



Council Meeting

13 December 2017

HASTINGS BOROUGH COUNCIL

Dear Councillor

You are hereby summoned to attend a meeting of the Hastings Borough Council to be held at the Muriel Matters House, Breeds Place, Hastings, East Sussex, TN34 3UY, on Wednesday, 13th December, 2017 at 6.00 pm at which meeting the business specified below is proposed to be transacted.

Yours sincerely,

Chief Legal Officer

Muriel Matters House
Breeds Place
Hastings

5 December 2017

AGENDA

1. Apologies for Absence
2. To approve as a correct record the minutes of the council meeting held on 18 October 2017
3. Declarations of Interest
4. Announcements from the Mayor and Leader
5. Questions (if any) from:
 - a) Members of the public under Rule 11
 - b) Councillors under Rule 12
6. Motion (Rule 14)
Councillor Chowney to propose, seconded by Councillor Westley, that:

“This council is committed to welcoming asylum seekers and refugees to the Borough of Hastings, and including them in our activities. Hastings Council recognises their potential contribution to our town, and also recognises that a comprehensive, co-ordinated and forward-

looking approach is needed if the welfare of people moving into the town, and community cohesion between new and existing communities, are to be supported effectively. To this end, we pledge to:

- Support Hastings bid to become a place of sanctuary;
- Welcome to Hastings and St Leonards those fleeing violence and persecution in their own countries;
- Value the contribution those seeking sanctuary can make to our town;
- Support taking practical steps to welcome and integrate all people into our communities, activities and culture;
- Add our organisation's name to the body of supporters and we will offer relevant and practical action as appropriate.

This council will work to implement the City of Sanctuary pledges through its actions and policies, and with its partners in the statutory and voluntary sectors.”

7. Motion (Rule 14)

Councillor Rankin to propose, seconded by Councillor Turner that:

“After the most recent publication of the Ofsted report for Ark William Parker confirmed that it has now underperformed for 4 years, we ask that the Leader of Hastings Borough Council writes to the Regional Schools Commissioner expressing our concerns about this situation.”

8. Membership of Committees

To give effect to any request received from a political group for a change in their representation on committee(s)

9. Reports of Committees

a) To resolve that the public be excluded from the meeting during the discussion of any items considered while the public were excluded by the relevant committee because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in the respective paragraphs of Schedule 12A to the Local Government Act 1972 referred to in the minutes of the relevant committee.

b) To receive and consider the recommendations and any decisions of the following committees:

Minute No.	Subject	Cabinet Member / Chair
CABINET – 6 NOVEMBER 2017		

41.	Warm Homes Fund Grant	Batsford
42.	Healthy Hastings and Rother Update	Batsford
43.	Medium Term Financial Strategy	Chowney
44. (C)	Treasury Management – Mid Year Report 2017/18	Chowney
45. (C)	Social Media Policy	Poole
CABINET – 4 DECEMBER 2017		
48. (C)	Council Tax Support Scheme	Chowney
49. (C)	National Non-Domestic Rate (NNDR) Relief	Chowney
50. (C)	An Energy Transition for Hastings	Chowney
51.	Appointment of External Auditor	Chowney
52.	Sports Village Development	Chowney
53. (E)	White Rock Theatre*	Chowney
54. (E)	Property Purchase	Chowney
55. (E)	Property Purchase	Chowney

* A supplementary public report on the White Rock Theatre will be circulated in advance of the meeting and may be called for discussion.

(C) – Council Decision

(E) – Exempt

Notes:

1. The Mayor will call over the minutes and members will rise and indicate those items which they wish to have discussed.
2. No discussion shall take place at this stage upon part II minutes covered by the resolution 9a) above. Any such discussion shall be deferred until item 10 on the agenda.

10. To consider the recommendations and decisions of committees (if any) which the Council has resolved should be discussed after the exclusion of the public from the meeting

Note: Nothing contained in this agenda or in the attached reports and minutes of committees constitutes an offer or acceptance of an offer or an undertaking or contract by the Borough Council

Agenda Item 2

Public Document Pack

FULL COUNCIL

18 OCTOBER 2017

Present: The Right Worshipful the Mayor (Councillor Judy Rogers) in the Chair, Councillors Sinden, Batsford, Cartwright, Chowney, Clark, Cooke, Davies, Forward, Howard, Dowling, Poole, Roberts, Sabetian, Scott, Street, Turner, Webb, Westley, Beaver, Lee, Fitzgerald, Beaney, Atkins, Edwards, Clarke, Dowling, Bacon, Patmore and Rankin

Apologies for absence were noted for Councillor Wincott and Charman

11. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE COUNCIL MEETING HELD ON 26 JULY 2017

RESOLVED that the minutes of the council meeting held on 26 July 2017 be signed by the Mayor as correct record of the proceedings

12. DECLARATIONS OF INTEREST

The following Councillors declared their interest in the minutes indicated:

Councillor	Committee	Minute	Interest
Edwards	Cabinet, 11 September 2017	31 – Income Generation Strategy	Personal – he works in the property industry
Rankin	Cabinet, 11 September 2017	31 – Income Generation Strategy	Personal – he works in the property industry

13. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

The Mayor announced the dates of up-coming events; Remembrance Day and Remembrance Sunday on 11 and 12 November, the Herring Fair on 18 and 19 November, and White Ribbon Day on 25 November.

14. QUESTIONS FROM MEMBERS OF THE PUBLIC UNDER RULE 11

A written question had been received from Mr Russell Hall regarding an update on the progress of the council's investigation into adopting a policy of making Section 106 viability assessments public. Councillor Chowney replied to the question. Copies of the question and response were circulated.

A written question had been received from Mr Christopher Hurrell regarding changes to the council's constitution. Councillor Poole replied to the question. Copies of the question and response were circulated.

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15. QUESTIONS FROM COUNCILLORS UNDER RULE 12

A written question had been received from Councillor Lee regarding consultancy costs to the council. Councillor Poole replied to the question. Copies of the question and response were circulated.

Questions to the Leader, Deputy Leader and other Lead Members were asked answered in accordance with Rule 12.1 as follows: -

Questioner and Councillor	Subject	Reply Given By Councillor
Lee	<u>Funding by the Department for Communities and Local Government (DCLG)</u> the DCLG recently announced a £300 million fund to help small and medium sized businesses who have been affected by increased business rates, following the recent re-valuation of business premises. Why was Hastings Borough Council not included on a published list of authorities who have taken up this offer? Councillor Poole replied that she believed the council intended to take up this offer, and was in the process of adapting its software in order to administer the grant. She agreed to provide a full response in writing.	Poole
Patmore	<u>Report by Federation of Small Businesses</u> a report was recently published by the Federation of Small Businesses stating that small and medium sized businesses often miss out on the opportunity to bid for contracts from public sector organisations. What is the council doing to address this? Councillor Chowney replied that the council undertook an overview and scrutiny review two years ago which also raised this issue and looked at possible options to encourage local businesses to bid for tenders. The council continues to work proactively with local businesses, including advertising opportunities to tender locally. He added that public sector contracts must comply with strict regulations, which may be off-putting to some small companies.	Chowney
Turner	<u>Homelessness</u> what is being done to address homelessness over the winter period?	Batsford

