

CABINET

Minutes of the meeting held on 25 July 2019 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Robert W Bayford (Chairman); Councillors Ashbee, Game and D Saunders

In Attendance: Councillors: Albon, Bailey, Everitt, M Saunders, Shrubbs, Wright and Yates

574. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Pugh.

575. DECLARATIONS OF INTEREST

Councillor Bayford, Leader of Council declared a significant interest on agenda item 6, (Broadstairs & St Peters Draft Neighbourhood Plan).

Councillor Game, Cabinet Member for Housing & Safer Neighbourhoods declared a significant interest on agenda item 8, (Response to Monitoring Officer's Report - Gas Safety Certificates).

576. MINUTES OF PREVIOUS MEETING

Councillor Ashbee proposed, Councillor David Saunders seconded and Members agreed the minutes as a correct record of the meeting that was held on 13 June 2019.

577. CABINET RESPONSE TO THE PETITION ON THE BUDGET

Cabinet considered their proposed response to a budget petition regarding potential expenditure relating to office accommodation and community asset transfers. Members were advised that a £3m provision was included in the 2019/20 capital programme to ensure the Council's office accommodation remained suitable for use and as cost effective as possible.

That budget provision was for capital expenditure the acquisition or enhancement of the council's assets, as opposed to revenue expenditure which related to day-to-day service expenditure.

It should be noted that there were a number of legal restrictions in the way in which both the revenue and capital budgets could be and were financed. As such, the capital funding proposed to fund the £3m investment could only be used to fund capital expenditure and could not have been used to reduce the savings required, including service reductions, in order to balance the revenue budget.

Councillor David Saunders proposed, Councillor Ashbee seconded and Cabinet noted the concerns, and confirmed that the provisions in the budget report remained valid.

578. CORPORATE STATEMENT

Members discussed the proposed new Corporate Statement and supporting Core Business Objectives, setting out the direction of travel over the next four years.

Cabinet acknowledged that Council was aware that the communities in Thanet were changing and there were increasing demands for local services. At the same time, the Council was also aware of the many challenges facing local people and businesses.

Therefore, the Council had set its Core Business Objectives to enable it to plan for the changing needs and to meet the increasing financial challenge ahead, as core government grant funding was going to be reduced to nil by 2020.

As part of creating a better understanding of these proposals, Cabinet had arranged for a Members' Briefing on Tuesday 30 July which would provide all Elected Members with the opportunity to give their feedback directly to the Leader on the draft Corporate Statement and supporting Core Business Objectives.

Councillor Everitt spoke under Council Procedure Rule 20.1.

Councillor Bayford proposed, Councillor Ashbee seconded and Cabinet agreed that the proposed new Corporate Statement and supporting Core Business Objectives for the 4-year term of 2019-2023 (with any amendments) be presented to the Overview and Scrutiny Panel with any representations being referred to Cabinet before submission to Council for final approval.

579. BROADSTAIRS & ST PETERS DRAFT NEIGHBOURHOOD PLAN

Councillor Bayford, Leader of Council having declared a significant interest on the matter, left the Council Chamber before the discussion of this item.

Councillor Ashbee, Deputy Leader of Council in the Chair.

The meeting was advised that under the Localism Act 2011, Neighbourhood Plans could be prepared by local communities and were led by Town or Parish Councils or a Neighbourhood Forum in areas which did not have a Town or Parish Council. If Thanet Council adopted a neighbourhood plan it would have the same significance as other Development Plan Documents (e.g. the Local Plan) for the district.

Broadstairs & St Peters Town Council had prepared a draft neighbourhood plan. It was published and formally submitted to the Council and had subsequently been assessed by an independent Examiner. The Examiner's report had also been published. It supported the proposed Neighbourhood Plan, with some minor modifications, and recommended that it be subject to a referendum.

The Council now had to issue a Decision Statement as to whether or not it accepted the recommendations in the Examiners report, and, if not, what actions would be necessary. The Council also had to consider whether the draft Plan met the "basic conditions" for a Neighbourhood Plan.

Cabinet agreed that the draft Neighbourhood Plan was generally supported. Members indicated that it had been positively prepared and included policies that generally conformed to the emerging district Local Plan. It was encouraging that the Town Council had included policies which, although too detailed or too specific for the Local Plan, did generally support the delivery of the local plan and had a good evidence base. It was a good example of Thanet District Council and Broadstairs Town Council working together.

For example, the section on, 'Important Views and Vistas and Seafront Character Zones' identified particular local views and characteristics that were important to specific areas. The neighbourhood plan also included a policy for 'Areas of High Townscape Value', which was supported.

There were however two minor areas, where the submitted Neighbourhood Plan did not meet the 'basic conditions' as set out in the National Planning Policy Framework in relation to Local Green Space designations and were not in general conformity with the strategic policies of the development plan for the area (as set out in the emerging Thanet Local Plan).

