



## Cabinet

Held at: Council Chamber - Civic Centre Folkestone

Date: Wednesday, 15 November 2017

Present: Councillors Mrs Ann Berry, John Collier,  
Malcolm Dearden, Alan Ewart-James, David Godfrey,  
Mrs Jennifer Hollingsbee, Rory Love, David Monk,  
Dick Pascoe and Stuart Peall

Officers Present: Kate Clark (Committee Services Officer), Mark Damiral (Housing Options Manager), Adrian Hammond (Housing Strategy Manager), Graham Hammond (Senior Economic Development Officer), Katharine Harvey (Head of Economic Development), Amandeep Khroud (Head of Democratic Services and Law), Tim Madden (Corporate Director - Organisational Change), Susan Priest (Corporate Director - Strategic Development), Andrew Rush (Corporate Contracts Manager), Charlotte Spendley (Head of Finance), Alistair Stewart (Chief Executive) and Jemma West (Senior Committee Services Officer)

Others Present: Councillor Mrs Clare Jeffery.

NOTE: All decisions are subject to call-in arrangements. The deadline for call-in is 24 November 2017 at 5pm. Decisions not called in may be implemented on 27 November 2017..

49. **Declarations of Interest**

There were no declarations of interest at the meeting.

50. **Minutes**

The minutes of the meetings held on 11 and 18 October 2017 were submitted, approved and signed by Chairman.

51. **Waste and Street Cleansing Project 2021**

The waste partnership agreement and Veolia contract ends in January 2021. It is proposed that the East Kent Districts and KCC work together to develop options for new joint service arrangements to start in 2021, before if practicable. This report summarises the current issues and risks, the likely options to be considered and presents a project plan to develop and deliver the new service arrangements.

Proposed by Councillor Godfrey,  
Seconded by Councillor Peall; and

**RESOLVED:**

1. That report C/17/52 be received and noted.
2. That the following be approved –
  - a. SDC to participate in a multi-authority project group tasked to deliver as a first stage an options report and strategy to take forward the joint approach across East Kent for the provision of Waste, Recycling and Street Cleansing services from 2021.
  - b. Options report to be completed and reported to Cabinet by July 2018 and to include:
    - i. Review of the current service operating model with recommendations that will form East Kent Waste Strategy from 2021 onwards, or before if practicable.
    - ii. Review of options to develop the waste management infrastructure in East Kent.
    - iii. Review of service delivery options for in-house service, local authority owned company and outsourced service.
  - c. Draft Project Plan and timeline to be recommended for adoption by other participating councils.
  - d. Approval of project budget of £50,000 for 2017/18.

(Voting: For 10; Against 0; Abstentions 0)

**Reason for Decision:**

- a) The current service arrangements end in 2021 and due to the long lead-in times for service design and procurement, project planning needs to start well in advance.
- b) The East Kent Districts and KCC already work within a waste partnership that has delivered benefits in both cost and service delivery. There will be significant cost pressures on the next waste and street cleansing contract which may be best addressed working jointly. It also potentially creates a level of scale in processing that makes options to improve the waste infrastructure in East Kent feasible.

52. **Oportunitas Quarterly Progress Report 17/18 (Q1 & Q2)**

Report C/17/53 provides an update from the Board of Oportunitas Ltd (“the company”) covering activities undertaken in Q1 & Q2 of the current 2017/18 financial year, including a financial statement in-line with the requirement contained in the Shareholder’s Agreement between the company and the Council.

Proposed by Councillor Pascoe,  
Seconded by Councillor Ewart-James; and

**RESOLVED:**

That report C/17/53 be received and noted.

(Voting: For 10; Against 0; Abstentions 0)

**Reason for Decision:**

Oportunitas Ltd (“the company”) is required to provide quarterly updates to Cabinet as set out in the Shareholder’s Agreement between the company and the Council.

53. **General Fund Revenue Budget Monitoring - 2nd Quarter 2017/18**

The monitoring report provided a projection of the end of year financial position of the General Fund revenue budget, based on expenditure to the 31 August 2017.

