

CABINET

Minutes of the meeting held on 18 November 2021 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Ash Ashbee (Chair); Councillors J Bayford, Kup and D Saunders

In Attendance: Councillors: Albon, Austin, Everitt, Garner, Keen, M Saunders, Shonk, Wright and Yates

762. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Bob Bayford and Councillor Pugh.

763. DECLARATIONS OF INTEREST

There were no declarations of interest.

764. MINUTES OF PREVIOUS MEETING

Councillor Ashbee proposed, Councillor Kup seconded and Members agreed the minutes as a correct record of the meeting held on 23 September 2021.

765. EVENT POLICY AND SUITABILITY OF EVENTS

Members discussed the Events Policy and the meeting was advised that the policy was introduced in 2016 to provide guidance and support to event organisers while identifying the council's processes. Since then a review had been undertaken of this policy and the event process to ensure TDC were operating in the most efficient way for both TDC and event organisers.

The Events Policy terms and conditions and Suitability of Events documents had been designed to streamline the process and help organisers find information quickly. TDC wanted to ensure that moving forward, the process was clear and easy to understand to encourage people to organise events in the Thanet.

There are 6 main changes to the new documents:

- Organisers were now required to read and sign the policy showing they understand all TDC terms and conditions;
- Organisers were being asked to consider CO2 emissions and how they can be reduced;
- Update to fees and charges to ensure a fair charging scale for different size events;
- The introduction of the Suitability of Events document which outlines how the council made decisions on events;
- The inclusion of brand promotions on TDC land to go through the events process;
- A suggestion to change when events can take place on the beaches. The reasoning behind this was to ensure the public were able to access the beaches during the summer time and that there were no disruptions to concessionaires.

Events contributed to the local economy in the Thanet District. There had been over 230 events in Thanet over the last few years with a reduction due to the pandemic. This was predicted to increase in 2022 as the area recovered from the Covid19 pandemic. This

had created the perfect opportunity to introduce a policy that was easy to understand along with a clear charging framework.

The policy outlined the importance of safety, identifying that events needed to be covid-19 compliant, and that organisers needed to be thinking about reducing carbon emissions in line with the climate emergency called by TDC in 2019. The new policy and supporting documents would be supported with the introduction of a new events administration system that was recommended by a number of Kent Councils and would ensure a better customer experience.

Councillor Keen spoke under Council Procedure Rule 20.1.

Councillor Kup proposed, Councillor Jill Bayford seconded and Cabinet agreed the following recommendations:

1. The adoption of the events policy to include the Suitability of Events document and new fees and charges;
2. That TDC liaise with Town Councils and Margate Trustees informing them of events happening locally (see page.3, Paragraph 4, Point ix in the events policy document which is an annex to the cabinet report).

766. PROCUREMENT OF HOUSING SERVICE CONTRACTS

Cabinet considered proposals for procurement of housing service contracts and confirmed that the council is committed to improving the standard of homes across the district, including the homes that it owns and manages. Members further confirmed the commitment to working with tenants and leaseholders to deliver these improvements.

The retendering of cleaning contract, which would provide for the regular cleaning of entrances, bin areas and internal communal areas of the council's residential blocks of flats, provides an opportunity to review the service provided and to work with council tenants and leaseholders to select a suitable contractor for the coming 2 to 4 years. Budget provision was already in place to support this procurement.

Members were advised that since transition of the service to the council from East Kent Housing the council has provided a twice nightly security patrol service in each of the six tower blocks. This was initially an interim measure to assist in managing fire safety in these blocks. This approach had proven extremely effective at identifying and responding to a range of issues, including rubbish and other items left in communal areas, noise and antisocial behaviour, blocked rubbish chutes and activations of fire alarm systems. The patrols would record and report all issues through to the council's Housing Management Officers so that any follow up actions that were needed could be arranged. It is therefore proposed to procure this service on a longer term basis. Budget provision is already in place to support this service.

