

CABINET

Minutes of the meeting held on 25 April 2024 at 7.00 pm in Council Chamber, Council Offices, Cecil Street, Margate, Kent.

Present: Councillor Rick Everitt (Chair); Councillors Whitehead, Albon, Duckworth, Keen and Yates

In Attendance: Councillors Austin, Bambridge, J Bayford, Davis, Fellows, Kup, Matterface, Rattigan, Rogers and W Scobie

109. APOLOGIES FOR ABSENCE

There were no apologies made at the meeting.

110. DECLARATIONS OF INTEREST

There were no declarations of interest.

111. MINUTES OF PREVIOUS MEETING

Councillor Everitt proposed, Councillor Albon seconded and Members agreed the minutes as a correct record of the meeting held on 14 March 2024.

112. SPORT ENGLAND SWIMMING POOL SUPPORT FUND (SPSF) RAMSGATE LEISURE CENTRE SOLAR PHOTOVOLTAICS (PV)

In March 2024, TDC was awarded £674,740 in capital costs for Phase II for the installation of rooftop solar photovoltaic panels (PV) and variable speed filtration pumps for Ramsgate Leisure Centre. There was a delivery deadline to meet to install the solar panels and variable speed pumps, which was 31 March 2025. Cabinet was asked to note the progress achieved so far and the outcome of the SPSF grant and approve the use of the grant to fund the installation of Solar PV and variable speed filtration pumps at Ramsgate Leisure Centre.

Councillor Davis and Councillor Austin spoke under Council Procedure Rule 20.1:

Cabinet agreed to consider the Overview and Scrutiny recommendation that "consideration be given by the Cabinet that all new buildings in Thanet should have solar photovoltaics (PVs) installed on them as a planning condition where physically possible," during the local plan review process through the Local Plan Cabinet Advisory Group and at Climate Change Cabinet Advisory Group meetings.

Councillor Duckworth proposed, Councillor Yates seconded and Cabinet agreed the following:

1. To note the progress achieved and the outcome of the SPSF grant funding award;
2. To approved the use of the Swimming Pool Support Fund capital grant of £674,740 to fund the installation of Solar photovoltaic (PV) installation and variable speed filtration pumps at Ramsgate Leisure Centre.

113. PURCHASE OF SECTION 106 AFFORDABLE HOUSING UNITS

Cabinet considered proposals for the purchase of Section 106 affordable housing units. As part of the Council's accelerated housing delivery strategy, Cabinet had adopted a

policy of purchasing viable Section 106 properties that had been turned down by registered providers, in order to ensure that the Council did not lose the affordable housing that should be the key foundation of any large development. Council was contacted by Bellway, owner of the development of Section 106 properties at Nash Road, Margate, who were legally required to deliver 18% affordable housing on site. The developer had been unable to secure a registered provider.

As per policy, 70% of the affordable delivery was required to be affordable rent, which allocated 31 units to the Council. The remaining units would be delivered as shared ownership. The Council had offered 31 new affordable rent homes, as they had been unable to secure an affordable housing provider to deliver these homes. The Council were facing many complex and interwoven issues when it came to affordable housing. These were linked to planning, central plans for housing delivery and the reliability of external markets to deliver sustainable affordable housing.

Responding to the Overview and Scrutiny Panel recommendation that "Cabinet further explore the liabilities for stamp duty land tax (SDLT) to ensure that the correct liability is assessed," the Portfolio Holder advised the meeting that Cabinet was hugely limited in amending Planning requirements and the affordable housing delivery model, which relied on the external market. Cabinet would be more satisfied if Government policy was for Councils to be funded directly to produce the housing needed for each local area, as Thanet District Council had an excellent record of delivery and of multi organisation working. TDC also knew exactly what was required within its housing list. However, the current central delivery model delivered affordable housing via the private sector and ensuring that the Council did not lose affordable housing was essential, especially for the 1907 households on the housing register.

At the Overview and Scrutiny Panel, a concern was raised that the Cabinet approach only benefitted developers; in actual fact, this strategy not only saved affordable housing that would be lost, but also allowed for direct and forward planning and influence of our housing quality, energy rating via our specification design. The approach also afforded specific planning to aid those on the housing list who may require more specialised provision. Combining the knowledge contained in the Council's housing list with long term development plans for these sites via providers potentially allowed for very specific provision, both in terms of mapping and providing specialist and accessible housing needs, which was a continuing issue for the Council.

