
CABINET

MINUTES of the Virtual meeting held via Skype on Wednesday, 16 December 2020 from 7.00pm - 8.32pm.

PRESENT: Councillors Mike Baldock (Vice-Chairman), Monique Bonney, Angela Harrison, Ben J Martin, Richard Palmer, Roger Truelove (Chairman) and Tim Valentine.

DEPUTY CABINET MEMBERS: Councillors Derek Carnell, Alastair Gould, Hannah Perkin, Julian Saunders, Sarah Stephen, Eddie Thomas and Ghlin Whelan.

OFFICERS PRESENT: Anne Adams, Billy Attaway, Tracey Beattie, Martyn Cassell, David Clifford, Robin Harris, Janet Hill, Jo Millard, Julie Oates, Debbie Townrow, Nick Vickers, Emma Wiggins and Phil Wilson.

ALSO IN ATTENDANCE: Councillors Cameron Beart, Lloyd Bowen, Roger Clark, Simon Clark, Steve Davey, Mike Dendor, Elliott Jayes, Denise Knights, Simon Fowle, Tim Gibson, Alan Horton, Ken Rowles, Paul Stephen, Tony Winckless and Corrie Woodford.

346 INTRODUCTION

The Leader explained that the Cabinet meeting would be conducted in accordance with the Local Authorities and Police and Crime Panel (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020 No. 392.

In welcoming all Members and members of the public, the Leader explained which Swale Borough Council (SBC) officers were in attendance. He welcomed Billy Attaway who would be joining Democratic Services in January 2021, to the meeting.

347 MINUTES

The Minutes of the Meeting held on 28 October 2020 (Minutes Nos. 207 – 219) were taken as read, approved and signed by the Chairman as a correct record.

348 DECLARATIONS OF INTEREST

No interests were declared.

Part A recommendations for Council

349 MEDIUM TERM FINANCIAL PLAN AND 2021/22 BUDGET

The Leader and Cabinet Member for Finance introduced the report which set out the draft 2021/22 revenue and capital budgets and the draft Medium Term Financial Plan (MTFP). He said the plan took the Council through the current Covid-19

pandemic and hopefully through the aftermath of its impact. The Leader and Cabinet Member for Finance welcomed the Government's decision to postpone the Fair Funding Review and drew attention to the significant financial support Government had provided to achieve a balance in the current 2020/21 budget, outlined in paragraph 2.2 on page 6 of the report and detailed in Item 5 on the Agenda.

The Leader and Cabinet Member for Finance spoke about the Chancellor of the Exchequer's announcements made in November 2020, which had relieved some of the expected financial pressures. These were detailed in the bullet points at 2.4 on page 7 of the report – grant funding to cover Covid-19 related expenditure costs for 2021/21 for Quarter 1 2021/22, further reimbursement of losses on Fees and Charges for Quarter 1 2021/22, Council Tax support for poorer households and maintenance of the New Homes Bonus.

Referring to the use of Reserves, the Leader and Cabinet Member for Finance said that this could not be used in normal circumstances to balance the budget, but unused pools of Business Rates, made available to the Council for growth funding, could and would be used for the next two years for recovery and resilience purposes. He said this was in line with the Council's Corporate and Recovery Plans, and Affordable Housing which was a coalition priority.

The Leader and Cabinet Member for Finance said that long-term financial sustainability required a small increase in Council Tax of £4.95 per annum, in line with the three year MTFP, agreed by the Council in February 2019.

The Leader and Cabinet Member for Finance said that the Chancellor's spending review announced a public sector freeze, but he intended SBC's staff to receive a settlement to reflect the contribution made during this difficult civic year.

The Leader and Cabinet Member for Finance drew attention to the 2021/22 MTFP on page 13 of the report and highlighted the serious financial challenges faced by the Council in the current climate, as the impacts of Covid-19 increased expenditure and reduced income. He said that the priorities of the coalition needed to be focused.

The Leader and Cabinet Member for Finance said that over £3.2million was required to balance the budget and he drew attention to the table at 3.5 on page 11 of the report which set out the alternative actions of offsetting pressure of £1,137,050 on the revenue budget. He said any support from the Government, and reserves, would be used to achieve a balanced budget. The Leader and Cabinet Member for Finance said there was no intention to make cuts in staff numbers or services, as SBC already had less resources than many other Councils, but the use of reserves was an emergency measure in the current crisis. He explained that the report would be considered by the Scrutiny Committee before coming back to Cabinet.

