

CABINET

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

Apologies for absence were noted for Councillor Forward and Patmore

11. DECLARATIONS OF INTEREST

The following Councillors declared an interest in the minutes:

Councillor	Minute Number	Interest
Chowney	18 – Acquisition of Land in Ore Valley from HBRL and 19 – Community Housing Fund	Prejudicial – he is the council’s appointed Director of Hastings and Bexhill Renaissance Limited
Chowney	12 – Petition: More Public EV charging facilities in Hastings	Personal – he owns a hybrid vehicle and has used the charging points
Poole	18 – Acquisition of Land in Ore Valley from HBRL and 19 – Community Housing Fund	Prejudicial – she attended the HBRL Board meeting when the licence for land in Ore Valley was discussed (although she did not vote on this item). Councillor Poole has also attended board meetings in past as a substitute for Councillor Chowney.
Lee	18 – Acquisition of Land in Ore Valley from HBRL and 19 – Community Housing Fund	Prejudicial – he has signed up to the Heart of Hastings pledge

12. PETITION: MORE PUBLIC EV CHARGING FACILITIES IN HASTINGS

The Sustainability Policy Manager presented the report of the Director of Corporate Services and Governance, which responded to a petition calling for the council to install and encourage local businesses to install additional public charging facilities for electric cars.

The council has worked with other authorities through the Sussex Air Quality Partnership to secure government funding to support the Energise Network. Two public EV charging points were installed at Pelham place and Marina car park. Usage

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of the two sites has been gradually increasing, which reflects the rise in electric vehicle ownership and wider awareness of the national EV network. The council is keen to expand the network, however, this would need to be based on a financial sustainable model, including ongoing maintenance costs. There is currently limited grant funding available which could be used to support the expansion of the network. However, the council will continue to explore funding opportunities which may arise in the future and consider the possibility of expanding the EV charging network as part of its broader income generation ideas.

A number of large supermarket chains have begun install EV charging facilities in their publically accessible car parks. The council will contact local supermarkets and encourage them to install these facilities in their car parks.

Councillor Poole proposed approval of the recommendations to the Director of Corporate Services and Governance's report, which was seconded by Councillor Beaney.

RESOLVED (unanimously) that:

- 1. Cabinet acknowledges the petition but recognises that there is currently limited grant funding available to expand the public EV charging network**
- 2. The petitioner is advised about the limited grant funding available to expand the public EV charging network currently, but that the council will actively seek external funding to support an expansion as appropriate funding becomes available**
- 3. In addition, that as part of the council's income generation work full consideration will be given to the possibility of expanding the public EV network as part of the review, and;**
- 4. The council contact large supermarkets within the borough to find put about their plans to install EV charge points in their car parks and encourage them to do so**

The reason for this decision was:

The petition has been received whilst the council are in the process of researching income generation opportunities and investigating grant funding opportunities for low carbon projects that could include expanding the local EV charging network.

13. CORPORATE PLAN RETROSPECTIVE REPORT ON PERFORMANCE DURING 2016/17 AND PROPOSED PERFORMANCE INDICATOR TARGETS FOR 2017/18

The Director of Corporate Services and Governance submitted a report which advised Cabinet of year-end performance for 2016/17 and the proposed performance indicator targets for 2017/18. The report included the comments which had been received from Overview and Scrutiny Committee on these items; it also gave an outline of performance arrangements for the year ahead.

The corporate plan sets out the council's strategic direction. The report gave an update on performance on a range of key activities throughout 2016/17, it also set out

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the proposed performance indicator targets for 2017/18. Cabinet has delegated authority to agree year end performance and performance indicator targets for the year ahead, prior to publication on the council's website.

Overview and Scrutiny Committee had considered the proposed performance indicator targets at their meeting on 15 June 2017. Scrutiny members had recommended that the performance indicator 2.1, which related to the number of people attending White Rock Theatre performances, continue to be reported to Overview and Scrutiny Committee during 2017/18, given continued council investment in the theatre.

The recommendations of the Director of Corporate Services and Governance's report were agreed without being called for discussion.

RESOLVED that:

- 1. The comments of the Overview and Scrutiny Committee be considered**
- 2. Year-end performance for 2016/17 and proposed performance indicator targets for 2017/18 be approved, and;**
- 3. Cabinet support intentions to continue to improve corporate performance and planning arrangements in line with the council's transformation intentions**

The reason for this decision was:

The council's corporate plan is one of the key documents by which the council is held to account for its performance, therefore honest and transparent reporting back of how well we performance against targets in the previous year is essential. Local people and staff also need to be aware of the targets and standards we have set for ourselves, and where any of these targets have changed from previous years we need to be clear about the reasons why.