The Council built from a Home for Life perspective when the housing development was directly done by the Council, to try and ensure maximum accessibility within the design of housing units. The ability to produce via direct central funding was limited, which meant that even within Band A, for highest medical need, residents may be waiting a considerable amount of time for a property that met their specific needs. The Council's new acquisitions policy had already produced accessible housing and the strategy allowed it to work with existing applications and developers to produce the housing that was genuinely needed for residents.

TDC was ensuring that anything that was purchased met strong environmental standards as well as went through rigorous financial testing to ensure viability. These homes were anticipated to be EPC B and construction would start early next year. The capital cost for the 31 homes was £4.275m with an additional £225k for associated costs, including Stamp Duty Land Tax (SDLT). The published Cabinet report included a figure of £574k for associated costs due to central changes around Stamp Duty linked to the last budget. However, Cabinet had since taken further tax advice following the publication of the report and the meeting of the Overview and Scrutiny Panel on 16 April 2024. The Portfolio Holder therefore confirmed at the meeting that the commercial rates of SDLT were required to be applied by central government where six or more dwellings were purchased in a single transaction. These rates were 0% on the first £150,000, 2% on the

next £100,000 and 5% on the remainder. Cabinet would be writing to central government to request a commercial exemption where purchases relate to affordable housing.

Due to this change the correct figure for associated costs would be £225k, including £203,248 SDLT. This reduction in cost improved an already viable scheme, and reduced the year one revenue deficit from £47,960 to £32,240, and the break-even point from year 16 to year 12. The proposed purchase would generate a cash flow deficit in year 1 of £32,240 with a break-even point in year 12, with surpluses continually accumulating between year 12 and year 50. The project showed a surplus over a 30 to 50-year period, ensuring long term viability.

As the homes had been designated as affordable homes in the planning consent and section 106 agreement, they had been designed specifically for that purpose and accordingly were considered appropriate for the HRA, in line with the needs of households on the council's register or those living in temporary accommodation. The largest proportional local need was for 1 bedroom homes, although this acquisition also provided for larger family homes. This acquisition would deliver the following:

12 x 1 bed units
16 x 2 bed units
2 x 3 bed units
1 x 4 bed units

Both 3 and 4 bed homes were a significant need for families on the housing register and it was pleasing to see them within this mix. It was proposed that the new homes were let in accordance with the Council's adopted allocations policy. These properties would be let at what was a genuinely affordable rent, which would not exceed local housing allowance, ensuring that these properties were genuinely financially accessible to residents on the local housing list.

This acquisition brought another 31 properties into the Council portfolio, at a time of extraordinary housing need in Thanet. This was 31 new homes for 31 households, creating a virtuous circle in terms of both investment and social good and evidenced clearly how creatively and competently Cabinet was managing the challenges that central housing and planning policies presented the Council with.

The following Councillors spoke under Council Procedure Rule 20.1:

Councillor Bambridge;
Councillor Bayford;
Councillor Davis.

Councillor Whitehead proposed, Councillor Yates seconded and Cabinet agreed the following:

1. The purchase of 31 new affordable homes, using the additional capital budget, approved by council at its meeting on 12 October 2023;
2. The letting of these homes in accordance with the council's Allocations Policy, at an affordable rent as set out in the council's Tenancy Strategy.

114. MINI-WOODLAND TREE PLANTING SCHEME

Cabinet discussed proposals for locations for mini-woodlands around the district following an independent assessment. Thanet District Council had agreed a carbon reduction plan which laid out the steps the Council would take to reach net zero by 2030. Any emissions the Council was still producing in 2030 would need to be absorbed by carbon sequestration projects such as mini-woodland creation to reach net zero. The Council

had investigated what land it owned that could be used for mini-woodland creation, to absorb these left over emissions. A total of 6 sites had been identified as suitable locations for the Mini-Woodland Tree Planting Scheme. The total size of the land to be used was 4 hectares, spread across the 6 locations.