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	<p>Councillor Batsford acknowledged that winter can be a particularly difficult time for people living on the street. The council had developed protocols to enable it to work effectively with voluntary organisations to provide support to the street community. The Snowflake Centre would open from November to February; the council's housing officers would visit the centre each week to provide advice on options to secure permanent accommodation. The council was also developing a protocol for severe weather conditions, including the use of school premises to provide emergency shelters. Councillor Batsford added that there had been a significant increase in the use of Bed and Breakfast accommodation, and officers were looking at opportunities to address this.</p>	
Lee Clark	<p><u>Parking Charges over Christmas</u> will the council be offering free parking in its car parks in the run up to Christmas, as it has done in previous years?</p> <p>Councillor Fitzgerald replied that there would be no charges in council-owned car parks each Thursday for the 4 weeks before Christmas. This coincided with late night shopping in the town. Council car parks will also be free on Christmas Day and New Years Day.</p>	Fitzgerald
Atkins	<p><u>Hare Way Playground</u> is there an update on progress to improve facilities at Hare Way playground?</p> <p>Councillor Batsford replied that a report had been produced which assessed the repair and upkeep of all play facilities in the borough. He would consider the implications of the report with Councillor Fitzgerald and report back.</p>	Batsford
Webb	<p><u>East Sussex County Council (ESCC) petition</u> the Leader of East Sussex County Council recently started a petition calling on the government to increase funding to local government. Does the Leader of the Council support the petition and has he signed it?</p> <p>Councillor Chowney replied that he had signed the petition and supported its aim. A link to the petition had also been shared on the council's social media sites.</p>	Chowney
Edwards	<p><u>Public Conveniences</u> at a recent Cabinet</p>	Fitzgerald

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	<p>meeting there was a report on the public conveniences cleaning contract. What was this report about?</p> <p>Councillor Fitzgerald noted that matter could be discussed as a part II item later on the agenda.</p>	
Bacon	<p><u>Summer Season</u> in 2016 the town marked the 950th anniversary of the Battle of Hastings. What have the highlights of the 2017 summer season been?</p> <p>Councillor Chowney replied that over 30 events had taken place on the Stade open space over the summer. The Stade Saturdays programme had run between June and October. Other successful events included Jack in the Green, Mid-Summer Fish Festival, Seafood and Wine Festival and the bonfire. Events would continue into the autumn and winter, with the Herring Fair due to take place in November. Councillor Chowney added that, whilst the council supported a number of events in the town, many were organised by community groups and volunteers.</p>	Chowney
Martin Clarke	<p><u>Hastings Pier</u> it was sad to read in the local paper about the financial challenges facing Hastings Pier. What can the council do to support the pier and how will this impact projects it supports in the future?</p> <p>Councillor Chowney advised that Hastings Pier was working with administrators and the Heritage Lottery Fund to develop a rescue package and make the attraction more self-sustaining in the future. The council will continue to work with all partners; this includes exploring planning policy considerations which could help the pier operate on a more commercial basis.</p>	Chowney
Sabetian	<p><u>Energy Generation</u> how can the town use its natural resources for sustainable, environmentally friendly, energy generation?</p> <p>Councillor Chowney replied that the council was investigating the potential of solar and wind energy generation as part of its income generation activities. A report on these options would be brought to Cabinet later in the year.</p>	Chowney
Beaver	<p><u>Homelessness</u> it has been reported that some local authorities are buying homeless</p>	Batsford

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	people one-way train tickets to other areas to avoid having to fulfil their duties in respect of homelessness. Will the Lead Member give an assurance that this council has never and will never engage in this practice? Councillor Batsford gave this assurance, he added that council officers worked in partnership with a variety of agencies to support the street community.	
Scott	<u>Road works in St Helens Road</u> while the road works are ongoing in St Helens Road, some motorists are using Alexandra Park as a thoroughfare. Will the lead member give an assurance that this will be stopped? Councillor Fitzgerald agreed to raise this matter with the Police and the Safer Hastings and Rother Partnership.	Fitzgerald
Cooke	<u>Openwide Limited</u> would the Leader respond to an earlier question as to whether the council has received an contact from Openwide Limited about their reported plans to re-locate to the area? Councillor Chowney confirmed that the council had not received any contact from Openwide Limited. He agreed to re-circulate his earlier written response to all members.	Chowney

16. **MOTION (RULE 14)**

Councillor Street proposed a motion, as set out in the resolution below, which was seconded by Councillor Davies.

It was unanimously agreed to correct the title of the Lead Member referred to in the original motion, from Lead Member for Communities, Economy and Transport to Lead Member for Communities and Safety.

RESOLVED (by 28 votes for, to 1 against) that:

This council acknowledges and welcomes the fact that East Sussex County Council (ESCC) has maintained its library service throughout the years of central government imposed austerity unlike many other authorities across the country.

We further acknowledge that ESCC is required to make substantial savings as a result of central government imposed cuts in funding.

However, we do not accept that the closure of Ore Library should be one of those cuts.

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Ore Library serves residents of some of the most deprived neighbourhoods in East Sussex notably Down Farm in Ore ward and Broomgrove in Baird ward, many of whose residents do not own cars and cannot afford the bus fare to make the journey to Hollington or Hastings Central libraries as suggested in the report to ESCC Cabinet. Further, with the library closed, they will not have access to computers in order to access the “enhanced eLibrary service” proposed.

We, therefore, call upon the Leader of the Council to write to the Lead Member for Communities and Safety at East Sussex County Council expressing our total opposition to the closure of Ore Library. We further encourage all members of this council and residents to respond to the official consultation in similar terms”.

17. MEMBERSHIP OF COMMITTEES

No motions for a change in representation on committees were received from the group leaders.

18. AMENDMENTS TO THE COUNCIL'S CONSTITUTION

The Chief Legal Officer submitted a report which sought approval from Council for amendments to the council's constitution.

Under rule 13.3 of the council's constitution, the recommendations of the report were agreed without being called for debate.

RESOLVED that the recommended amendments to the council's constitution be adopted by Council

The reason for this decision was:

The council's constitution is the basis for the council's corporate governance.

19. APPOINTMENT OF INDEPENDENT PERSONS

The Chief Legal Officer submitted a report to appoint two Independent Persons to assist the standards process and any disciplinary hearing against any of the statutory officers.

Under rule 13.3 of the council's constitution, the recommendations of the report were agreed without being called for debate.

RESOLVED that John Baker and Amanda McIntyre be appointed as Independent Persons to assist with duties of Independent Persons from 1 November 2017 to 31 October 2022

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The reason for this decision was:

The Localism Act 2011 requires the council to appoint at least one Independent Person to assist with the standards process. Further, changes in employment legislation requires an Independent Person to be involved in any disciplinary action against any of the three statutory officers, those being the Head of Paid Service, the Chief Finance Officer and the Monitoring Officer.

20. REPORTS OF COMMITTEES

The Mayor having called over the minutes set out in the agenda, the under mentioned minutes were reserved for discussion.