14. FINAL ACCOUNTS 2016/17

The Assistant Director, Financial Services and Revenues, submitted a report which set out the draft final accounts position for 2016/17. The draft accounts are subject to an external audit.

The Accounts and Audit Regulations, required the council's section 151 officer to certify the statement of accounts by 30 June each year and to publish them by 30 September.

The final accounts set out variances in the council's income and expenditure since the budget was set for 2016/17, the report included the outturn results for the general fund and capital programme for this period. The council continuously seeks to improve value for money and any over or underspends identified in the final accounts were being investigated to help inform the budget setting process for future years.

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

RESOLVED (unanimously) that:

- 1. Cabinet has reviewed the outturn position on the General Fund for 2016/17**
- 2. Cabinet has reviewed the capital outturn position for 2016/17, and;**
- 3. The 2016/17 outturn position, along with the revised estimates for 2017/18 be taken into account when preparing the 2018/19 budget**

The reason for this decision was:

Compliance with statutory requirements and good practice. The council is accountable for the use of public money and continuously seeks to improve value for money.

The outturn position informs the budget setting process. Where there are under or overspends the reasons behind these are investigated with a view to reallocating resources to meet priorities.

15. PRIORY MEADOW - SUPPLEMENTARY CAPITAL BUDGET

The Assistant Director, Financial Services and Revenues, presented a report which sought agreement to fund the council's share of enhancement work at Priory Meadow shopping centre in Hastings.

The council has a 10% stake in Priory Meadow. A range of works are planned over the next 3 years, which will help to ensure the shopping centre remains attractive for retail and investment, which in turn provides employment opportunities. The council also benefits directly if the additional investment results in income growth.

The recommendations of the Assistant Director, Financial Services and Revenues, report were agreed without being called for discussion.

RESOLVED that:

- 1. A sum of £250,000 (representing the council's 10% share) be allocated towards a programme of work to be undertaken at Priory Meadow shopping centre**

The reason for this decision was:

Works, estimated at some £2.5 million in total are to be undertaken at Priory Meadow shopping centre on a couple of units, new car park machines and signage and potentially a new small development. The council has a 10% stake in Priory Meadow shopping centre, and if this is to be preserved is required to provide a matched contribution.

The council needs to ensure that the town 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 continued updating of the

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centre is welcome for Hastings and the council in particular. The centre provides a significant income stream for the council and these additional works will look to preserve and enhance the income stream in future years.

16. SOCIAL LETTINGS AGENCY 2 YEAR REVIEW

The Assistant Director, Housing and Built Environment, presented a report which advised members of the current financial position of the social lettings agency and presented options for the future of the scheme in light of recent changes to local government funding for homelessness prevention.

The social lettings agency aimed to reduce homelessness, by improving access to private sector accommodation. The scheme had secured leases to 49 units of accommodation over the past 2 years, which had provided housing for over 50 vulnerable households.

In autumn 2016, the government announced a review of funding for temporary accommodation. The acquisition of further leases was suspended until the outcome of the review was known. In March 2017, the government announced that the existing Temporary Accommodation Management Fee would be replaced for a 2 year period by a Flexible Homelessness Support Grant.

The changes to funding arrangements had necessitated a review of the social lettings agency scheme. The report set out three potential options for the future of the scheme; to continue to expand the private sector leasing scheme and increase the level of flexible homelessness support grant used to fund it, to terminate the private sector leasing scheme or to wind down the existing private sector leasing scheme and develop a business case for a new property management service that would operate on a commercial basis similar to that offered by some high street agents, in order to help sustain the current private sector lease scheme tenancies and grow the social lettings agency.

The report recommended that the third option be explored further, as this enabled the council to sustain the current private sector leases within the social lettings agency, whilst continuing to prevent homelessness by improving access to accommodation in the private rented sector. The approach also complimented the council's broader income generation intentions, which were likely to include the creation of a new council-owned housing company.

Councillor Batsford proposed approval of the recommendations to the Assistant Director, Housing and Built Environments report, which was seconded by Councillor Beaney.

RESOLVED (by 5 votes for, to 1 against, with 0 abstentions) that:

- 1. Members consider the impact of the new financial arrangements introduced by central government on the operation of the current social lettings agency scheme, and;**

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2. Members consider the options outlined in the report and agree that option 3 should be pursued as the best way forward

The reason for this decision was:

In February 2015 Cabinet gave approval to pilot a private sector leasing (PSL) scheme as part of the development of a social lettings agency (SLA). The report to cabinet in February 2015 included a feasibility study (carried out by Shelter on behalf of the council) which recommended the formation of an SLA within which two distinct modes of service delivery could be adopted by the council:

- I. Lease accommodation in the private rented sector in order to make accommodation available for people with a housing need and assist with homelessness prevention.
- II. Manage accommodation on behalf of private landlords in competition with high street letting agents

The PSL scheme (described at (I.) above) was set up in April 2015. The PSL scheme was funded by the temporary accommodation management fee (TAMF). This was a demand led payment from government which paid a supplement of £60 per week, per property, in addition to the standard Local Housing Allowance rate. The TAMF payments enabled the scheme to offset the operating costs of managing accommodation. The model proved to be financially viable and was delivering a small surplus to the council on the 49 properties leased.