The Leader and Cabinet Member for Finance said that the Section 151 Officer had Section 114 powers when a Council could not maintain or achieve a balanced budget. He highlighted paragraph 2.20, and said there was no possibility of this happening in Swale and that astute financial management had left the Council in a

better position than many other Councils, partly because the Council had not relied on investment in property as a source of new income.

In response to a question about staff pay from the Deputy Leader and Cabinet Member for Planning, the Leader and Cabinet Member for Finance said the intention was to agree a 2% pay rise for staff, subject to negotiations with union representatives.

Recommended:

(1) That the draft 2020/21 revenue and capital budgets be endorsed.

(2) That the Medium Term Financial Plan be endorsed.

Part B reports for decision by Cabinet

350 FINANCIAL MANAGEMENT REPORT APRIL TO SEPTEMBER 2020

The Leader and Cabinet Member for Finance introduced the report which set out the revenue and capital projected outturn position for Quarter 2 2020/21. He said that at the end of the first quarter, due to the impact of the Covid-19 pandemic, the projected revenue overspend was £2.25million, and this had risen to £3.3million by the end of Quarter 2. The Leader and Cabinet Member for Finance said that the reasons for the increase and variances were set out in Tables 1 and 2 at paragraph 3.1 on pages 32 and 33 of the report, and he highlighted the pressure due to homelessness, loss of income and leisure centre costs.

Referring to the £3.3million overspend, the Leader and Cabinet Member for Finance said that the projected loss of Swale's share of income from Business Rates and Council Tax also had to be included, which resulted in a £3.9million overspend. This total was offset by Government funding as shown in Table 5 on Page 35 of the report, but the Leader and Cabinet Member for Finance warned that the financial impact of the Covid-19 pandemic in the final months of the year were not yet known.

The Leader and Cabinet Member for Finance set out the improvement and recovery projects that would benefit from the pooled Business Rate Funding monies at paragraph 3.15 on page 37 of the report.

Finally, the Leader and Cabinet Member for Finance drew attention to paragraph 3.16 on page 38 of the report which was a historical litigation dispute to be settled, and paragraph 3.18 which related to the Leisure Centre contract.

Referring to paragraph 3.6, the Cabinet Member for Health and Wellbeing said that the Government had launched its National Leisure Recovery fund of £100million on 7 December 2020 and SBC had registered an interest. She said the fund did not cover historic loss of income from leisure activities, but for proposed expenditure in order for facilities to be used in normal circumstances from 1 December 2020 to 31 March 2021. The Cabinet Member for Health and Wellbeing explained the process of applying for the funding and said that SBC would be applying for each of the leisure centres in Sittingbourne and Sheerness, and for Faversham Pools.

The Leader praised the Finance team and the Cabinet Finance sub-group.

Resolved:

(1) That the total projected revenue overspend of £3,319,000 (£2,555,000 as at end of June 2020) be noted.

(2) That the settlement on litigation as set out in paragraph 3.16 be agreed.

(3) That the use of reserve funds as set out in paragraph 3.15 be agreed.

(4) That the payments with regard to the loss of income claims for the leisure contract as set out in paragraph 3.18 be approved.

(5) That the projected capital overspend of £2,279,256 and expenditure of £5,676,723 as detailed in paragraph 3.23 and Table 10 Appendix I be noted.

(6) That the additional Government funding received by the Council in response to the Covid-19 pandemic be noted.

(7) That the capital variances and their funding as detailed in paragraph 3.21 and Table 10 Appendix I refers be approved.

351 QUEENBOROUGH & RUSHENDEN PROJECT MANAGEMENT CONTRACT APPOINTMENT VALUE INCREASE

The Cabinet Member for Economy and Property introduced the report which sought to increase the contract variation of Campbell Reith from £98,000 to £151,644. She gave a background to the appointment of Campbell Reith in September 2019 to oversee the management of the contractor to deliver Phase 4 of the Queenborough and Rushenden regeneration scheme which was being funded by the Homes England Housing Infrastructure (HIF) grant. The Cabinet Member for Economy and Property explained the reasons behind the increase in costs which would be funded by the grant.

A Member spoke in support but sought clarification on paragraph 2.3 on page 58 of the report as he said that the land raising had not commenced on the Klyondyke site. The Cabinet Member for Economy said that there had been issues in gaining clear access to the site. The Economic Development Officer added that there had been delays in achieving vacant possession of the site.

