

CABINET

Minutes of the meeting held on 17 November 2022 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

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

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

862. APOLOGIES FOR ABSENCE

There were no apologies received at the meeting.

863. DECLARATIONS OF INTEREST

There were no declarations of interest.

864. MINUTES OF EXTRAORDINARY MEETING

Councillor Ashbee proposed, Councillor Bob Bayford seconded and Members agreed the minutes as a correct record of the extraordinary meeting held on 13 October 2022.

865. MINUTES OF PREVIOUS MEETING

Councillor Ashbee proposed, Councillor Jill Bayford seconded and Members agreed the minutes as a correct record of the meeting held on 20 October 2022.

866. MID YEAR REVIEW 2022-23: TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY

Cabinet considered the treasury management report. At the mid-year point the council had approximately £20million of external borrowing, but no new external borrowing had been undertaken during the first half of this year. About £169k of debt had been paid during the same period under review. Borrowing options would continue to be reviewed in the second half of this financial year in line with the current and emerging market conditions.

The financing and the affordability of the capital programme was being kept under regular review due to the effects of inflation and a shortage of capital receipts. The council's borrowing strategy would also be regularly reviewed and revised in order to achieve optimum value and manage risk of exposure in the long term. The council still had a significant cash and investment balance, holding about £57 million, as at 30 September 2022.

Members further considered minor technical changes that were proposed for the treasury management strategy. This was in order to reflect a change of accounting estimates following a further deferral in the implementation of accounting standards for leases. Members were assured that making this change would ensure that the council's limits would be adjusted to an appropriate level. The other proposal was to increase the length of time permitted to invest with the UK Government from six months to two years, in order to increase the council's investment options.

Cabinet received a report for a minor breach to the investment limits for one of the council's deposits. This was due to an error by one of the council's financial providers, where they added the accrued interest to the balance of the deposit with the fund, rather

than paying the interest directly to the council. This resulted in £6million limit being exceeded by £4, 385 for the period from 1 June 2022 to 8 June 2022 and by £5,335 for the period from 1 July 2022 to 4 July 2022.

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

1. To note, and make comments on as appropriate, this report and annexes;
2. To recommend this report and annexes, including the prudential and treasury indicators that are shown and the proposed changes to the 2022-23 Treasury Management Strategy Statement, to council for approval.

867. TENANT AND LEASEHOLDER SERVICES Q1 PERFORMANCE REPORT 2022/23

Cabinet discussed the housing performance report and they noted that the Quarter 1 performance showed stability within the team. Mears' performance continued to show positive improvement, where customer satisfaction with the service had increased from 90.6% in quarter 4 2021/2022 to 95.4% in quarter 1. This was a sign of the good contract management that was now in place and the service improvement plan that had been implemented.

Arrears recovery had also continued to show a positive trend, although the team was concerned about what the future would bring for the council tenants. To try and mitigate the risk of the rising cost of living, the team changed the process of how referrals were made to the Financial Wellbeing Team. This was to enable officers to help more tenants more quickly, with the intention to prevent the build up of debt.

One area the team had worked on was void performance, which had been steadily improving. Focus was kept on this area to ensure this trend continued and void turnaround time met the target. An area where performance had not improved as much as was hoped was in electrical safety. The performance had only increased by 1% since Q4, which was disappointing for the team.

The reason why improvement had slowed was due to resources and therefore an additional contractor was going to be procured to accelerate the completion of electrical safety tests. This arrangement was expected to be in place during Q3. Mears were also looking to take on more sub-contractors to cope with the volumes of work required.

Councillor Everitt spoke under Council Procedure Rule 20.1.

Councillor Jill Bayford proposed, Councillor David Saunders seconded and Cabinet agreed to note the report.

868. YOUTH COUNCIL

Members considered the report on the newly created Youth Council that cabinet had been championing as Members believed that understanding the viewpoints of young people was important in how the council functions. The Youth Council would be run by young people and enable them to make their views heard in the council's decision making process. The Youth Council had specific objectives which would drive their meetings and these will have agendas and minutes taken as with any other council meeting. A small budget had been made available to enable the group to function and take forward ways of supporting local youth projects and apply for extra funding where appropriate.

The Community team had been working with numerous youth groups to invite people to attend the youth Council. The first meeting was expected to be attended by about twenty

young people on 30 November 2022. The team had also arranged with Stagecoach that those young people attending these meetings can have a day rider ticket free of charge to travel to and from the meetings.

The Cabinet Member for Community Safety & Youth Engagement had taken part in a video promoting the Youth Council to be used for recruitment purposes. Thanet District Council was one of the first councils in the South East to implement a District Youth Council and that is something the council should all be very proud of.

Councillor Keen spoke under Council Procedure Rule 20.1.

Councillor Kup proposed, Councillor Ashbee seconded and Cabinet agreed to note the contents of the report.

869. AFFORDABLE DEVELOPMENT PROGRAMME UPDATE

Cabinet received an update report on the affordable development programme. The council had previously committed capital funding of £8.8m, from the Housing Revenue Account Capital Programme, for the delivery of Phase 4 of the affordable housing development programme, spanning the 2020-24 financial years. Phase 4 included 14 property acquisitions (already completed) and 22 new build homes, which were due to start on site in March 2023.