The two proposed Local Green Space sites (at Fairfield Road/Rumfields Road and Reading Street) were considered for inclusion in the draft Local Plan, but were not included as they did not meet the criteria in the National Planning Policy Framework. The approach in the draft Neighbourhood Plan therefore contradicted the position set out in the draft Local Plan.

Councillor David Saunders abstained from taking part in discussing and deciding on the matter.

Councillor Game proposed, Councillor Ashbee seconded and Cabinet agreed that the draft Neighbourhood Plan be modified as set out in the cabinet report, and that the proposed modifications be the subject of public consultation for a period of six weeks.

580. MONITORING OFFICER'S REPORT - EAST KENT HOUSING

Tim Howes, Director of Corporate Governance & Monitoring Officer (MO) introduced the report and advised Cabinet of the Council's legal requirement to consider the Monitoring officer's report on this matter and thereafter take corrective action.

The Monitoring Officer highlighted the breach by the executive of Regulation 36 of the Gas Safety (Installation and Use) Regulations 1998 which placed a duty upon a landlord to have a gas safety check undertaken on an annual basis on appliances and flues to which the regulations apply.

Members were further advised that in instances such as this one; where the Monitoring Officer had prepared a report in the discharge of his duties under section 5A, the executive was required to consider it at a formal meeting and to respond to it in accordance with the requirements that were detailed in the report.

Councillor Bayford proposed, Councillor Ashbee seconded and Cabinet agreed the following:

1. To consider the Monitoring Officer's report at the meeting on the 25 July 2019;
2. That as soon as practicable, after the cabinet had concluded its consideration of this report, to prepare a report which specified:
 - a) what action (if any) the cabinet had taken in response to this report;
 - b) what action (if any) the cabinet proposed to take in response to this report and when it proposed to take that action; and
 - c) the reasons for taking the action specified in the cabinet's report or, as the case may be, for taking no action.
3. As soon as practicable after the cabinet had prepared its report in accordance with paragraph 2 above, to arrange for a copy of it to be sent to each member of the Council and the Council's Monitoring Officer.

PLEASE NOTE: (To assist with recommendation (2) above, a report with a management response was prepared, considered and adopted by cabinet as their report in response to the Monitoring Officer's report).

581. RESPONSE TO MONITORING OFFICER'S REPORT - GAS SAFETY CERTIFICATES

Councillor Game, Cabinet Member for housing & Safer Neighbourhoods having declared a significant interest on the matter, left the Council Chamber before the discussion of this item.

Cabinet acknowledged the Monitoring Officer's report on the matter and thanked the MO for the report.

Members then confirmed that the foremost concern was ensuring the tenants affected by this situation and indicated that the council was working very closely with East Kent Housing (EKH) on an action plan to fix these issues quickly.

The Cabinet report set out the background to the identified failure to undertake inspections and the remedial action taken. Failures at both EKH and at the council's appointed contractor at the time had led to the position where some properties did not have a valid LGSR.

Members were informed that since becoming aware of the position Council had:

- Met with the board and Chief Executive of EKH and requested daily updates on progress;
- Self-referred the issue with LGSRs to the Regulator for Social Housing and has provided updates on progress;
- Implemented alternative contract arrangements with alternative providers, who had now completed the backlog of work;
- Set up a new interim contract for all gas work, and;
- Progressed the procurement of a new permanent contract.

At the highest point, there were 133 TDC owned properties that did not have valid LGSR. However as at 25 July there were no TDC properties without a valid LGSR. EKH had commissioned an investigation into how this situation arose and how they could ensure that it never occurred again.

The issues with gas safety had inevitably raised questions about the effectiveness of EKH's management of other areas of tenant and leaseholder health and safety and the level of compliance with statutory requirements.

A routine audit of EKH's compliance activities had revealed failures in other areas of compliance such as fire safety, electrical safety, legionella and passenger lifts. This was referenced in the report and would be the subject of further detailed review so that the council could be fully assured that council tenants and leaseholders were safe in their homes.

Since becoming aware of the emerging findings of the audit Cabinet had:

- Provided a further update to the Regulator for Social Housing on the position;
- Agreed a brief for a wide reaching review of health and safety management with the Regulator for Social Housing;
- Immediately set up a direct intervention, which involved an officer task force to investigate health and safety management at EKH, inspecting key buildings and relevant health and safety files;
- Recruited a specialist health and safety adviser to work with officers and enhance the scrutiny of EKH's activities.

The initial focus of this work was on safety; however it inevitably asked questions about whether the current structures of EKH had contributed to the issues identified. This report therefore responded to the issues raised by the council's Monitoring Officer and also authorised the council's Chief Executive to take whatever further interim action was necessary, which could include for example authorising the use of funds from the council's Housing Revenue Account Reserve for additional inspections, scrutiny or works as required.

The report also requested that further work be completed on assessing the options for the future of the council's landlord service.

Councillor Everitt spoke under Council Procedure 20.1.