Resolved:

(1) That the increased contract variation of Campbell Reith from £98,000 to £151,644 be approved.

352 SWALE HOUSE REFURBISHMENT

The Cabinet Member for Property and Economy introduced the report which updated Members on the progress made with the design and feasibility work for the proposed Swale House refurbishment project, and to seek delegated authority to

carry out certain carbon reduction works fully funded from grant funding in advance of the decision to allocate capital funding to the project. She explained that there had been no investment in Swale House for a considerable time and it was a key employment site within the town centre. The Cabinet Member for Property and Economy said that feedback from staff would be sought and any available space would be of economic benefit to SBC. She referred to the report attached from Spacelab on page 67 of the report and said there was an opportunity to bid for funding for the works.

Resolved:

(1) That the progress made on the design and feasibility stages of the project be noted.

(2) That delegated authority be given to the Head of Property Services in consultation with the Cabinet Member for Property and Economy, subject to a successful grant application, to carry out certain carbon reduction works fully funded from grant funding in advance of the decision to allocated capital funding to the project.

353 CLEAN AIR ZONE (CAZ)

The Cabinet Member for Environment introduced the report which presented the findings of a feasibility study carried out by independent consultants Ricardo to assess the costs and air quality benefits of a Clean Air Zone (CAZ) at the six air quality management areas along the A2. He said that SBC were responsible for air quality and Kent County Council (KCC) were the Highway Authority, and he explained that many actions to address the issues required collaboration between the two.

The Cabinet Member for Environment spoke about the table on page 77 which set out the options and measures that were evaluated during the feasibility study. He then highlighted the table on page 78 of the report, gave more detail and explanation, and compared the benefits and disadvantages of each of the categories. The Cabinet Member for Environment also spoke about the costs of implementing some measures, and commented that some measures might not be possible to implement on some parts of the A2. He said that the modelling was based on 2022 data.

The Cabinet Member for Environment spoke about other options to consider including working with KCC and applying to DEFRA to follow amended principles of a Clear Air Zone for adopting a 'Low Emissions Zone' or making adjustments to other options already suggested. He encouraged the use of signage to advertise air quality management areas.

Finally, the Cabinet Member for Environment said that the report included ideas that could be taken forward with KCC. The Leader and Cabinet Member for Finance said the report was the stepping stone to progress.

The Leader thanked officers for their work on the project.

Resolved:

(1) That the contents of the Clean Air Zone Feasibility (CAZ) Study report and its conclusions and recommendations be noted.

(2) That the recommended option from the CAZ Feasibility Study of working in partnership with KCC to review the measures explored and develop in more detail a package of measures to reduce traffic, improve flow and improve the vehicle fleet along the A2 be pursued. This could be promoted as a local Low Emission Zone or similar.

(3) That a report come back to Cabinet at a later date following engagement and discussion with KCC on any options or measures that are supported by KCC to be taken forwards.

354 ADOPTION OF THE KENT AND MEDWAY ENERGY AND LOW EMISSIONS STRATEGY

The Cabinet Member for Environment introduced the report which asked Members to note the Kent and Medway Energy and Low Emissions Strategy and recommended that SBC worked with KCC to deliver the strategy where appropriate. He said it was a KCC strategy which set out an approach, set targets and outlined projects to improve energy efficiency and air quality across the Borough. The Cabinet Member for Environment said that some SBC targets were more ambitious than KCC targets and there needed to be partnership working.

The Leader encouraged partnership working with KCC.

Resolved:

(1) That the Kent and Medway Energy and Low Emissions Strategy be noted.

(2) That Swale Borough Council works with KCC to deliver this strategy where appropriate.

355 OVERARCHING ENFORCEMENT POLICY

The Head of Policy, Communications and Customer Services introduced the report and explained that the overarching enforcement policy was designed to sit above service specific enforcement policies of the Council, it was centred around the regulatory code and it set out the principles of good regulation.

Resolved:

(1) That the overarching enforcement policy at Appendix I of the report be adopted.

356 RECOMMENDATIONS FROM THE EXTRAORDINARY LOCAL PLAN PANEL MEETING HELD ON 29 OCTOBER 2020

Cabinet considered the recommendations from the Extraordinary Local Plan Panel meeting on 29 October 2020.