The Capital Programme approved by Council in February 2022 agreed a further ongoing annual budget of £8.1m from 2024/25 for the 'New Build Phase 5' scheme, funded from borrowing. A total of 60% of this funding was through borrowing, with the balance of 40% funding from retained right-to-buy receipts. Right-to-buy (RTB) receipts were accrued following a sale of a council home to a tenant through the right to buy legislation. A proportion of these receipts were set aside for the provision of new affordable rented homes (1-4-1 receipts), under the terms of an agreement with the government.

Cabinet was asked to approve the adjustment to the timescales of delivery to spend the already allocated budget and an increased number of new build units in the current phase from 22 to 47, so that the total number of homes provided in phase 4 would increase to 61. These additional units would increase the number of new homes provided by the council as a result of the new build, acquisition and refurbishment programmes to a total of 191 since 2015.

It was proposed that some of these units would be on infill sites on existing housing estates including, Tomlin Drive, Staner Court and Clements Road. The programme also included the development of land acquired by the council in Dane Valley.

Councillor Everitt and Councillor Yates spoke under Council Procedure Rule 20.1.

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

1. An increase in the number of homes to be delivered as part of Phase 4 from 36 to 61;
2. That £8.1m for 2024/25 vired from the 'New Build Phase 5' capital scheme be transferred to the 'New Build Phase 4' scheme, to accommodate the scheme of works set out in this report; and
3. The 'New Build Phase 4 scheme' budget for 2024/25 is increased by £0.2m, to be funded from the borrowing allocated to and a corresponding decrease in the 'New Build Phase 5' scheme budget for 2025/26.

870. HEATING ASSISTANCE SCHEME

Members considered the proposals for a heating assistance scheme. Of the 68,400 homes in Thanet, 19.2% (13,000 homes) are in fuel poverty. This was compared to 12.9% for the rest of the South East. Since the winter period of 2020/21 energy prices had soared to an average £1,042. It was predicted gas and electricity bills for British households would rise to £2,500 a year in 2022 as a result of high wholesale gas and electricity prices and jump further to more than £5,000 in January.

The council's energy advice and referral service had seen an enormous rise in calls. From June to August in 2021, seventy six clients approached the council for advice and assistance. This had risen to 250 for the same period in 2022. This was an increase of over 200%. The Housing Assistance and Disabled Facilities Grant Policy included both the Discretionary Housing Grants (DHG) and Urgent Repair Grants (URG).

These were intended to contribute towards the policy objective of reducing the number of homes with category one hazards. Category one hazards was those where the most serious risk of harm was identified. This included cases with no effective heating in their home. Council had identified a number of cases where a serious hazard, related to excess cold, had been identified but the owner had been ineligible for existing grants, despite not being able to afford the necessary work.

The new Heating Assistance Grants would form part of the council's overall Housing Assistance and Disabled Facilities Grant Policy, which was last reviewed and adopted in 2019. The scheme would extend the eligibility for grant support to cases that might not otherwise qualify for assistance. Members were advised that to be eligible for this scheme amongst other things, applicants must be a resident in Thanet and be in receipt of a means tested benefit, or had an income below £31,000 per annum. In addition, the property must have an Energy Performance Certificate (EPC) rating of D, E, F or G. Grants of less than £1,000 are not required to be paid back.

Grants over £1,000 would be required to be paid back in line with the Winter Warmth Grant protocol, set out in the adopted Housing Assistance and Disabled Facilities Grant. This required grants to be repaid if the occupant moved out or the property was sold within a 10 year period. Specific eligible works would include the repair of defective space heating, hot water systems, the installation of replacement, new space heating, hot water systems and increased insulation to improve thermal efficiency.

Councillor Everitt spoke under Council Procedure Rule 20.1.

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

1. To the allocation of the remaining Regional Housing Board funds to create a Heating Assistance Scheme to enable households who are experiencing fuel poverty to access funding.

871. PROCUREMENT HEATING SERVICING AND REPAIRS CONTRACT

Officers requested Cabinet to agree to the letting of the contract for space heating and hot water servicing and repairs. The estimated value of this contract was £5.78 million over a potential duration of 7 years. Gas Call Ltd currently provided this service and their contract was due to expire on 31 March 2023. The current contract covered gas boiler breakdown and responsive repairs, annual gas safety checks, call centre, out of hours service provision and a boiler replacement programme. The new contract is proposed to include the majority of existing services.

However, it was proposed that the new contract does not include an active boiler replacement programme and boilers be replaced at point of failure only. This was in preparation for the phasing out of gas boilers as part of the national approach to carbon reduction, and the council's Net Zero Strategy. Gas boilers installed now had a 15 year lifecycle. It was not advisable to install equipment now that could potentially be replaced in the near future with new, emerging green technologies.

Councillor Everitt spoke under Council Procedure Rule 20.1.

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

1. The letting of the contract for space heating servicing, health and safety inspections, maintenance and installation works for HRA housing stock.

Meeting concluded: 7.48 pm