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## **CABINET**

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**MINUTES** of the Meeting held in the Council Chamber, Swale House, East Street, Sittingbourne, Kent, ME10 3HT on Wednesday, 1 February 2017 from 7.00pm - 8.40pm.

**PRESENT:** Councillors Bowles (Chairman), Mike Cosgrove, Duncan Dewar-Whalley, Gerry Lewin (Vice-Chairman), Ken Pugh and David Simmons.

**OFFICERS PRESENT:** Philippa Davies, James Freeman, Martin Goodhew, Victoria Hadfield, Abdool Kara, Donna Price, Mark Radford, Sophia Ramm, Nick Vickers, Emma Wiggins and Phil Wilson.

**ALSO IN ATTENDANCE:** Councillors Andy Booth, Paul Fleming, Nicholas Hampshire, Mike Henderson, James Hunt, Bryan Mulhern, Roger Truelove, Ghlin Whelan and Ted Wilcox.

**APOLOGY:** Councillor Alan Horton.

### **1158 EMERGENCY EVACUATION PROCEDURE**

The Chairman outlined the emergency evacuation procedure.

### **1159 RECORD OF THANKS**

The Chairman, on behalf of Members, thanked Abdool Kara as this was his last attendance at Cabinet as Chief Executive, prior to him leaving the Council. The Chairman wished him well in his new post, and he also welcomed Mark Radford as the newly-appointed Acting Chief Executive.

### **1160 MINUTES**

The Minutes of the Meeting held on 7 December 2016 (Minute Nos. 1045 – 1057) were taken as read, approved and signed by the Chairman as a correct record.

### **1161 DECLARATIONS OF INTEREST**

No interests were declared.

### **1162 MEDIUM TERM FINANCIAL PLAN AND 2017/18 BUDGET**

#### **Cabinet Member for Finance and Performance**

Cabinet considered the report of the Head of Finance and the above Cabinet Member, which set out the Council's Medium Term Financial Plan (MTFP) and the 2017/18 budget proposals.

The Cabinet Member introduced the report, and explained that it had been updated since the Cabinet meeting on 7 December 2016, to reflect the Provisional Local

Authority Grant Settlement announced on 15 December 2016. He drew attention to the reduction in the New Homes Bonus, and reported that a letter had been written to the Secretary of State outlining the concerns of the Council. The Cabinet Member explained that new income streams were needed to continue to provide services to Swale residents. He explained that it was proposed to extend the current borrowing facility, to enable the Council to borrow up to an additional £30 million, on top of the £30 million already agreed in 2016, for new projects.

In response to a question, the Cabinet Member advised that the additional £30 million was to allow the Council to be solvent in the next two or three years by investing in revenue-raising projects.

The Chief Executive further advised that the proposal was to extend the current borrowing facility, but there were no specific projects in mind for the funding, and that taking up any part of the facility would require a further Cabinet decision, that would be available for scrutiny.

The Chairman of the Scrutiny Committee thanked the Cabinet Member for the report, and congratulated the Finance Team on the budget proposals. He confirmed that the Scrutiny Committee had made no recommendations at their meeting on 26 January 2017.

In response to further questions, the Cabinet Member advised that there was no inclusion in this year's budget for the leisure and tourism proposals, as recommended by the Scrutiny Committee; that the increase in Council Tax was a combination of an increase in the Council Tax base informed by the emerging Local Plan, and a prudent assumption about Council Tax increases; and that the Leader had written to central government raising concern with regard to future financial uncertainty.

Discussion ensued on the further borrowing of £30million, and Members were reminded that it was not a request to borrow more now, but allowed the opportunity to borrow when, and if, needed.

In accordance with Council Procedure Rule 19(5), a recorded vote was taken and voting was as follows:

For: Councillors Bowles, Mike Cosgrove, Duncan Dewar-Whalley, Gerry Lewin, Ken Pugh and David Simmons. Total equals six.

The recommendations were therefore agreed.

***Recommended:***

- (1) That the 2017/18 budget proposals be approved.***
- (2) That the proposed Council Tax band D increase for 2017/18 to £164.88 be approved.***
- (3) That the Medium Term Financial Plan funding position be noted.***
- (4) That the capital investment principles be approved.***
- (5) That increasing the borrowing facility from £30m to £60m be approved.***
- (6) That the draft Capital Programme be approved.***
- (7) That the additional amount of Council Tax for parish precepts be noted.***

**(8) That the Minimum Revenue Provision Statement as set out in Appendix IX be approved.**

**1163 TREASURY MANAGEMENT STRATEGY STATEMENT AND INVESTMENT STRATEGY 2017/18**

**Cabinet Member for Finance and Performance**

Cabinet considered the report of the Head of Finance and the above Cabinet Member which set out the proposed Treasury Management Strategy and Prudential and Treasury Management Indicators for 2017/18.

The Cabinet Member introduced the report, and stated that there were very few changes being proposed, and low risk investments had been made.