RESOLVED under rule 13.3 that the reports and minutes of committees set out in the agenda be received. Only those items which were reserved were discussed, as follows:

Meeting	Minute	Councillor
Cabinet, 11 September 2017	28 – Potential New Development	Beaver
Cabinet, 11 September 2017	31 (C) – Income Generation Strategy	Sabetian
Cabinet, 11 September 2017	32 (C) – Land and Property: Commercial Property Investment Strategy	Lee
Cabinet, 11 September 2017	33 (C) – Hastings Borough Council Housing Company	Cooke
Cabinet, 11 September 2017	34 (E) – Public Conveniences Cleaning Contract	Edwards

Minute number 31 of Cabinet on 11 September 2017, Income Generation Strategy, was a matter on which the Council was required to make a decision. Councillor Chowney moved approval of the minute, seconded by Councillor Sabetian and agreed by 21 votes for, to 8 against.

Minute number 32 of Cabinet on 11 September 2017, Land and Property: Commercial Property Investment Strategy, was a matter on which the Council was required to make a decision. Councillor Chowney moved approval of the minute, seconded by Councillor Fitzgerald and agreed by 21 votes for, to 8 against.

Minute number 33 of Cabinet on 11 September 2017, Hastings Borough Council Housing Company, was a matter on which the Council was required to make a decision. Councillor Chowney moved approval of the minute, seconded by Councillor Batsford and agreed unanimously.

Minute number 34 of Cabinet on 11 September 2017 was an exempt item. When this minute was reached, Councillor Street proposed a motion for the exclusion of the public from the meeting.

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RESOLVED that the public be excluded from the meeting during the consideration of minute number 34 of the Cabinet meeting held on 11 September 2017, Public Conveniences Cleaning Contract, because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in the paragraphs of Schedule 12A to the Local Government Act 1972 referred to in the relevant report

No motions for reference to Overview and Scrutiny Committee or reference back to Cabinet were approved in respect of the items reserved for discussion and they were therefore received.

(The Mayor declared the meeting closed at. 9.00 pm)

Agenda Item 9

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CABINET

6 NOVEMBER 2017

Present: Councillors Chowney (Chair), Forward, Batsford, Poole, Fitzgerald, Beaney, Lee and Patmore

Apologies for absence were noted for Richard Watson, Hastings and Rother Clinical Commissioning Group

40. MINUTES OF THE MEETING HELD ON 9 OCTOBER 2017

RESOLVED that the minutes of the Cabinet meeting held on 9 October 2017 be approved as a correct record

RESOLVED the chair called over the items on the agenda, under rule 13.3 of the council's constitution, the recommendations set out in minute numbers 41, 42 and 44 were agreed without being called for discussion

41. WARM HOMES FUND GRANT

The Assistant Director, Housing and Built Environment, presented a report which sought agreement for the council to enter into a funding agreement with Osbourne Energy to install new heating systems in fuel poor households.

In Hastings, 11.3% of households live in fuel poverty, significantly above the national average. This means that residents can not afford to heat their homes to the temperature needed to stay warm and healthy, often their heating systems are also inefficient and expensive to run.

The council submitted a successful bid to the warm homes grant fund, in partnership with East Sussex County Council Public Health. The Hastings element of the project involves installing 50 new heating systems in eligible homes, through the winter homes check service. The new heating systems will be enhanced with new technologies to help households make the most efficient use of their new heating provision.

Under rule 13.3, the recommendations of the report were agreed without being called for discussion.

RESOLVED that:

1. **Members agree to enter into a revised section 136 Local Government Act 1976 agreement with East Sussex County Council for the defrayment costs relating to the coordination of the East Sussex fuel reduction programme**
2. **The council enter into a funding agreement with Osborne Energy Ltd (as the appointed winter homes check provider) for the delivery of the warm homes fund in Hastings**

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The reason for this decision was:

A successful application to the warm homes fund has been made by East Sussex County Council on behalf of the East Sussex Energy Partnership. In order for activities to be undertaken in Hastings and be eligible for use as match funding against the EU Interreg SHINE grant a section 136 agreement is required to be entered into to transfer the Hastings element of the successful bid.

It is proposed to extend the existing funding agreement with Osborne Energy Ltd, who presently administer the Clinical Commissioning Group (CCG) health inequalities funded major measures works, to deliver the warm homes fund in Hastings.

42. HEALTHY HASTINGS AND ROTHER UPDATE

The Assistant Director, Housing and Built Environment, submitted a report which advised member of proposed changes to the funding allocations for council-led projects as part of the healthy Hastings and Rother programme, which is funded by Hastings and Rother Clinical Commissioning Group (CCG). The report sought Cabinet agreement for the revised programme and delivery arrangements.

The council has been working in partnership with the CCG, East Sussex County Council and other partners to deliver projects which address health inequalities.

The element of the programme led by Hastings Borough Council (HBC) comprises 9 projects, Cabinet received an update on these activities at its meeting in July. The programme has since been amended in respect of a hospital discharge project, which will now be commissioned directly by the CCG. Slippage in the health and wellbeing community hubs project, means that in year spend will be less than the original budget. The revised programme also includes a new partnership project in Ore, Hollington and Sidely, which is designed to reduce health inequalities in areas with a high concentration of people living in social housing.

Under rule 13.3, the recommendations of the report were agreed without being called for discussion.

RESOLVED that:

- 1. The proposed changes to funding allocations in 2017 to 2020 for HBC led projects within the CCG's healthy Hastings and Rother programme be noted**
- 2. The revised programme of HBC led projects , as described in the report, and the total financial resources available from the CCG of £3,456,257 be agreed**
- 3. The Director of Operational Services be authorised to enter into a revised funding agreement with the CCG under section 256 of the NHS Act 2006 to support the HBC led programme**
- 4. The Director of Operational Services be authorised to enter into an agreement with Optivo housing association for the funding and delivery of the co-investment programme in Ore, Hollington and Sidely**

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5. **Cabinet portfolio holders will receive quarterly progress reports on the delivery and impact of the programme and that Cabinet receives an annual review the programme after each financial year end**

The reason for this decision was:

To seek Cabinet agreement for changes to the council-led element of the CCG's healthy Hastings and Rother programme.

43. MEDIUM TERM FINANCIAL STRATEGY

The Assistant Director, Financial Services and Revenues, presented a report on the medium term financial strategy. The council forecasted its financial position over the medium term to ensure its resources were aligned with its priorities and objectives and to assist with the budget setting process for future years.

The report gave an overview of the council's income and expenditure, since the budget for 2017/18 was set in February. The Assistant Director, Financial Services and Revenues, commented that further significant budget reductions were expected in the years ahead. He also acknowledged further uncertainty regarding business rate appeals and an outstanding claim in respect of the pier closure. Recent increases in inflation had created additional pressures on the council's budget.

It was essential that the council continued to optimise the efficiency of its services. Potential re-occurring savings identified in the medium term financial strategy would be investigated as part of the budget setting process for 2018/19. The council was also exploring opportunities to generate additional income.

Councillor Chowney moved approval of the recommendations to the Assistant Director, Financial Services and Revenues, report which was seconded by Councillor Forward.

RESOLVED (by 6 votes for, to 2 against) that the medium term financial strategy be approved

The reason for this decision was:

The council matches its available resources to its priorities across the medium term.

The report provides the opportunity to assess the council's resources to assist the review of corporate priorities given the continued reductions in funding and the need to continually ensure limited resources are properly aligned to targets.

