPFA Treasury Management in the Public Services Code of Practice was issued in December 2017, with a new requirement being that local authorities produced a Non-Treasury Investments Report for approval.

Councillor Campbell spoke under Council Procedure 20.1.

Councillor Gregory proposed, Councillor Savage seconded and Members agreed the following:

1. The Medium Term Financial Strategy 2019-23;
2. The Capital Strategy and Non-Treasury Management Investment Report as attached in Annexes 2 and 3 to the report.

**524. FOOD LAW SERVICE PLAN AND ENFORCEMENT POLICY**

Members discussed the proposals in the policy report and confirmed that the Food Standards Agency required all local authorities to produce a Plan that outlined how councils provided food safety service in their respective jurisdictions.

This Food Law Enforcement Plan and Policy set out how the council's Public Protection team would prioritise and manage their work for the next 24 months taking into account the unknown elements of BREXIT and the Food Standards Agency reform known as 'Regulating our Future'.

The plan also took into account the functions that the team currently performed by carrying out programmed inspections of 1359 food premises in the district as was required by the Food Law Code of Practice, as well as health and safety duties, wheel traceability events work, routine sampling, street auditing, complaints, caravan parks and infectious diseases work.

Councillor Game proposed, Councillor Savage seconded and Cabinet is recommended to Council for approval, the Service Plan and Enforcement Policy.

**525. REGULATIONS OF INVESTIGATORY POWERS ACT 2000 (RIPA) POLICY & PROCEDURES GUIDANCE NOTE FOR 2018/19 AND ANNUAL REPORT ON THE USE OF RIPA IN 2017/18**

There was very limited use of Regulation of Investigatory Powers Act 2000 (RIPA) within Operational Services Enforcement over the period under review, because the majority of our investigations are successfully carried out by enforcement officers without the need for authorised directed surveillance.

Three operations that utilising authorised directed surveillance were undertaken in 2017. All three targeted potential criminal activity across Thanet. Cabinet noted that there was successful enforcement action which led to a £400 fixed penalty notice for one case of criminal offence of fly-tipping and successful legal action in another case for dumped hydroponic waste fly-tip from a hire van, (following social media appeal).

In 2017 the surveillance regulator completed an audit of the Councils policy and procedures and use of the RIPA powers. The regulator concluded that the Council had robust processes in place to manage its statutory obligations regarding the management of RIPA. As a result of this successful audit the Council would not be inspected again until 2020.

No Covert Human Intelligence Source (CHIS) applications were authorised in 2017. Cabinet was advised that it was not standard Council policy or practice to use human intelligence sources as part of the enforcement activities.

Councillor Savage proposed, Councillor Game seconded and Members approved the amended RIPA Policy & Procedure Guidance and noted the use of RIPA by the authority in 2017.

Meeting concluded: 7.35 pm