**Recommended:**

**(1) That the Treasury Management Strategy 2017/18 and the Prudential and Treasury Management Indicators be approved.**

**1164 SITTINGBOURNE TOWN CENTRE REGENERATION PROJECT - VARIATIONS TO THE DEVELOPMENT AGREEMENT**

**Cabinet Member for Regeneration**

Cabinet considered the report of the Interim Head of Economy and Community Services and the above Cabinet Member. This set out the background and relevant information to request delegated authority to the Interim Director of Regeneration, in consultation with the Leader and Cabinet Member for Regeneration, to agree a Third Deed of Variation to the Development Agreement entered into between the Council and Spirit of Sittingbourne on 19 September 2012. This was subsequently varied by the First Deed of Variation and the Second Deed of Variation, both dated 20 January 2015.

The Cabinet Member introduced the report and explained that this proposal had a degree of significance for both the Council and residents. He confirmed that demolition had commenced today on the old depot site, which he considered to be a significant milestone.

In response to a question, the Cabinet Member advised that the request to make the amendments to the Development Agreement was the result of a collaborative approach, and the decision on allowing the developer to vary the minimum percentage profit margin was agreed by U+I.

The Head of Finance explained that the agreement would specify what the Council's financial input was, and that profit would be determined by the final costs.

The Cabinet Member gave the following verbal update: "the Cabinet report under Recommendation 1 (i) requests delegated authority to amend the Developer's Phase 1 Conditions and, for clarity, this relates to all of the Developers Phase 1 conditions necessary to deliver the Phase 1 projects on a site by site basis.

Members should note that Section 3 of the report identifies only the most important conditions that need to be varied to allow the development to be de-coupled so that it can proceed on a site-by-site basis. It does not contain all of the conditions that will need to be varied in detail and the Stopping Up Condition and the Necessary Consents condition that relate to stopping up of the highways and highway consents will also be varied to allow delivery on a site by site basis. In addition, the Developer can, without further approval from the Council waive the Pre Let/Sales Condition and the Anchor Units Condition.”

**Resolved:**

**(1) That delegated authority be given to the Interim Director of Regeneration, in consultation with the Leader and the Cabinet Member for Regeneration to agree a Third Deed of Variation to the Development Agreement to:**

- (i) amend the Developer’s Phase 1 Conditions;**
- (ii) remove the Council’s obligation to pay section 106 costs;**
- (iii) remove the Council’s obligation to pay a contribution from the multi-storey car park budget;**
- (iv) allow the Developer to vary the Developer’s minimum percentage profit margin;**
- (v) allow for construction works to elements funded by the Council to be carried out under an access licence rather than a building lease.**

**1165 COMPULSORY PURCHASE ORDER FOR CROWN QUAY LANE DEVELOPMENT ALLOCATION**

**Cabinet Member for Planning**

Cabinet considered the report of the Head of Planning and the above Cabinet Member which sought Members’ “minded to” decision to compulsorily acquire land at Crown Quay Lane, Sittingbourne, subject to suitable back-to-back indemnity agreements being entered into, in order to enable it to be comprehensively developed in accordance with Policy A9 of the emerging Swale Local Plan.

The Cabinet Member introduced the report and outlined the background, in that a potential major developer had submitted a planning application which did not conform to the masterplan for the whole site. He explained that the option of the implementation of a Compulsory Purchase Order (CPO) gave the Council the flexibility to address the issue, enabling the site to be comprehensively developed in accordance with Policy A9 of the emerging Local Plan.

Members welcomed the report, and their comments included: this would bring developers together with regard to habitat and landscape provision, and pedestrian links; this was a brownfield site which needed to be maximised; and what came forward needed to benefit current, and future, residents.

In response to a question, the Cabinet Member considered that if the process of a CPO commenced, this would clarify parts of the site where ownership was not known.

The Chief Executive, in response to a question, advised that a CPO could not be undertaken unless there was demonstrable evidence that a developer was stifling progress, and it was easier to take this approach when there was a masterplan.

The Cabinet Member thanked the Head of Planning for the research he had carried out, and reminded Members that this was a “minded to” decision, only to be imposed if needed.

**Resolved:**

**(1) That delegated authority be granted to the Head of Planning, in consultation with the Head of Mid Kent Legal Services, to progress a suitable indemnity agreement(s) with the owners of land outlined in red on the plan attached to the agenda, in order that the Council can ultimately progress to compulsorily acquire the land pursuant to section 226(1)(b) of the Town and Country Planning Act 1990.**

**(2) That confirmation of the CPO, including the associated back-to-back indemnity agreement with prospective developer(s), be reported back to the Cabinet for decision.**

**1166 THE MILL PROJECT**

**Cabinet Member for Finance and Performance and Cabinet Member for Housing and Wellbeing**

Cabinet considered the report of the Interim Head of Economy and Community Services and the above Cabinet Members, which provided an update on the progress of The Mill Skatepark.

Members welcomed the progress of the project, and considered it was an important element in the regeneration of Sittingbourne.