This report had been considered by the Overview and Scrutiny Committee at their meeting on 14 November 2017. Their comments had been circulated to Cabinet Members at the meeting.

Proposed by Councillor Dearden,  
Seconded by Councillor Love; and

**RESOLVED:**

That report C/17/60 be received and noted.

(Voting: For 10; Against 0; Abstentions 0)

**Reason for Decision:**

Cabinet was asked to agree the recommendations because it needed to be informed of the council’s General Fund revenue budget position and take appropriate action to deal with any variance from the approved budget.

54. **Update to the General Fund Medium Term Capital Programme and Quarter 2 Capital Budget Monitoring 2017/18 - 2nd Quarter 2017/18**

The report provided a projected outturn for the General Fund capital programme in 2017/18, based on expenditure to 30 September 2017, and identified variances compared to the latest approved budget. The report also sought full Council's approval to include three new schemes in the General Fund Medium Term Capital Programme previously considered by Cabinet during 2017/18.

This report had been considered by the Overview and Scrutiny Committee at their meeting on 14 November 2017. Their comments had been circulated to Cabinet Members at the meeting.

Proposed by Councillor Dearden,  
Seconded by Councillor Ewart-James; and

**RESOLVED:**

1. That report C/17/55 be received and noted.
2. That Council's approval be sought to update the General Fund Medium Term Capital Programme for the schemes set out in section 3 to the report.

(Voting: For 10; Against 0; Abstentions 0)

**Reason for decision:**

- a) Cabinet was asked to agree the recommendations because it needed to be kept informed of the General Fund capital programme position and take appropriate action to deal with any variance from the approved budget.
- b) Proposed changes to the Medium Term Capital Programme need to be submitted to full Council for approval.

55. **Housing Revenue Account and Capital Budget Monitoring - 2nd Quarter 2017/18**

The monitoring report provided a projection of the end of year financial position for the Housing Revenue Account (HRA) revenue expenditure and HRA capital programme based on net expenditure to 30 September 2017.

This report had been considered by the Overview and Scrutiny Committee at their meeting on 14 November 2017. Their comments had been circulated to Cabinet Members at the meeting.

Proposed by Councillor Ewart-James,  
Seconded by Councillor Dearden; and

**RESOLVED:**

1. That report C/17/57 be received and noted.

2. That loan finance of £92,500 be made available to East Kent Housing for the Single IT System project, as set out in section 4.

(Voting: For 10; Against 0; Abstentions 0)

**Reason for decision:**

Cabinet was asked to agree the recommendations because Cabinet needed to be kept informed of the Housing Revenue Account position and take appropriate action to deal with any variance from the approved budget.

56. **Budget Strategy 2018/19**

The Budget Strategy set out the guidelines for preparing the 2018/19 Budget. It supports the Corporate Plan and aligns with the direction and objectives of the Medium Term Financial Strategy (MTFS).

The Budget Strategy takes account of current and future financial issues, sets out the underlying assumptions and initial budget-setting proposals and provides a timetable for delivering a balanced budget in 2018/19.

This report had been considered by the Overview and Scrutiny Committee at their meeting on 14 November 2017. Their comments had been circulated to Cabinet Members at the meeting.

Proposed by Councillor Dearden,  
Seconded by Councillor Monk; and

**RESOLVED:**

1. That report C/17/56 be received and noted.
2. That the Budget Strategy for 2018/19 set out in the report be approved.
3. That the General Fund revenue growth proposals for 2018/19 (Appendix 2) be approved.
4. That the General Fund revenue savings proposals for 2018/19 (Appendix 3) be approved.
5. That the General Fund capital growth proposals for 2018/19 (Appendix 4) be approved.
6. That the proposed timetable for preparing 2018/19 budgets (Appendix 5) be agreed.

