

## 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)