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44. TREASURY MANAGEMENT - MID YEAR REPORT 2017-18

The Assistant Director, Financial Services and Revenues, submitted a report to advise Cabinet of the treasury management activities and performance during the current year.

Treasury management relates to the authority's investments, cash flow, banking, money market and capital transactions. The report provided an update on the economic climate during the first nine months of 2017/18 as well as the council's current treasury position and strategies for borrowing and investment.

The council complied with the requirements of the Chartered Institute for Public Finance and Accountancy's Code of Practice for Treasury Management and carried out a mid-year review each year, to provide members with an opportunity to make recommendations to Full Council to address any issues which may have arisen since the original strategy was approved in February 2017. It was expected that Treasury Management Code of Practice (Cipfa) and the Prudential Code for Capital Finance will be revised by the end of the current financial year.

Interest rates had recently increased from 0.25% to 0.50%, and it was expected that further increases would follow in the future.

The council had undertaken additional borrowing over the past year, to help support its income generation activities.

Under rule 13.3 of the council's constitution, the recommendations of the report were agreed without being called for discussion.

RESOLVED that:

- 1. Cabinet agree the mid-year report and note that changes to the prudential code, treasury management code of practice and a new capital strategy document are expected to be in place for 2018/19**
- 2. The Audit Committee consider the substantial implications and risks to the council at its meeting in January 2018 when considering the proposed treasury management strategy for 2018/19, with a view to making recommendations to the meetings of Cabinet and Council in February 2018**

The reason for this decision was:

The code of practice on treasury management requires, as a minimum, a mid-year review of the treasury management strategy and performance. This is intended to highlight any areas of concern that have arisen since the original strategy was approved (February 2017). It is a requirement of the code of practice that the mid-year review is considered by Cabinet and Full Council.

The council has increased its levels of income generation and this entails new borrowing over potentially long periods, with consequent risks in terms of asset valuations, credit worthiness, cash and reserve fund availability. Such risk cannot be

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considered in isolation of all the issues facing the council now and potentially in the future.

45. SOCIAL MEDIA POLICY

The Director of Corporate Services and Governance and Marketing and Major Projects Manager presented a draft social media policy to Cabinet for approval.

It was necessary to review the council's existing policy to reflect the growth of social media and changes to the way it is used by the public, staff and members.

A public policy sets out how the council would and would not engage with members of the public through its social media accounts. A separate policy explained the appropriate use of social media by staff and members, including potential pitfalls and necessary restrictions to protect users and the council. Specific guidance was included for the use of social media during the pre-election purdah period.

Further guidance was also being sought for members and officers on the use of LinkedIn as a business networking tool.

Councillor Poole proposed an amended the policy for members, in relation to personal social media accounts, to include a note that "there may be other cases of close familial relationships between council officers and members of another authority outside – these will be assessed on a case by case basis by the Director of Corporate Services and Governance".

Councillor Poole proposed approval of the recommendations to the Director of Corporate Services and Governance's and Marketing and Major Projects Manager's report, subject to the above amendment, which was seconded by Councillor Forward.

RESOLVED (unanimously) that Cabinet agrees the refreshed social media policy and appendices

The reason for this decision was:

The greater use of social media in everyday work requires the council to agree how we will use social media and the associated rights and responsibilities that come with its use.

(The Chair declared the meeting closed at 6.43 pm)

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CABINET

4 DECEMBER 2017

Present: Councillors Chowney (Chair), Forward, Batsford, Fitzgerald, Poole, Beaney, Lee and Patmore

46. DECLARATIONS OF INTEREST

The following Councillors declared an interest in the minutes:

Councillor	Minute Number	Interest
Beaney	52 – Sports Village Development	Prejudicial – she is a Director of Hastings Housing Company
Forward	52 – Sports Village Development	Prejudicial – she is a Trustee of the Education Futures Trust

47. MINUTES OF THE MEETING HELD ON 6 NOVEMBER 2017

RESOLVED that the minutes of the Cabinet meeting held on 6 November 2017 be approved as a correct record

RESOLVED the chair called over the items on the agenda, under rule 13.3 of the council's constitution, the recommendations set out in minute numbers were agreed without being called for discussion

48. COUNCIL TAX SUPPORT SCHEME

The Assistant Director, Financial Services and Revenues, submitted a report which sought member approval for the proposed council tax support scheme 2018/19.

Local authorities are required to adopt their own local council tax support schemes each year. The local scheme rules only apply to working age customers. The grant funding for the council tax support scheme is included within the revenue support grant and retained business rates.

When designing the scheme it is important to strike a balance between protecting those on low incomes and maintaining essential services. The current scheme sets a minimum weekly award of £5, removes second adult rebate and increases non-dependant deductions.

No changes of the scheme are proposed for 2018/19. However, all local authorities in East Sussex have agreed to undertake a comprehensive review before agreeing their

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schemes for 2019/20. The review will reflect recent changes to the welfare system, particularly the increasing impact of Universal Credit.

Under rule 13.3 of the council's constitution, the recommendations of this report were agreed without being called for discussion.

RESOLVED:

- 1. To recommend to Full Council that there will be now change to the existing council tax support scheme in respect of working age customers for 2018/19, and;**
- 2. To authorise the Assistant Director, Financial Services and Revenues, to uprate allowances and premiums, as required, when announced by the government together with any relevant changes to the prescribed legislation**

The reason for this decision was:

The local authority is required to approve a scheme for the provision of council tax support in respect of 2018/19 by 31 January 2018.

49. NATIONAL NON-DOMESTIC RATE (NNDR) RELIEF

The Assistant Director, Financial Services and Revenues, presented a report which sought Cabinet approval for a policy in respect of the level of discretionary business rate relief to be granted to certain defined ratepayers with Hastings Borough Council area.

Following a revaluation of premises in April 2017, a number of local business have seen an increase in the business rate liabilities. Under the localism act 2011, the council may grant discretionary business rate relief. The council has been awarded an additional grant by the government, to assist businesses affected by the revaluation.

The funding covers a 4 year period and a draft policy for administering the grant was appended to the report. In order to be eligible for funding, the business must have been occupying their premises on 1 April 2017. The council has consulted the major preceptors on the proposed scheme.

Around 300 potential recipients of the proposed scheme have been identified, and these businesses will be contacted directly, once the policy has been approved.

Councillor Chowney proposed approval of the recommendations to the Assistant Director, Financial Services and Revenues report, which was seconded by Councillor Lee.

RESOLVED (unanimously) that:

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- 1. The draft policy attached to the report is approved, and;**
- 2. The Assistant Director, Financial Services and Revenues, is authorised, in consultation with the Leader of the Council, to make any necessary changes to the policy, if there are changes or likely to be changes in legislation, or if the total relief being granted could result in the total payments exceeding the level of grant**

The reason for this decision was:

The council needs a policy to set out how they will allocate the grant monies received from central government to help local businesses affected by the revaluation.

50. AN ENERGY TRANSITION FOR HASTINGS

The Income Generation Manager presented a report which updated the council on income generation opportunities through the generation and supply of renewable energy. The report set out outcomes which may be achieved over the short, medium and long term and the levels of investment required to assess these opportunities further.

