

Cabinet

Held at:	Zoom - remote meeting
Date	Wednesday, 20 January 2021
Present	Councillors John Collier, Ray Field, David Godfrey, Mrs Jennifer Hollingsbee (Vice-Chair), David Monk (Chairman), Stuart Peall, Tim Prater, Lesley Whybrow and David Wimble
Officers Present:	Andy Blaszkowicz (Director of Housing and Operations), Kate Clark (Case Officer - Committee Services), Ewan Green (Director of Place), Adrian Hammond (Housing Lead Specialist), James Hammond (Strategic Policy Officer), Katharine Harvey (Chief Economic Development Officer), John Holman (Assistant Director of Housing), Cheryl Ireland (Chief Financial Services Officer), Andy Jarrett (Chief Strategic Development Officer), John Bunnett (Development Director), Amandeep Khroud (Assistant Director), Tim Madden (Director of Transformation and Transition), Kerry Petts (Private Sector Housing Team Leader), Susan Priest (Chief Executive), Charlotte Spendley (Director of Corporate Services), Lee Walker (Capital and Treasury Senior Specialist) and Jemma West (Committee Service Specialist)
Others Present:	Tim Millard-Slade and Victoria Seal (BNP Paribas - external consultants) and Luke Quilter (Chairman of the Board, Otterpool Park).

NOTE: All decisions are subject to call-in arrangements. The deadline for call-in is Friday 29 January 2021 at 5pm. Decisions not called in may be implemented on Monday 1 February 2021.

63. **Declarations of Interest**

Councillor Mrs Hollingsbee made a Declaration of Pecuniary Interest (DPI) in respect of agenda items 14 and 16, relating to Otterpool Park Business Plan. She indicated that she would leave the meeting for the debate on these items.

Councillors Mrs Hollingsbee and Monk also made voluntary declarations in respect of agenda item 11 relating to Private Sector Housing Enforcement and Civil Penalty Policy, in that they were both landlords within the district.

64. **Minutes**

The minutes of the meeting held on 9 December 2020 were submitted, approved and signed by the Chairman.

65. **Romney Marsh Coordinator Post Funding**

The report sought Cabinet agreement to jointly fund the Romney Marsh Partnership coordinator post for three years from 1 April 2021 for the remainder of the funding to be sought from the Nuclear Decommissioning Authority (NDA)/Magnox Socio-economic Fund.

Proposed by Councillor Wimble,
Seconded by Councillor Collier; and

RESOLVED:

- 1. That a contribution of 50% of the costs for the Romney Marsh Partnership coordinator post be paid for three years from April 2021 which is £30,000 per annum and £90,000 over the three year period.**
- 2. That an application be submitted to the NDA/Magnox Socio-economic Fund for 50% of the cost of the RMP Coordinator post for three years.**
- 3. That the Council continue to host the RMP coordinator post on behalf of the Romney Marsh Partnership.**

(Voting figures: 8 for, 0 against, 1 abstentions).

REASONS FOR DECISION:

Cabinet was asked to agree to this funding contribution as the RMP coordinators post is crucial to the success of the Romney Marsh Partnership, including applications to the NDA/Magnox Socio-economic Fund and to the delivery of projects in this part of the district.

66. **Treasury Management Strategy Statement 2021/22 and Treasury Management Monitoring Report 2020/21**

The report set out the proposed strategy for treasury management for 2021/22 including Treasury Management Indicators. The report also provided an update on the council's treasury management activities that have taken place during 2020/21 against the agreed strategy for the year.

The Finance and Performance Scrutiny Sub-Committee had also considered this report at their meeting on 12 January 2021. The minutes of their meeting had been circulated to the Cabinet Members prior to the meeting.

A Cabinet Member requested that a Climate element be added to the report in future years.

Proposed by Councillor Monk,
Seconded by Councillor Godfrey; and

RESOLVED:

1. **That report C/20/64 be received and noted.**
2. **That the strategy for treasury management in 2021/22 set out in the report be adopted.**
3. **That the Treasury Management Indicators for 2021/22 set out in the report be approved.**

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet is asked to agree the recommendations because:-

- a) The Council must have regard to CIPFA's Code of Practice for Treasury Management in the Public Services when carrying out its duties under Part 1 of the Local Government Act 2003, including approving an annual Treasury Management Strategy Statement in advance of the financial year.
- b) The Council's Financial Procedure Rules require an annual plan and strategy for treasury management to be approved in advance of the financial year.
- c) Both the CIPFA Code of Practice on Treasury Management and the Council's Financial Procedure Rules require Members to receive a report on the Council's treasury management activities during the year.