(Voting: For 10; Against 0; Abstentions 0)

**Reason for decision:**

- (i) The Budget Strategy provides the framework for compiling the detailed 2018/19 budgets;
- (ii) The Budget Strategy will support the delivery of the MTFS; and
- (iii) The council's constitution requires approval of such a Strategy at least two months in advance of final budget approval.

**57. Fees and Charges 2018/19**

The report focused on the proposed fees and charges for 2018/19. These will contribute towards meeting the council's budget objectives and Medium Term Financial Strategy.

This report had been considered by the Overview and Scrutiny Committee at their meeting on 14 November 2017. Their comments had been circulated to Cabinet Members at the meeting.

Proposed by Councillor Dearden,  
Seconded by Councillor Ewart-James; and

**RESOLVED:**

1. That report C/17/54 be received and noted.
2. That the following be approved:
  - (i) The 2018/19 fees and charges which are set at the discretion of the council for the General Fund and Housing Revenue Account, as outlined at Appendix 2;
  - (ii) The statutory charges subject to discretionary charges at Appendix 3; and
  - (iii) To note the statutory charges at Appendix 4.
3. That the recommended changes to the Fees and Charges Policy, as detailed in the report, be approved.

(Voting: For 9; Against 0; Abstentions 1)

**Reasons for decision:**

Cabinet agreed the recommendations set out below because:-

- a) The fees and charges are essential to support the delivery of the MTFS and Budget Strategy
- b) The Councils charging framework requires updating to ensure it remains relevant and up to date.

**58. Property purchase initiative to increase the supply of affordable and good quality temporary accommodation**

The report set out a proposal to purchase a property to be used as temporary accommodation as an alternative to expensive and less suitable Bed and Breakfast accommodation. The proposed temporary accommodation was the most appropriate and cost effective method for meeting the statutory requirements of the Homelessness Reduction Act.

This report had been considered by the Overview and Scrutiny Committee at their meeting on 14 November 2017. Their comments had been circulated to Cabinet Members at the meeting.

Proposed by Councillor Ewart-James,  
Seconded by Councillor Dearden; and

**RESOLVED:**

1. That report C/17/58 be received and noted.
2. That principles set out in the draft Business Plan be approved.
3. That it be agreed for a request to be made to full Council establish a Capital budget of £1 million for the acquisition and conversion of a suitable property or properties to provide 12 units of temporary accommodation for homeless households.

(Voting: For 10; Against 0; Abstentions 0)

**Reason for decision:**

1. The Council's temporary accommodation costs have increased considerably over the last 2 years.
2. The implementation of the Homelessness Reduction Act will further increase the need for temporary accommodation in the district.
3. It is essential for the council to identify a good quality and cost effective supply of temporary accommodation.
4. Direct delivery of temporary accommodation by the Council is a cost effective delivery model.
5. The acquisition/conversion process proposed in this report will be in line with the principles set out in the attached business plan (Appendix 1).

59. **Exclusion of the Public**

Proposed by Councillor Monk,  
Seconded by Councillor Pascoe; and

**RESOLVED:**

That the public be excluded for the following item of business on the grounds that it is likely to disclose exempt information, as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 –

'Information relating to the financial or business affairs of any particular person (including the authority holding that information).

'Financial or business affairs" includes contemplated as well as current activities.'

(Voting: For 10; Against 0, Abstentions 0)

60. **Biggins Wood - Site for Business Expansion**

The report set out an option to create more jobs locally through facilitating the growth of a local business by constructing suitable premises on the Council's employment land at Biggins Wood, Folkestone.

Proposed by Councillor Collier,  
Seconded by Councillor Mrs Hollingsbee; and

**RESOLVED:**

1. That report C/17/59 be received and noted.
2. That the draft Heads of Terms for the basis of negotiations with the business as detailed in the exempt report and taking into account the issues raised by Cabinet members, be agreed.
3. Cabinet be updated on progress with negotiations in January 2018 and a report on final terms for an offer be received by Cabinet in February/March.

(Voting: For 10; Against 0; Abstentions 0)

**Reasons for decision:**

To approve draft Heads of Terms to enable negotiations with the company to be progressed.