In summer 2017, the council commissioned an energy options study. The study recommended a number of efficiency measures which the council could implement on the buildings it owns to reduce energy consumption and associated costs. The recommendations will be implemented as part of the council's renewals and maintenance plans.

The study also identified potential opportunities for the council to gain additional income by the generation and supply of renewable energy. These opportunities would require further investigation, and it was recommended that the council develop an energy strategy to co-ordinate and prioritise this work and provide a framework for joint working and exploring funding opportunities.

Members commented that many of the opportunities described in the report could provide economic, social and environmental benefits to the people and businesses of the borough, as well as generating additional income for the council.

Councillor Chowney proposed approval of the recommendations to the report, which was seconded by Councillor Beaney.

RESOLVED (unanimously):

- 1. To note the progress already made in achieving energy efficiencies.**
- 2. To make provision within the Capital Programme of £1.76m for the purchase and installation of solar photovoltaic arrays.**
- 3. That delegated authority be given to the Chief Financial Officer, in consultation with the Leader to authorise the procurement of design and installation of solar photovoltaic arrays as outlined at para. 19-23.**

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4. That a position of Project Support Officer is created for a fixed term until Mar 2019 (with an option to extend) to assist delivery. This position will be paid for through a bid to the Invest to Save Fund.
5. To continue work to develop plans to bring forward large scale wind generation for the Borough. This will include a review of gaps in planning policy and a bid to the Invest to Save fund to erect wind monitoring masts to check the national database wind assumptions; with a further report to follow in April 2018.
6. To continue work to develop plans to bring forward district heat networks for the Borough; including submitting a bid to the Heat Networks Delivery Unit for a grant funding to conduct feasibility studies, with match funding of up to 33%. A further report to follow in April 2018.
7. To continue work to develop plans to bring forward an alternative energy generation and supply model for Hastings; including submitting a declaration of interest to the European Regional Development Fund to trial a smart grid. A further report to follow in Apr 2018.
8. To enter into informal dialogue with energy supply licence holders about a potential partnership with Hastings Borough Council which could bring offer a tariff underpinned by local generation. A further report to follow in Apr 2018.
9. To develop an Energy Strategy for Hastings Borough, the first draft to be considered in April 2018.

The reason for this decision was:

Implementing the recommendations in this report will help the Council deliver its Corporate Priorities, as follows:

- a. **Economic and physical regeneration** – generating and supplying energy locally keeps money in the local economy. Supporting local businesses by retaining them to deliver some of the recommendations in this report could help safeguard and create new skilled jobs.
- b. **A greener town** – if they are all implemented following due diligence the measures in this report have the potential to contribute to the Councils climate change ambitions namely, to reduce emissions of greenhouse gases. We will establish an appropriate target to monitor the energy generated and the greenhouse gases saved through our planned activities. This will be established in the context of national carbon reduction targets as set by the Climate Change Act 2008 (to reduce emissions by at least 51% by 2025 and 80% by 2050 based on 1990 levels).
- c. **Intervention where it's needed** – the energy industry is in the throes of transition. There are various reasons for this but a major one is the increasing cost of distributing energy. It is for this reason that UK Power Networks, the District Network Operator for the area including Hastings has publically declared its move

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to a new model of doing business. The Council has a leadership role to play in this transition to ensure that the Borough derives maximum benefits as the transition rolls out.

- d. **Changing the way we work** – it is unlikely that all of the opportunities identified in this report can be brought forward. If, after due diligence they are all implemented they could generate an annual contribution of up to £1.156m for an investment of up to £9.98m; this represents a gross Return on Investment (ROI) of 11.57%. The Income Generation Strategy is far more cautious and, after discounting the more challenging aspects of the programme calls for a return of £630k for an investment of £6m, or a gross ROI of 10.6%.

51. APPOINTMENT OF EXTERNAL AUDITOR

The Chief Auditor submitted a report which sought Cabinet approval to accept the Public Sector Audit Limited (PSAA) appointment of Grant Thornton (UK) LLP as the council's external auditor.

The council is part of a national scheme for auditor appointment, which is organised by PSAA. PSAA appointed Grant Thornton (UK) LLP to Hastings Borough Council. The Audit Committee raised no objection to this appointment at its meeting held on 21 September 2017.

Under rule 13.3 of the council's constitution, the recommendations of this report were agreed without being called for discussion.

RESOLVED to accept the recommendation for Grant Thornton (UK) LLP as the council's external auditor

The reason for this decision was:

Part 3 of the constitution of the council (responsibility for functions) states that the Audit Committee should "recommend to the Cabinet any change of the external audit provider".

52. SPORTS VILLAGE DEVELOPMENT

Councillors Beaney and Forward, having declared a prejudicial interest in this matter, left the chamber during the debate on this item.

The Director of Operational Services presented a report which sought authority for the sale of land at less than market value in order to enable the construction of a new sports village on council owned land at Bexhill Recreation Ground.

The council has been approached by Bohemia LLP seeking the sale of council owned land at Elphinstone Road and land at lower tier of Bexhill Road Recreation Ground for housing development. Profits from the sale of the housing would be used to support the creation of a multi-use sporting and leisure facility on council-owned land at

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Bulverhythe. All of these schemes would require separate planning approval and the satisfactory completion of assessments of flood prevention measures of the sites. However, the developer required an assurance of the council's agreement in principal to the sale of these sites, before proceeding further.

Members commented that this proposal provided a significant opportunity to improve the sporting and leisure facilities in the town. The development of land at Elphinstone Road and Bexhill Road would also provide much-needed affordable housing. There may also be an opportunity for the council's housing company to purchase some units of accommodation.

Councillor Chowney proposed approval of the recommendations to the report, which was seconded by Councillor Lee.

RESOLVED (unanimously):

- 1. Cabinet agree to recommend to Full Council the sale of land to Keepmoat Ltd and/or Bohemia LLP as detailed under para 4 of this report:**
 - i. The freehold of the current Hastings United Football Ground and Hastings United Sports and Social Club site**
 - ii. A 999 year leasehold at Bulverhythe for the construction of the proposed Sports Village**
 - iii. The freehold of land at the lower tier of Bexhill Road Recreation Ground for housing development.**

These sales being on the basis of the Local Government Act 1972 which allows sale of less than best consideration on the basis of social, economic or environmental wellbeing.

- 2. That any sale is on the basis of the conditions set out in paras 4, 5 and 35 of this report.**
- 3. The Director of Operational Services, Assistant Director Financial Services & Revenues and Chief Legal Officer agree final terms on the basis of this report in consultation with the Leader of the Council.**

The reason for this decision was:

To enable the promoters to bring forward detailed planning applications for housing and sports facilities as outlined in the report.

The Leader of the Council proposed a motion for the exclusion of the public from the meeting, which was unanimously agreed as follows:

RESOLVED that the public be excluded from the meeting during the consideration of the items of business listed below because it is likely that if members of the public were present there would be disclosure to

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them of “exempt” information as defined in the paragraphs of schedule 12A to the Local Government Act 1972 referred to in the relevant report.

53. WHITE ROCK THEATRE

The Assistant Director, Regeneration and Culture, presented a report which proposed a way forward for the management of the White Rock Theatre beyond the expiry of the present contract in January 2019, which will deliver ongoing cultural provision, achieve budget savings and allow for a strategic approach to the development of cultural provision.