Councillor Bayford proposed, Councillor Ashbee seconded and Cabinet agreed the following:

1. Adopted the report as its report to the Monitoring Officer in accordance with the requirements of S5A (8)&(9) of the Local Government and Housing Act 1989, and agreed that a copy of it be provided to all Members of the Council and the Monitoring Officer;
2. Noted the potential wider concerns about the services provided by EKH, identified as a result of recent developments;
3. Noted the interim measures taken and delegated authority to the Chief Executive to take further interim measures as required;
4. Requested a further report setting out the potential future options for the management of the council's housing stock and whether a detailed options appraisal, including resident consultation, should be completed. An initial scoping report would be required to set out the proposed process, timescale and cost.

582. ADOPTION OF A NEW HOUSING ASSISTANCE POLICY

The Council had a mandatory duty to provide Disabled Facilities Grants (DFGs for short) to people who qualify for assistance. The council was able to enhance this mandatory assistance, but only if the additional assistance offered was set out in the council's published Housing Assistance Policy. The Council's current Housing Assistance Policy required updating as it was developed at a time when the available resources were not sufficient to meet the need for mandatory DFGs and the Council held a waiting list.

Funding for DFGs was now included within the Better Care Fund and there was greater flexibility for councils to use the funding to support wider health and social care objectives, in addition to providing mandatory grants. This could include services to assist people in moving out of hospital more quickly or to prevent them from having to move into residential or nursing care.

Government funding for DFGs, through the Better Care Fund, had increased over time and totals were just over £3m for the current year. It was now possible to consider additional services to support people with disabilities.

The Council also had funds from the repayment of loans to owners and landlords that could be recycled to assist with the improvement of private sector homes in the district. This funding was originally provided by central government to support investment into private sector housing. Cabinet proposed to allocate the currently available balances to these services over the coming 3 years, whilst retaining the ability to review this arrangement on an annual basis.

The new policy represented a great opportunity to enhance the assistance provided to people living in the private sector, both rented and owner occupied. It also allowed for the cost of administering the grant programme to also be funded, including services provided by both the Council and the Home Improvement Agency.

Cabinet acknowledged and agreed the recommendation from the Overview & Scrutiny Panel that "Cabinet write to Kent County Council to request that KCC ring fenced the £405k for use by Thanet residents."

Councillor Game proposed, Councillor David Saunders seconded and Cabinet agreed to:

1. Approve the draft of the Housing Assistance and Disabled Adaptations Policy attached (Annex 1) of this report;

2. Delegate authority to the Head of Housing and Planning in consultation with the Cabinet Member for Housing and Safer Neighbourhoods to make any minor changes to the policy and from time to time when needed.

583. ENABLING THE DELIVERY OF HOMES TO MEET THE NEEDS OF LOCAL PEOPLE

The provision of new homes to meet the needs of local people was a key priority. Pressures on both social and affordable rented housing and on the private rented sector were increasing and new solutions were required. The council had already committed resources from the Housing Revenue Account (HRA) to new build and acquisition programmes and would have provided over 150 new homes through this work by 2020/21.

The proposal in this report, recommending the principle of a wholly owned housing company, would provide an opportunity to supplement this work with additional housing development or acquisition programmes. The idea was not to replace the existing and future HRA programmes but to supplement them with additional homes paid for with an additional source of funding.

Central government's expectation was that council owned social and affordable homes were held within Housing revenue Accounts. However, Housing companies provided an opportunity to provide additional homes with greater flexibility about tenure and rent, so that market rent or sub-market rent options could also be considered.

Once the principle of setting up a housing company was agreed, further work would be required to prepare detailed proposals about how the company would be structured and its activities controlled by the Council. It would also be necessary to prepare detailed business plans setting out the spending proposals, cash flow and delivery programmes of the proposed company.

The report identified the key controlling documents required for the company and recommended an initial budget of £50,000 for this work to be completed. This proposal represented an opportunity to expand on the Council's current work to provide new homes, with additional programmes and greater flexibility.

Councillor Everitt spoke under Council Procedure Rule 20.1.

Councillor Game proposed, Councillor Ashbee seconded and Cabinet agree to:

1. Support the purposes for setting up a housing company to:
 - a. Enable the delivery of new homes, that would otherwise not be delivered, with the ability to directly acquire land and construct homes;
 - b. Acquire homes with the aim of improving conditions, management standards and affordability for the benefit of residents;
 - c. Supplement existing housing programmes and funding within the council's HRA;
 - d. Offer a wider range of housing tenures and costs, in addition to existing provision;
 - e. Create a financially viable and sustainable vehicle for the acquisition, development and management of housing;
 - f. Such other purposes which are ancillary to the above purposes.

2. Allocate an initial set-up budget for the housing company of £50,000, to be funded from the Business Rates Equalisation Reserve, and delegate authority to the Deputy Chief Executive to approve expenditure against this budget.

Meeting concluded: 7.30 pm