In addition the council was currently providing 24 hour interim waking watch services in five of its tower blocks, which were fitted with external wall insulation. The purpose of the waking watch service was to assist with managing fire risk within these buildings, ensure that the alarm was raised immediately in the event of a fire, and assist with an evacuation. These blocks were due to have upgrades to the alarm systems, and the waking watch services would be required until these alarm upgrades were completed.

The council was working closely with Kent Fire and Rescue regarding fire safety and had already jointly tested the waking watch service procedures in relation to evacuation. The inclusion of this service within the procurement was subject to the approval of the necessary budget by the full council.

Councillor Everitt spoke under council Procedure Rule 20.1.

Councillor Jill Bayford proposed, Councillor David Saunders seconded and Cabinet authorised:

1. The letting of the term contract for the cleaning of the communal areas of council owned blocks of flats, as detailed in this report;
2. The letting of a term contract for the provision of security patrols and wakening watch services within the council's tower blocks, as detailed in this report, and subject to the approval of the necessary budget by full council.

767. PROCUREMENT OF WORKS AT CHURCHFIELDS

Members discussed proposals for the procurement of works at Churchfields Flats. This project was for the demolition of existing concrete bin stores and canopies at the Churchfields flats and for the provision of 35 off-street parking bays for residents.

The bin stores and canopies were past the end of their useful life and had been boarded and unused for a number of years. In preparation for this project, the council had consulted with the tenants and leaseholders of these blocks who expressed a preference for the proposed project. The funding for this project was already within the council's approved Housing Revenue Account Capital Programme.

Councillor Jill Bayford proposed, Councillor Kup seconded and Cabinet agreed to:

1. The letting of the contract for the demolition of the existing bin stores and provision of new bin enclosures to 1-13 Churchfields and new parking bay numbers 1-35 behind Churchfields and off the High Street.

768. MID YEAR REVIEW 2021-22: TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY

The Council had thus far operated within all of the borrowing and investment limits set by our strategy for this year. The report demonstrated that the capital spending was approximately £5m at the mid-year point. This was within the revised capital budget of £31m, but was well below the expectations of where the council would expect it to be at this point in the year.

The revised capital budget for the year had increased by about £9m compared to the original, but the majority of this additional spending would be funded from grants with only a modest increase in borrowing. The council currently had approximately £20m of external borrowing. No new external borrowing was undertaken during the first half of this financial year, but £4m of maturing debt had been repaid using the investment balances. Borrowing may be undertaken during the second half of this financial year and options would be reviewed in line with market conditions.

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

1. Note and make comments on as appropriate, this report and annexes;
2. Recommend this report and annexes, including the prudential and treasury indicators that are shown and the proposed changes to the 2021-22 Treasury Management Strategy Statement, to council for approval.

769. BUDGET MONITORING 2021-22: REPORT NO.2

Cabinet discussed the second budget monitoring report for 2021-22 with an indicative £1.96 million General Fund overspend, which was largely due to the ongoing impact of Covid. The report assumed the use of Government funding of £1million, leaving a net overspend forecast of £0.96 million to be funded from reserves that were set aside last year specifically for this purpose.

The report also identified the following:

- The latest General Fund Capital programme forecast for 21-22;
- The latest Housing Revenue Account position;
- The need for Cabinet to recommend to Council the decision to provide a supplementary budget for Legal costs associated with Private Sector Housing;
- The need for Cabinet to agree the latest position for the GF Capital Programme, including the need for virements to realign;
- The need for Cabinet to recommend to Council the decision to approve supplementary capital budgets pertaining to Covid Response, Ramsgate Harbour, Ramsgate Port, Homelessness and Ellington Park;
- The need for Cabinet to recommend to Council the decision to approve a supplementary budget of £897,000 for the Housing Revenue Account to cover the cost of the waking watch service at five tower blocks, this being until such time as new fire alarm sounders can be installed.

Councillor Yates spoke under Council Procedure Rule 20.1.