There were funding opportunities available to the Council for progressing mini-woodlands but they often had short turnaround times to submit an application. In order to make these applications the Council needed to have confirmed the land being allocated for these projects. The proposed mini-woodland sites were as detailed below:

- Dane Valley Road;
- Garlinge Recreation Ground;
- Memorial Recreation Ground;
- Northdown Park;
- St Peter's Recreation Ground;
- Tivoli Park (0.5 hectares).

Site 1: Dane Valley Road This comprises two areas of plantable space. The proposed planting locations total 1.2 ha. It is currently a grassland buffer between agricultural and residential land.

Site 2: Garlinge The Garlinge site is situated in the eastern corner of Garlinge Recreation Ground, proposed planting totals 0.5 ha. It was currently open grassland, neighbouring several football pitches, and lent itself well to community engagement for planting.

Site 3: Memorial Recreation Ground This site has the potential to host 3 small mini-woodland planting areas, totalling 0.4 ha. It was situated in a high density residential area.

Site 4: Northdown Park Northdown Park could host 0.84 ha of mini-woodland across two planting areas. It was open space bordered by tree cover and interspersed with mature tree specimens.

Site 5: St. Peter's Recreation Ground Planting at St. Peter's Recreation Ground could cover 0.6 ha. The land was currently open green space bordered by existing tree cover. The larger compartment fell between private gardens and an existing row of trees.

Site 6: Tivoli Park This site was currently open green space. Mini-woodland creation here was designed to enhance the existing woodland on each side of existing service access. In total, it would create 0.5 ha of mini-woodland.

The Portfolio Holder recommended that cabinet approve that Council land in the following locations was used for Mini-Woodland Tree Planting Schemes, subject to external funding being identified and secured.

The following Councillors spoke under Council Procedure Rule 20.1:

Councillor Matterface;
Councillor Austin;
Councillor Kup.

Councillor Albon proposed, Councillor Keen seconded and Cabinet approved that Council land in the following locations is used for Mini-Woodland Tree Planting Schemes, subject to external funding being identified and secured:

1. Dane Valley Road (1.2 hectares);
2. Garlinge Recreation Ground (0.5 hectares);
3. Memorial Recreation Ground (0.4 hectares);

4. Northdown Park (0.8 hectares);
5. St Peter's Recreation Ground (0.6 hectares);
6. Tivoli Park (0.5 hectares).

115. TOURISM SCRUTINY REVIEW REPORT

Cabinet considered the scrutiny review report that was forwarded to Cabinet by the Overview and Scrutiny Panel. The report looked at the impact of tourism on Thanet with a focus on the additional costs that the Council incurred when it came to cleaning up litter and attending to other antisocial incidents that the Panel feels were caused by visitors coming to Thanet. The report further looked at traffic management issues, particularly in Summer and the operation of AirBnBs.

Cabinet felt that it was important to mention the positive contributions that tourism brought to the district. Many local businesses benefitted from the inflow of visitors to the area and these businesses created employment for the local communities. There were costs associated with some of the activities that came with the district hosting visitors, it seemed that, overall, the benefits outweighed the costs.

Cabinet acknowledged the important role Scrutiny played in pointing out issues that Cabinet should consider when making decisions and drafting policies. That was why Cabinet wanted to take time to consider these findings and recommendations and get further officer advice on the budget implications for each of those recommendations in the context of the Council's limited resources.

The Portfolio Holder recommended that Cabinet deferred its response to the Scrutiny report findings and recommendations in order to get officer advice on the cost implications of those recommendations. A detailed response would be brought back to Cabinet before the end of the third quarter of this year. Cabinet noted that the suggestion of a 'tourism tax' was not viable as Thanet is not a Business Improvement District.

The following Councillors spoke under Council Procedure Rule 20.1:

Councillor Fellows;
Councillor Rogers;
Councillor Bayford.
Councillor Davis;
Councillor Austin;
Councillor Kup.

Councillor Duckworth proposed, Councillor Yates seconded and Cabinet agreed to defer providing a response to the Scrutiny report findings and recommendations in order to get officer advice on the cost implications of those recommendations. A detailed response will be brought back to Cabinet before the end of the third quarter of this year.

Meeting concluded : 8.20 pm