Councillor Chowney proposed approval of the recommendations to the report, which was seconded by Councillor Forward.

RESOLVED (unanimously):

1. **That the council should as its first preference negotiate terms for the extension of the current contract with HQ Theatres & Hospitality for a period of 5 years**
2. **That the council begins an OJEU procurement process to secure a new operator in order to ensure continued operation should detailed negotiations with HQ Theatres & Hospitality for an extension prove to be unsuccessful.**
3. **That both processes be delegated to the Director of Operational Services or his nominee working with the Assistant Director Financial Services & Revenues and Chief Legal Officer in consultation with the Leader of the Council.**
4. **That the council should develop a firm long term view of the type of cultural programme it is seeking and wishes to subsidise beyond this period, and develop the ideas and vehicles needed to deliver these aspirations.**

The reason for this decision was:

1. To achieve the budget savings required by the council’s financial position.
2. The negotiated approach allows for the continuity and effective management of the facility whilst allowing the scope for more refined options to be considered and developed in the future for cultural activity to be developed.
3. Procurement is the appropriate legal and business approach if the contract extension cannot be negotiated satisfactorily
4. Refined legal advice has clarified that the negotiated pathways are possible. This presents the council with a more flexible approach than procurement.

54. PROPERTY PURCHASE

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The Assistant Director, Financial Services and Revenues, presented a report to consider the purchase of a commercial property.

Since the report had been submitted, the vendor had re-negotiated the terms of the lease with the existing tenant to remove the first break clause. Members were advised that the asking price for the property had been increased and that the figure within the second recommendation should be increased by £150,000 (which was agreed).

Councillor Chowney proposed approval of the amended recommendations, which was seconded by Councillor Fitzgerald.

RESOLVED (by 6 votes for, to 2 against) that:

- 1. Cabinet resolve to purchase the property, and;**
- 2. Delegated authority is given to the Assistant Director, Financial Services and Revenues, in consultation with the Leader of the Council to purchase the best possible price, up to the amount discussed at the meeting (plus stamp duty, land tax, registration fees and agents fees plus associated costs)**

The reason for this decision was:

The site is adjacent to the council owned retail park. It is a prime site that occupies a prominent position and is considered to be a low density site. There would be potential synergies for future development/ redevelopment in conjunction with the council's existing site as and when current leases expire. It remains important to Hastings that there is sufficient affordable land retained in the town to ensure there are attractive locations for companies to base them themselves. The council needs to ensure that key areas remains attractive for the future to ensure businesses are attracted to, and remain in, Hastings – particularly so as the council will need to ensure business rate growth in the future.

The council would have the opportunity to have a direct involvement in the long term future of this site to help ensure the continued economic and regeneration of the town. The acquisition would also assist the council to diversify its property holdings and manage the overall risk exposure within the portfolio. The council would also secure an additional income stream.

55. PROPERTY PURCHASE

The Assistant Director, Financial Services and Revenues, presented a report which considered the retail property in the town centre.

Councillor Chowney proposed approval of the recommendations set out in the report, which was seconded by Councillor Batsford.

RESOLVED (unanimously) that:

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1. Cabinet agree to purchase the property, and;
2. Delegated authority is given to the Assistant Director, Financial Services and Revenues, in consultation with the Leader of the Council to purchase the property at the best possible price up to the figure set out in the report (plus stamp duty, land tax, registration fees, and agents fees plus associated costs) – the yield is on the actual investment being some 6.25%

The reason for this decision was:

The property is the only significant department store in the town. It occupies a central position and remains a key asset for the town in attracting footfall and contributing towards making Hastings a good place to live and work. It remains important to Hastings that there is sufficient affordable retail space retained in the town to ensure there are attractive locations for companies to base them themselves. The premises are currently fully occupied by Debenhams on lease expiring in 2034.

The council needs to ensure that key areas remains attractive for the future to ensure businesses are attracted to, and remain in, Hastings – particularly so as the council will need to ensure business rate growth in the future.

Many retailers are under threat from internet shopping and it is expected that department stores will need to adapt further to survive. The acquisition of the property provides the council with the opportunity to have a direct involvement in the long term future of this site to help ensure the continued economic and regeneration of the town. The acquisition would also assist the council to diversify its property holdings and manage the overall risk exposure within the portfolio. The council would also secure an additional income stream.

(The Chair declared the meeting closed at. 7.33 pm)

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Report to: Council

Date of Meeting: 13th December 2017

Report Title: White Rock Theatre – Future Options

Report By: Monica Adams-Acton, Assistant Director Regeneration & Culture

Purpose of Report

To examine options and propose a way forward for the management of the White Rock Theatre beyond the expiry of the present contract in January 2019 which will deliver ongoing cultural provision, achieve budget savings and allow a strategic approach to the development of cultural provision.

Recommendation(s)

1. That the council should as its first preference negotiate terms for the extension of the current contract with HQ Theatres & Hospitality Ltd for a period of 5 years
2. That the council begins an OJEU compliant procurement process to secure a new operator in order to ensure continued operation should negotiations with HQ Theatres & Hospitality Ltd for an extension prove to be unsuccessful.
3. That both processes be delegated to the Director of Operational Services or his nominee working with the Assistant Director Financial Services and Revenues and the Chief Legal Officer in consultation with the Leader of the Council.
4. That the council develops a firm long term view of the type of cultural programme it is seeking and wishes to subsidise beyond this period, and develops the ideas and vehicles needed to deliver these aspirations.

Reasons for Recommendations

1. To achieve the budget savings required by the council's financial position.
2. The negotiated approach allows for the continuity and effective management of the facility whilst allowing the scope for more refined options to be considered and developed in the future for cultural activity to be developed.
3. Procurement is the appropriate legal and business approach if the contract extension cannot be negotiated satisfactorily.
4. Legal advice has clarified that the negotiated pathways are possible. This presents the council with a more flexible approach than procurement.

Introduction

1. The White Rock Pavilion was opened in 1927 as a concert hall and has undergone modifications over the years, most recently in 1985. Following this, it was re-named the White Rock Theatre. Since 2002 it has been operated by independent theatre operators under a series of leases and management contracts. It is currently managed by HQ Theatres and Hospitality (HQ Theatres) under a ten-year contract that expires in January 2019. Under this contract, the council pays an annual management fee:

2017/18 - £615,400

2018/19 - £633,500

2019/20 - £649,450

Additionally the council has a repairs and renewal budget of £80k per annum.