The Chairman invited the Cabinet Member for Planning, and Chairman of the Local Plan Panel, to speak on Minute Nos. 222 (1 - 3) and Minute Nos. 223 (1 – 15). The Cabinet Member for Environment raised concerns of over-intensive development to the east of Faversham and spoke against Minute No. 222 (5). The Cabinet Member for Planning said that to reject the sites would have a huge impact on the Settlement Strategy and the three development sites were working on a joint masterplan to deliver the objectives, which included a new secondary school in Faversham. The Cabinet Member for Housing said that a critical mass needed to be reached in order to deliver infrastructure projects and viability was best in the east of the Borough. He added that to achieve the environmental aspects, affordable housing, employment and infrastructure, the development area as set out needed to be supported. On being put to the vote, Members agreed to Minute No. 222 (5).

The Cabinet Member for Economy and Property referred to Minute No. 223 (7) and raised concerns on the visual and environmental impact any development might have. She said it was an important part of the Aquifer and Area of Outstanding Natural Beauty (AONB), and would set a precedent for further development in the area. The Cabinet Member for Planning had some concerns that the site could be challenged at the Examination in Public (EIP) and referred to an adjacent site which SBC had won an appeal, on the impact on the landscape. In the discussion that followed, the Cabinet Member for Planning explained there was a possible alternative option if the site was taken out. Other members raised concern of the suitability of the development site and sought an alternative. The Cabinet Member for Planning said that fewer dwellings in the rural areas were needed now and he said there should be 1100 in Teynham, not 1000. On being put to the vote Members voted against Minute No. 223 (7).

The Cabinet Member for Environment spoke against Minute No. 223 (8). He said that the site was in an AONB, had previously been considered to be unsuitable and he feared ribbon development. He said the scale of the development in the location was too big and the railway service needed to be substantially improved prior to any development. The Cabinet Member for Environment raised highway safety concerns as there was no footpath to the school from the development site. A Member said there was a proposal in the Kent Strategic Rail Network, to double the number of trains per hour stopping at Selling train station and development sites near a train station gave options. The Cabinet Member for Housing said that without controlled expansion of villages, facilities would be lost. On being put to the vote, Members agreed Minute 222 (8).

The Cabinet Member for Planning referred to Minute 222 (10), advising of the typing error which should say **1100** dwellings not 1000. He added that the allocation was not expected to come forward until 2028 due to the proposed Southern bypass at Teynham which would take traffic, including HGV traffic away from the A2. The Cabinet Member for Planning said there would also be a green

space buffer between Teynham and Bapchild. The Cabinet Member for Environment said that putting in a bypass would increase traffic and affect the Air Quality Management areas along the A2 and he did not support Minute 222 (10).

Resolved:

(1) That the recommendations in Minute Nos 222 (1), (2) and (3) be agreed.

(2) That the recommendations in Minute Nos. 223 (1), (2), (3), (4), (5), (6), (8), (9), (10), (11), (12), (13), (14) and (15) be agreed but Minute No. (7) not be agreed and taken out of the plan.

357 RECOMMENDATIONS FROM THE EXTRAORDINARY LOCAL PLAN PANEL MEETING HELD ON 2 DECEMBER 2020

Members considered the recommendations from the Extraordinary Local Plan Panel meeting on 2 December 2020.

In relation to Minute No. 300 (1) the Cabinet Member for Planning, and Chairman of the Local Plan Panel referred to the offsetting of affordable housing against environmental benefits. He explained that brownfield sites had a lower yield because profits were lower. The Cabinet Member for Planning explained that the overall affordable housing target for the Borough was 27.4%, and 30% on greenfield sites would therefore achieve the target and there was a danger that if the figure was set too high, it could be challenged at the EIP as there was not the evidence to back it up. He said 40% would give a significant reduction in homes for life and he spoke in support of 20% affordable housing for brownfield sites and 30% for greenfield sites. The Cabinet Member for Housing spoke in support of 20% for brownfield sites and 30% for greenfield sites. A Member said there was a risk that a higher target of affordable housing might mean a higher target number of houses overall.

Resolved:

(1) That Minute No. 300 (1) from the Extraordinary Local Plan Panel meeting held on 2 December 2020 be agreed subject to an amendment that Cabinet voted to approve 20% of affordable housing for brownfield sites and 30% for greenfield sites.

(2) That Minute No. 301 (1) be approved.

358 RECOMMENDATIONS FROM THE SWALE JOINT TRANSPORTATION BOARD MEETING HELD ON 7 DECEMBER 2020

Resolved:

(1) That the recommendations in Minute Nos. 306, 307, 308, 310 and 311 be agreed.

Chairman

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