In response to questions, the Cabinet Member for Finance and Performance explained that it was normal under the Asset Transfer Policy to have a 125-year lease; and originally £400,000 had been the target, but this had reduced and now £200,000 had been provided by the Council, and around £30,000\* by the Skatepark group.

**\*Post Meeting Note: The figure was around £58,000.**

Members thanked the Interim Head of Economy and Community Services and the Community Services Officer for their work on the project, and Councillors Ghlin Whelan and Mike Whiting who had also been involved.

**Resolved:**

**(1) That the appointment of Gravity Engineering Ltd, as Design and Build Contractor, for the Mill Project for £240,000 be approved.**

**(2) That the contract waiver in Appendix I be approved.**

**(3) That The Mill Skatepark be transferred to Brogdale CIC on a 125-year lease.**

**(4) That delegated authority be given to the Head of Economy and Community Services and the Head of Property Services to negotiate the final**

*terms of the lease to Brogdale CIC, in consultation with the Cabinet Member for Finance and Performance.*

*(5) That delegated authority be given to the Head of Mid Kent Legal Services to complete the documentation required for the lease on the terms, as agreed by the Head of Economy and Community Services and the Head of Property Services, in consultation with the Cabinet Member for Finance and Performance.*

**1167 ADOPTION OF BIODIVERSITY ACTION PLAN AND SWALE GREEN GRID STRATEGY**

**Cabinet Member for Environment and Rural Affairs**

Cabinet considered the report of the Interim Head of Economy and Community Services and the above Cabinet Member, which set out the consultation that had been undertaken through the Swale Green Grid Partnership.

The Cabinet Member for Environment and Rural Affairs introduced the report, and stated that there had been an in-depth review of the documents, and gave credit to the Economy and Community Services Manager and the Project Officer..

Members welcomed the report.

In response to questions, the Cabinet Member advised that within the documents, it was implied that the aim was to enhance all areas, not solely conserve them. He further explained that the action plans were for the use of both the Council and partner agencies, so they would not necessarily require funding from the Council.

**Resolved:**

*(1) That the Biodiversity Action Plan and Swale Green Grid Strategy be endorsed.*

**1168 PUBLIC CONVENIENCES CLEANING AND MINOR MAINTENANCE CONTRACT RENEWAL**

**Cabinet Member for Environment and Rural Affairs**

Cabinet considered the report of the Head of Commissioning and Customer Contact and the above Cabinet Member, which set out the procurement process and sought approval of the recommended contractor.

The Cabinet Member reported that local workers would be employed where possible, and it was a significant budget saving on the present contract.

**Resolved:**

*(1) That the appointment of Monitor Services Ltd for an initial period of five years be approved.*

*(2) That delegated authority be given to the Head of Commissioning and Customer Contact, in consultation with the Cabinet Member for Environment and Rural Affairs, to complete the contract award.*

**1169 CABINET'S RESPONSE TO RECOMMENDATIONS OF SCRUTINY REVIEW OF LEISURE AND TOURISM****Cabinet Member for Regeneration**

Cabinet considered the report of the Economy and Community Services Manager and the above Cabinet Member which set out responses from the Cabinet Member to recommendations made by the Scrutiny Committee on their Leisure and Tourism Review.

The Cabinet Member acknowledged that the Scrutiny Committee had worked hard on the review for 16 months, and he considered the report to be a significant and well-considered piece of work.

The Chairman of the Scrutiny Committee expressed his disappointment with the responses from the Cabinet Member in the report.

A Member spoke of his disappointment on the lack of progress with the review, and the lack of communication. He acknowledged the work that the Policy and Performance Officer and the Economy and Community Services Manager had put in.

The Cabinet Member confirmed that it was only an interim response, pending the full Visitor Economy Strategy due in March 2017.

**Resolved:**

**(1) That the report be noted.**

**1170 MINUTES OF THE SOUTH THAMES GATEWAY BUILDING CONTROL JOINT COMMITTEE HELD ON 8 DECEMBER 2016**

Cabinet considered the recommendations from the South Thames Gateway Building Control Joint Committee held on 8 December 2016.

**Resolved:**

**(1) That the recommendations as noted in the report be approved.**

**1171 MINUTES OF THE SWALE JOINT TRANSPORTATION BOARD MEETING HELD ON 19 DECEMBER 2016**

Cabinet considered the recommendations from the Swale Joint Transportation Board meeting held on 19 December 2016.

**Resolved:**

**(1) That the recommendations in Minute Nos. 1080, 1081, 1082, 1083, 1084 and 1085 be approved.**

**1172 EXCLUSION OF THE PRESS AND PUBLIC**

It was not necessary to pass this resolution.

**1173 SOUTH THAMES GATEWAY BUILDING CONTROL PARTNERSHIP - BUSINESS PLAN 2017 TO 2020**

Members considered this item under Minute No. 1170.

***Resolved:***

***(1) That the draft South Thames Gateway Building Control Partnership Business and Delivery Plans for 2017-20 be agreed.***

***(2) That a further extension of the Building Control Partnership to September 2022 be agreed.***

Chairman

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All Minutes are draft until agreed at the next meeting of the Committee/Panel