2. The council has already determined that from February 2019 it can no longer continue to allocate such significant sums annually towards the theatre's operations, and has factored a reduced allocation into future budgets.
3. The theatre is a medium-scale receiving venue for a variety of touring shows, including comedy, light drama, music and pantomime. It is also a venue for a number of locally produced annual events, including Hastings Musical Festival, gang show, children's shows and the Hastings International Piano Concerto Competition.
4. The main auditorium, with a fixed seating capacity of approximately 1066, is split on two levels, and the stage has a proscenium arch. The venue also houses the Campbell Room and Sussex Hall which are used for community events, corporate hospitality and other private functions; two bars; and a café with seating for approximately sixty diners.
5. The construction, age, and current condition of the building and its mechanical and electrical plant and equipment all mean that significant and costly repairs and refurbishment will be required within the next few years, and the annual maintenance regime will become more expensive.
6. The theatre's physical and technical constraints pose particular challenges for its continued use as a venue for high quality live performances. The seating capacity, the lack of sufficient back stage area and height, and the inflexible nature of the stage and auditorium mean that the venue cannot attract large scale national touring productions, and the fixed nature and layout of the auditorium limits its attractiveness as a profitable venue for many other types of productions (eg touring music performances).
7. Nevertheless, the theatre is the only venue in Hastings with the capacity to house mid-scale touring productions and the large scale community events that are annual fixtures in the town's cultural calendar.
8. The theatre is a popular venue. The audience is primarily local (76%), and is broadening. Ticket sales have increased from 68,000 to 83,000 (2016/17). It is an important resource for local community groups.
9. Its programme is primarily driven by HQ Theatres' corporate programming policy and its contractual arrangements with agents/content providers. HQ Theatres has recognised that programme improvements are necessary and the local manager has been given some leeway in programming in an effort to broaden the audience base,



but this is still influenced by the company's corporate programming thrust (as well as by the building's physical constraints).

10. The theatre occupies a particularly prominent position on the seafront directly opposite Hastings Pier, and its future use will have an impact on the Pier, other nearby commercial activities and the local environment generally.
11. The theatre site is identified as an important cornerstone in the recently completed White Rock Area masterplan, which acknowledges the significance of the site's use as a potential catalyst in the successful long term regeneration of the area, as well as its current role as the town's foremost performance venue.

Strategic Context

12. The council has firmly rooted cultural provision at the heart of its regeneration and this is reflected in both the corporate plan and the Hastings & Rother Task Force's six point plan. The case for the creative and cultural sector's contribution to the economy is increasingly well researched, and the government has reflected the importance of creative industries within its recently published industrial strategy.
13. The council has been very active in promoting culturally focused regeneration. The Jerwood Gallery, Stade Open Space, Hastings Pier and Source BMX are all examples of the financial, organisational and political commitments made (across party boundaries) to this work.
14. Other examples of the council's financial investment in the town's growing cultural programme include:

Hastings Museum & Art Gallery	ROOT 1066 Festival
Stade Saturdays	White Rock Theatre
St Mary in the Castle	Coastal Currents Arts Festival
St Leonards Festival	
15. The council's culture-led regeneration strategy identifies four key areas:
 - i. Cultural activities to be accessible to all
 - ii. A place where creative and cultural business and practitioners can thrive
 - iii. A place that attracts UK and overseas tourists all year round to its cultural offer, food and accommodation
 - iv. A place that has a reputation for innovative cultural activity
16. The council has actively facilitated the kind of partnership working that supports the growth of the cultural and creative sector locally. In particular the council supports the Hastings and Rother Cultural Leaders' Group, Hasting & Rother Arts Education Network and new initiatives such as Hastings & Rother Music City.
17. The council also employs a cultural strategic development specialist and an arts and cultural development officer. This dedicated resource represents a substantial commitment to cultural development and programming.



Future of the Theatre

18. The council has been clear in signalling its intention to reduce the level of subsidy currently committed to the running and administration of the theatre. This partly reflects the council's financial position and partly the wish to reappraise how the arts are supported and encouraged in the town and surrounding areas.
19. In the longer term the council wishes to see the future of the theatre determined not only in the context of its cultural ambitions, but within the potential that the development of the White Rock area is anticipated to bring. At this stage however the values of land and the costs of redevelopment mean that these are currently likely to be beyond the means of the council.
20. The council commissioned specialists Carter Jonas to review the future options for the theatre in the context of the council's cultural objectives, budget and the development of a long term approach to the regeneration of the White Rock. The outcome of this review identifies four different physical options for the theatre. These include:
 - a) An interim solution based on the current theatre operation with a developed programme – this option would potentially require cosmetic improvements to the building or more significant investment and the remodelling of the theatre and the potential development of the Sussex Hall.
 - b) A medium term solution involving more substantial investment in a repurposed theatre or cinema.
 - c) Site development based on residential and commercial/cultural activity. The land values are unlikely to yield sufficient income for any new investment in cultural facilities.
 - d) A new theatre development, based on an expanded White Rock Theatre site, which would be likely to involve substantial capital costs.
21. In the view of officers none of the proposed longer term options are immediately desirable, chiefly because of the very significant potential costs of redeveloping the theatre or rebuilding it elsewhere. They would need to be thoroughly appraised and none of them appear deliverable in the short term or within current financial constraints. It is too early to be able to take such decisions. Additionally, the council and the Cultural Leaders' Group are at early stages in thinking through a long term plan for the delivery of cultural activity which should go beyond the issues of the physical future of a single building. There are a number of questions that warrant consideration:
 - a. What cultural products will deliver a programme what will encourage the cultural tourism agenda?
 - b. What local markets exist – who are our current customers currently and how might the customer base change in the future?
 - c. How can culture be used to raise the aspirations of local people, particularly the young?
 - d. How can culture be used to promote economic growth?



- e. What partnership or business vehicles would assist in the delivery of an ambitious and viable programme?
22. Within the current context, the future of the theatre is difficult to determine on a long term basis and so it is proposed that the council should adopt an interim process that keeps open options for the future whilst contributing to budget objectives. Interim term options are:
- i. Negotiate an extension to the current agreement with HQ Theatres. Legal advice is that this can be secured if the conditions of the management contract and lease do not change substantially to the benefit of the operator.
 - ii. Establish a trust to take over the theatre, with a more developmental programme. This might, in the long term, be an option the council would wish to explore, and this has been done by other local authorities. However, advice is that a trust would take at least 18 months to set up and would require interim arrangements with a body having the competence to manage the theatre. This would be a very high risk strategy. The setting up of a trust is supported as a potential medium term vehicle and, in the shorter term, any renegotiated contract with HQ Theatres & Hospitality should include provision for developing the venue (particularly the Sussex Rooms) as a live music venue and a venue for innovative performance.
 - iii. Procure an operator through an OJEU compliant process. This would set out mandatory criteria via a fixed specification including outcomes/delivery and the management and maintenance of the building, whilst allowing some negotiation with potential operators. This process could be completed in 5 months and (depending on outcome), allow a secure period from and beyond May 2018. The challenge is chiefly in the uncertainty of the outcome of the tendering process in the context of a substantially reduced budget and the limited numbers of players within this market. There would, in all likelihood, be TUPE (Transfer of Undertakings [Protection of Employment]) implications and this poses uncertainties about when a new contract could actually start. It does have the clear benefit of competition and in a relatively short timeframe.
 - iv. Go out to the wider market for wider uses – theatre or otherwise. This might attract leisure contractors as well as theatres and produce new types of offer with potential for new investment. However, any substantial investment in the building is likely to require a long lease. The likelihood of a successful outcome is not clear, and it could well detract from the continued development of a cultural programme and, therefore, is not recommended.
23. Operating the building directly would require the council to assume all the risks for the programme and the council would need to develop, cost and organise this on the basis of extremely short timescales. This does not seem a viable option in the short term. However, the council might wish to consider a council owned company as an alternative to a trust or a bridge towards it if this was a long term option chosen. On balance though officers think that if an alternative model is developed the trust would be the most attractive to funders, artists and practitioners who would need to be willing to develop it in the future.
24. The option exists to close the building in order to maximise savings to enable funding to be redirected to alternative cultural activity. However, mothballing the building would incur very considerable costs (see appendix) without useful public good. Initial estimates are that this would be around £50k but some costs would continue to



ensure the essential services and insurance of the building. The damage to the image of the town would be considerable. A closure option could only sensibly be produced if an alternative use for the site had been developed to the point that closure could be seen as a stepping stone towards a greater vision. This option would also be likely to lead to redundancy for the theatre's staff.