67. HRA Budget Monitoring Quarter 3

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 November 2020.

The Finance and Performance Scrutiny Sub-Committee had also considered this report at their meeting on 12 January 2021. The minutes of their meeting had been circulated to the Cabinet Members prior to the meeting.

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

RESOLVED:

That report C/20/61 be received and noted.

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet is asked to agree the recommendations because Cabinet needs to be kept informed of the Housing Revenue Account position and take appropriate action to deal with any variance from the approved budget and be informed of the final 2020/21 position.

68. **General Fund Revenue Budget Monitoring - 3rd quarter 2020/21**

The monitoring report provided a projection of the end of year financial position of the General Fund revenue budget, based on expenditure to the 30 November 2020.

The Finance and Performance Scrutiny Sub-Committee had also considered this report at their meeting on 12 January 2021. The minutes of their meeting had been circulated to the Cabinet Members prior to the meeting.

Proposed by Councillor Monk,
Seconded by Councillor Peall; and

RESOLVED:

That report C/20/63 be received and noted.

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet is asked to agree the recommendations because it needs 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.

69. **Update to the General Fund Medium Term Capital Programme and Budget Monitoring 2020/21**

The report updated the General Fund Medium Term Capital Programme for the five year period ending 31 March 2026. The report provided an updated projected outturn for the General Fund capital programme in 2020/21, based on expenditure to 30 November 2020. The General Fund Medium Term Capital Programme is required to be submitted to full Council for consideration and approval as part of the budget process.

The Finance and Performance Scrutiny Sub-Committee had also considered this report at their meeting on 12 January 2021. The minutes of their meeting had been circulated to the Cabinet Members prior to the meeting.

Proposed by Councillor Monk,
Seconded by Councillor Peall; and

RESOLVED:

1. **That report C/20/65 be received and noted.**
2. **That it be recommended to Full Council that the updated General Fund Medium Term Capital Programme as set out in appendix 2 to the report be approved.**
3. **That the loan to Folkestone Parks and Pleasure Grounds Charity be extended by £43k to support the completion of the beach huts project at Marine Parade.**

(Voting figures: 7 for, 2 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet is asked to agree the recommendations because:

- a) It needs to be kept informed of the existing General Fund Medium Term Capital Programme position and take appropriate action to deal with any variance from the approved budget.
- b) Proposed extensions to existing schemes are required to be considered and approved before being included in the Council's Medium Term Capital Programme.
- c) The proposed Medium Term Capital Programme needs to be considered before it is submitted to full Council for approval as part of the budget process.
- d) The Council must also have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities when carrying out its duties under Part 1 of the Local Government Act 2003.

70. Housing Revenue Account Revenue and Capital Budget 2021/22

The report set out the Housing Revenue Account Revenue and Capital Budget for 2021/22 and proposed an increase in weekly rents and an increase in service charges for 2021/22.

The Finance and Performance Scrutiny Sub-Committee had also considered this report at their meeting on 12 January 2021. The minutes of their meeting had been circulated to the Cabinet Members prior to the meeting.

Proposed by Councillor Godfrey,
Seconded by Councillor Whybrow; and

RESOLVED:

1. That report C/21/62 be received and noted.
2. That it be **recommended to Full Council** that the Housing Revenue Account Budget for 2021/22 be agreed (refer to paragraph 2.1 and Appendix 1).
3. That it be **recommended to Full Council** that the increase in rents of dwellings within the HRA on average by £1.27 per week, representing a 1.5% increase be agreed with effect from 5 April 2021 (refer to paragraph 3.2).
4. That it be recommended to Full Council that the increase in service charges be agreed (refer to section 3.5).
5. That the Housing Revenue Account Capital Programme budget 2021/22 be agreed (refer to paragraph 4.1 and Appendix 2).