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

1. To note the following:
 - a. The General Fund revenue budget 2021-22 forecast position.
 - b. The General Fund Capital Programme 2021-22 forecast position.
 - c. The Housing Revenue Account position.
 - d. The anticipated funding solution to the budget gap;
2. To recommend to Council for approval a one-off 2021-22 supplementary General Fund revenue budget of £60k, for legal costs associated with a Private Sector Housing unlawful eviction case, to be funded from the Risk Management reserve;
3. To the 2021-22 Capital Programme budget adjustments and virements, numbered 1 to 6, as set out in section 5.3 and Annex 1 to this report;
4. To recommend to Council for approval the 2021-22 supplementary capital budgets, numbered 7 to 10 as set out in section 5.4 and Annex 1; and
5. To recommend to Council that a £897k supplementary HRA revenue budget be approved for 2021-22, for the deployment of a waking watch service at the five tower blocks period until fire alarm sounders are installed at each site, to be funded from HRA balances.

770. FEES AND CHARGES 2022-23

Members were advised that an initial review of fees and charges had now been completed as part of the 22-23 budget setting process. This included the review of the proposed fees and charges by the Cabinet Advisory Group and their recommendations had been included in the report for Cabinet's consideration.

The review of fees and charges commenced in the early summer and proposed fees and charges were based on a broad 2% increase. However, as the fees and charges setting

process developed it had become apparent inflation was significantly higher than our 2% baseline that had been applied to the proposals for next year. Only the day before the cabinet meeting, the Consumer Price Index for October was announced at 4.2%, the highest rate for a decade and it was forecast to peak close to 5% over the coming months.

Members were reminded that the council was not immune to these inflationary pressures. As such, it was important that the council was able to set fees and charges in line with an increasing cost base but also balancing this against market conditions and the ability of residents to pay. The Cabinet Member for Finance proposed a further review of the proposed fees and charges assumptions for next year in order to apply a 3% increase instead. Subject to the approval of Cabinet; the fees and charges schedule would then be updated to reflect this new proposal which would then be presented to Council for approval on 9 December.

Councillor Yates spoke under Council Procedure Rule 20.1.

Councillor Saunders proposed, Councillor Kup seconded and Cabinet agreed that the fees and charges schedule be updated to be based on a 3% increase, alongside the consideration of the recommendations made by the CAG (highlighted in para 3.2 to the cabinet report), and recommended to Council for approval.

771. BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2022-26

Members considered proposals for the budget and medium term financial strategy for 2022-2026. The discussion explored the context and approach to setting next year's budget.

The financial projections considered came with a health warning because they are based on the best estimations by the Finance Department on the latest impact of the budget announcements; all of which were subject to change. Although early indications on funding for the forthcoming year were positive, the full impact of the announcements will not be known until the settlement is received in December and as a result the report highlighted the delicate financial situation for the Council.

Apart from Government funding, there were inflationary pressures of about £1.1 million each year, which cannot be covered by increases in Council Tax and fees and charges alone.

Table 1 in paragraph 3 to the cabinet report sets out the overall picture and it projects a budget gap of £0.691 million in 2022-23. These figures were rough projections. The council would need to start re-thinking how to best deliver services over the medium term. Section 9 of this report identified some options for further exploration to help contribute to savings over the medium term and the recommendations contained, sought Cabinet support to:

1. Approve this Strategy;
2. Provide direction on how to bridge the budget gap;
3. That Cabinet commits to the development of a long term saving plan that exceeds £2 million, to help bridge the gap over the medium term.

The following Members spoke under Council Procedure Rule 20.1:

Councillor Austin;
Councillor Albon;
Councillor Garner;
Councillor Yates.

Councillor Saunders proposed Councillor Kup seconded and Members agreed that:

1. The 2022-26 Budget and Medium Term Financial Strategy be approved;
2. Cabinet provides direction on how the 2022-23 budget gap should be bridged;
3. Cabinet commits to the development of a long-term savings plan that exceeds £2m, in order to close the forecast medium term budget gaps.

Meeting concluded: 8.01 pm