25. Given the questions that remain about the long term future of the theatre and the short term nature of the options considered, the “derisking” of any arrangement will be important. The council will need to thoroughly examine the short and medium term issues and agree a programme of maintenance which will be required and arrive at a pragmatic arrangement with any operator. Exactly the same dilemmas would be faced in any options except closure.

Conclusion

26. Extending the current management contract with HQ Theatre & Hospitality is viewed as the single most attractive option if this can achieve the necessary savings on the council's budgets over the term. It gives scope for stability and service delivery over a 5 year period while allowing time for the council and partners to develop mechanisms and approaches to help drive the future cultural development of the town. It is quite possible that this time period (and more) might be required to find a more permanent solution to the provision of a performance venue that will meet the needs of the town into the future.
27. During discussions, HQ Theatres & Hospitality expressed an interest in working to develop additional innovative aspects to programming. This could be achieved through work with a consortium from the local arts sector. There is potential to develop the Sussex Rooms in this respect and for a bid to the Arts Council or other source. There may be other ways to increase the flexibility of the main space which should also be examined to see if its use can be increased.
28. It is sensible that work also begin on the procurement option set out in section 22.iii of this report. This will ensure any period of negotiation with HQ Theatres & Hospitality does not impose pressures on the procurement timetable if they are unsuccessful.
29. **Risk Management** – The proposed way forward seeks to minimise the risk to the provision of cultural activity in a process where expenditure is being substantially reduced.
30. **Economic / financial** – (a) the reduction of expenditure in the theatre is necessary as part of the council's efforts to reduce its costs. (b) The theatre is a significant part of the current cultural provision and it is important to the economy of the town that the seafront is highly active. This is the key aim of the council's seafront strategy.

Wards Affected:
All

Policy Implications:
Please identify if this report contains any implications for the following:
Equalities and Community Cohesiveness
Crime and Fear of Crime (Section 17)
Risk Management

✓



Environmental Issues	
Economic/Financial Implications	✓
Human rights Act	
Organisational Consequences	
Local People's Views	✓
Anti-Poverty	

Additional Information:

Appendix – Building surveying notes on mothballing the building

White Rock Area Masterplan -

[https://www.hastings.gov.uk/content/planning/planning_policy/pdfs/White Rock Masterplan.pdf](https://www.hastings.gov.uk/content/planning/planning_policy/pdfs/White_Rock_Masterplan.pdf)

Contact

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Building Surveying Notes on Mothballing the Building November 2017

Exterior Decorations & Roofs –

Robust hoarding up of all windows, doors, roof lights and other access points will be required, and this will need to be monitored and maintained to prevent unauthorised access, arson, vandalism, and anti-social behaviour. A very secure point or points of access would need to be maintained for visiting maintenance contractors. The cost would be subject to contractor's quotation, there are specialist firms for this type of work used by housing associations. It may be useful to decorate the hoarding to mitigate the visual effect of the theatre's closure.

The building's interior and roof areas would have to be inspected regularly to detect /prevent unauthorised access and water ingress. The White Rock Baths was visited twice per week by a Booker and Best electrician familiar with the building that checked all areas and ensured that the electrical power, temporary lighting and sump pumps were all working safely. Vandalism and anti-social behaviour can rapidly overtake a building when left empty. A major break-in to the mothballed theatre could create enough damage to put the maintained services required to keep it insured beyond use. For example, damage to the live water services would jeopardise the live electrical services. Any mothballing plan would have to be discussed with the Council's insurers at an early stage.

The regular inspection of the underpass link from the theatre to the Pier UG car park by the Council's car park team would have to be maintained to ensure that the discharge from the theatre's sump pumps continued to get to the car park's own sumps.

The continuation of the Council's maintenance of the planting along the west of the theatre would have to be reviewed.

Internal Decorations –

The annual ceiling safety inspections to monitor the condition of the fibrous plaster in the auditorium and other areas may have to be maintained, unless the site can be risk assessed and managed as a hazardous 'hard hat' area. The ceiling plaster is very likely to deteriorate more rapidly once the building is vacated, and even with annual inspections may still become hazardous. All other decorative works would cease.

Space and Water Heating –

Cut off mains gas supply and have meter removed. Isolate power and drain down the boilers, hot water calorifier and associated circulation pumps, valves, pipework, radiators and controls, etc. Once drained and exposed to the air, the systems would seize and deteriorate rapidly and could not be resurrected without major investment.

Mechanical Ventilation –

Of the major systems only the main auditorium extractor fan remains serviceable. This would be isolated and taken out of service.

Lifts & Automatic Doors –

It would be advisable to have lift engineers take all four lifts out of service so they are not left in a dangerous position. The automatic doors would be isolated and hoarded over.

Cold Water Storage & Distribution –

The mains water service may have to be maintained to supply the stage sprinkler and drencher fire suppression systems. A legionella management regime may have to be maintained as a safeguard if these services have to be maintained. This would need to be discussed with the Council's insurers. All non-essential service pipe runs could be drained down and left out of service. Corrosion of ferrous pipes is likely to accelerate once they are exposed to the air and become unusable. Major investment would be required to put the service back into operation.

Sanitary Appliances & Drainage –

The 3 no. basement level underfloor sump pumps would have to be kept in service and maintained to prevent serious flooding of the basement level and threaten the electricity intake gear which is located at this level. All sanitary appliances could be isolated and put out of service.

Electrical Lighting & Power Installation –

The mains electricity service would have to be kept in service and maintained to power the basement sump pumps, intruder alarm, fire detection and alarm systems, and both the main and emergency lights to keep the building secure and allow maintenance engineers to access specific areas.

The building's lightning protection system may, subject to insurer's advice, have to be kept in service to maintain buildings insurance cover.

All other non-essential lighting and power circuits could be isolated and put out of service.

Fire Safety Precautions –

The Council's insurers usually require the fire detection and alarm system to be kept in operation to maintain a building's insurance cover. Subject to detailed discussion with insurers, the over stage smoke escape lanterns, under and over stage sprinkler systems, stage safety curtain and associated drencher systems may also have to be maintained.

Due to the continuing need for access by engineers to maintain services and equipment both the Fire Risk Assessment and the Asbestos Management Plan would have to be revised to suit the new circumstances and annually reviewed thereafter.

Stage Equipment –

The stage flying system and chain motors would have to be safely put out of service.

Energy Management –

Annual DEC certificates would no longer be required.

Other Equipment, Installations & Services –

Subject to further investigation the telephone system may have to remain in service to maintain links out for the fire and intruder detection systems. The existing pest control contract may also have to be maintained to avoid bad neighbour issues. All other installations and services can be taken out of service.

M Courtnage/Nov17