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet is requested to agree the recommendations as the Local Government Housing Act 1989 requires the Council, as a Local Housing Authority, to keep a separate Housing Revenue Account and to produce estimates to ensure that the account does not go into deficit. The authority also has a duty to set and approve rents in accordance with government guidelines that are outlined in the

self-financing determination. The Constitution requires that the annual Budget and any variations to the Budget are approved by Council.

71. Draft General Fund budget 21/22

The report set out the Council's Draft General Fund budget for 2021/22.

The Finance and Performance Scrutiny Sub-Committee had also considered this report at their meeting on 12 January 2021. The minutes of their meeting had been circulated to the Cabinet Members prior to the meeting.

Proposed by Councillor Monk,
Seconded by Councillor Mrs Hollingsbee;

RESOLVED:

- 1. That report C/20/66 be received and noted.**
- 2. That the budget estimates, as detailed in the report, be approved, as the basis for preparing the final 2021/22 budget and Council Tax recommendations for approval by Full Council in February 2021.**

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet is asked to agree the recommendations because they form part of the budget-setting process which will culminate in Full Council approving the budget and council tax for 2021/22 on 24 February 2021, in accordance with the Local Government Finance Act 1992.

72. Private Sector Housing Enforcement and Civil Penalty Policy

The council currently has a generic enforcement policy which sets out the basic objectives and principles for each enforcement team. Since the Housing and Planning Act 2016 came into force, there have been many additions to the powers and duties of the Private Sector Housing Team, for which a more detailed policy is required.

This new policy amalgamates the principles from the current overarching policy with the new elements required including:-

- a civil penalties policy for specified housing offences
- a statement of principles for penalties associated with smoke and carbon monoxide alarm regulations (which was approved by the Council in 2016)
- a new penalties framework for breach of the minimum energy efficiency standards
- A statement about using the proposed civil penalties policy for offences committed under the new electrical safety regulations 2020.

Proposed by Councillor Godfrey,
Seconded by Councillor Whybrow; and

RESOLVED:

1. That report C/20/67 be received and noted.
2. That the principles set out in the enforcement policy and penalties policies in Appendix 3 and Annex 1 of the policy be approved.
3. That the statement of principles approved in 2016 (appendix 2) be agreed to be incorporated into this policy document (unchanged).
4. That the civil penalties policy be used for determining levels of fine for offences under the new electrical safety regulations.
5. That delegated authority be given to the Assistant Director of Housing, in consultation with the Cabinet Member for Housing, Transport and Special Projects, to approve minor amendments to the policy when any minor changes or additions in legislation occur.

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

- 1) The council uses a wide range of statutory powers to ensure that those responsible for residential premises take the actions needed to prevent harm from occurring to occupants and visitors. For fairness and transparency, it is important that the council sets out how it conducts itself by publishing an enforcement policy. This is a requirement of the Enforcement Concordat and the Regulators' Code.
- 2) Section 126 and Schedule 9 of the Housing and Planning Act 2016 amended the Housing Act 2004 to allow financial penalties to be imposed by local housing authorities as an alternative to prosecution for certain housing offences. Financial penalties of up to £30,000 may be imposed under section 249A of the Housing Act 2004. Local housing authorities are required to develop and document a policy which sets out when it should prosecute and when it should impose a financial penalty, and the level of financial penalty it should impose in each case.

73. Infrastructure Funding Statement

In accordance with the latest revisions made via the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019), from December 2020 local authorities must publish an Infrastructure Funding Statement (IFS). The IFS document provides a summary of all financial and non-financial developer contributions relating to Section 106 Legal Agreements (S106) and the Community Infrastructure Levy (CIL) within Folkestone & Hythe District for a given financial year. The report sought approval of the IFS, and identified the infrastructure needs, the total cost of this infrastructure, anticipated funding from developer contributions, and the choices the authority has made about how these contributions will be used.

Proposed by Councillor Wimble,
Seconded by Councillor Monk;

RESOLVED:

1. That report C/20/68 be received and noted.
2. That the council accepts the proposed Infrastructure Funding Statement contained in Appendix 1 of the report, which is to have

immediate effect and be published externally no later than 31 January 2021.

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

To replace the Regulations 123 List which has been deleted by legislation and replace with the Infrastructure Funding Statement in accordance with the regulations.

74. Customer Access point and New Civic Offices

The paper considered in principle decisions relating to: (1) developing a Customer Access Point within Folkestone Town Centre; and (2) developing a more detailed plan for the relocation of reduced office space in a modern, sustainable civic suite facility within the district.

A Cabinet Member requested that it be noted that the Council should strive for an 'excellent' BREEAM standard, rather than 'very good'. Concerns were also noted around the potential legal obstacles referred to in the risks, set out in paragraph 6.1 of the report, and reassurance was sought that there would be no significant expenditure until assurance was given.

Proposed by Councillor Monk,
Seconded by Councillor Field; and

RESOLVED:

1. That report C/20/70 be received and noted;
2. That the strategic principles as set out in paragraph 3.2 be agreed in relation to future service provision;
3. That officers, in consultation with the Cabinet Member for Digital Transformation, continue to undertake further work to identify a customer access point in Folkestone and to bring detailed proposals back to Cabinet for approval during 2021;
4. That officers, in consultation with the Leader of the Council, commence further work to produce a detailed proposal for the future relocation of the civic offices for Cabinet consideration in due course;
5. That an indicative budget of up to £250,000 be agreed to undertake the development and feasibility works for the Customer Access Point and the relocation of the Civic Centre to be funded from reserves and built into the 2021/22 budget.

(Voting figures: 9 for, 0 against, 0 abstentions).

REASONS FOR DECISION:

Cabinet was asked to agree the recommendations for the reasons below:

- (a) So that the Council can consider its future service delivery and working practices in light of the recent pandemic and changes that has brought.
- (b) To agree in principle in order that further work on the detail of the proposals can be developed so the Cabinet can take an informed decision on the future of its civic suite during 2021.

75. **Otterpool park - Business plan**

The report sought approval of the strategic business plan for Otterpool Park Limited Liability Partnership (LLP), being the Council's delivery vehicle for the Otterpool Park Garden Town. The Business Plan, drawn up by the Board of the LLP and appended to the report, set out the intended activities and requested the release of monies necessary to achieve the objectives in the Business Plan. It also set out the details of a proposed strategic land agreement between the Council and LLP, the associated funding arrangements, suggests certain amendments to the Members' Agreement and outlines future actions in respect of corporate oversight and assurance of the project.

Councillor Mrs Hollingsbee left the meeting prior to the consideration of this item.

Proposed by Councillor Monk,
Seconded by Councillor Whybrow; 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 figures: 8 for, 0 against, 0 abstentions).

The live stream was then stopped for a short period for the Cabinet Members to discuss aspects of the report during the exempt session. The live stream was then restarted prior to the final decision.

Proposed by Councillor Monk,
Seconded by Councillor Godfrey; and

RESOLVED:

- 1. That report C/20/69 be received and noted.**
- 2. That the Business Plan submitted by the Board of Otterpool Park Limited Liability Partnership and contained in Appendix 1 to the report be approved.**
- 3. That the Heads of Terms contained in Appendix 6, which will form the basis of the Strategic Land Agreement and future funding arrangements, be noted.**
- 4. That the Director of Place, in consultation with the Leader of the Council and Director of Corporate Services, be authorised to agree and complete the Strategic Land Agreement between the council and LLP in accordance with the report.**

5. That the Director of Place, in consultation with the Leader of the Council and Director of Corporate Services, be authorised to determine whether the pre-conditions and any other conditions in the Strategic Land Agreement have been met in order for the transfer of the land from the Council to the LLP (or to a third party) to be actioned.
6. That the Director of Corporate Services, in consultation with the Leader of the Council, be authorised to agree and enter into the appropriate funding mechanisms and agreements between the council and the LLP (on terms to be determined after taking appropriate external advice) and to agree that pre - conditions for individual drawdown have been met.
7. That the variations to the Members' Agreement as described in Section 8 of the report be agreed.
8. That it be noted that an Assurance Framework, as outlined in Section 9 of this report, will be put in place and reported as required.

(Voting figures: 6 for, 1 against, 1 abstentions).

REASONS FOR DECISION:

Cabinet was asked to agree the recommendations so that the Otterpool Park Limited Liability Partnership can proceed to deliver the project.