In March 2017, the government confirmed that the TAMF would be replaced by the Flexible Homelessness Support Grant (FHSG). This is a ring-fenced grant payment for the purposes of homelessness prevention activity. This change to the funding model has changed the nature of the PSL scheme project from an income generating initiative (which successfully provided affordable housing solutions to households) to one which now represents a net cost to the council. As such, the cost effectiveness of the PSL model needs to be compared to the full-range of homelessness prevention activity available while, in addition, its longer-term viability needs to be reviewed.

17. MANAGEMENT RESPONSE TO THE REVIEW OF SCRUTINY ARRANGEMENTS

The Director of Corporate Services and Governance presented a report which responded to the recommendations of a review of current scrutiny arrangements.

In May 2016 the council adopted a single overview and scrutiny committee, combining the responsibilities of the previous services and resources committees. Members had agreed to review the new arrangements six months after the new arrangements had been introduced.

Councillor Howard, as chair of the review team, presented the recommendations to Cabinet. He explained that the team had considered in detail the strengths, weaknesses, opportunities and threats to council's scrutiny arrangements. Members were keen that the overview and scrutiny work programme reflects issues of local concern. The team considered examples of good practice from other authorities and

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changes to working practices which may help to increase the capacity of members and officers. The review team were also keen that overview and scrutiny members explore links with other groups within the council, such as the member training and development group.

The management response recommended that overview and scrutiny members reconsider their proposals in respect of the management response arrangements, as it was considered the present suggestion may not allow for sufficient collective debate.

Councillor Poole proposed approval of the recommendations to the Director of Corporate Services and Governances report, which was seconded by Councillor Fitzgerald.

RESOLVED (unanimously) that:

- 1. Cabinet thank the scrutiny team for their report and recommendations**
- 2. Cabinet accept the following scrutiny review recommendations:**
 - a. That existing Scrutiny arrangements are continued and this report is forwarded to the Leaders of both political parties as a basis for further discussions in specific relation to the capacity issues identified.**
 - b. That Democratic Services draft more detailed roles and responsibilities in relation to key committees starting with Scrutiny. Setting these roles and responsibilities out may assist in the selection of Members for associated committees prior to appointment, ensuring clarity on the demands of the role and key responsibilities.**
 - c. That the Scrutiny Chair meet with the Member Training and Development Group Chair in advance of setting the next work programme to explore opportunities for shared updates and associated training.**
 - d. Scrutiny committee and all members receive a briefing covering: progress on taking a project management style approach to work planning, delivery and review to date and associated opportunities and challenges; and, an outline of tools available to assist in this approach and expectations around use and take up.**
 - e. That Scrutiny consider the following ideas raised by the council's senior managers as potential areas of focus for the 2017/18 Scrutiny work programme as set out in [Appendix A](#) to this report.**

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- f. **Scrutiny Steering Group to consider how we can apply examples of good practice from other authorities to the 2017/18 work programme, for example Inquiry Days***

***Inquiry Day: an inquiry day is a focussed, structured one-off event with presentations and group work. They can be attended by Councillors, community and partner representatives, other stakeholders and council officers to take an overview of a particular issue and provide a forum for questioning invited speakers and witnesses. After the inquiry, recommendations are drafted by the overview and scrutiny team before being sent to the relevant decision maker. This approach may address some of the capacity issues experienced recently, by holding the event on a single day. It would also provide scope to involve members from outside the scrutiny function, if appropriate**

3. **That recommendation g is not accepted in its current form and that O&S are asked to reconsider this in the light of the management response set out in paragraph 45 of the report**

The reason for this decision was:

To submit and respond to the recommendations arising from the work undertaken by the scrutiny review team.

18. ACQUISITION OF LAND IN ORE VALLEY FROM HBRL

The Director of Operational Services submitted a report which sought approval for the council to take ownership of an area of land known as the former Broomgrove Power Station site and areas of green space in Ore Valley. The site is currently owned by Hastings and Bexhill Renaissance Limited (HBRL). HBRL is in the process of being wound up and its assets transferred to East Sussex Energy Infrastructure and Development Limited (trading as Sea Change Sussex).

The Broomgrove Power Station sit was originally intended for residential use, however, the challenging nature of the site meant the development has not yet been realised.

The report sought approval for the transfer of the land from HBRL to council, together with £700k for the future development of the site, subject to the satisfactory completion of due diligence work. HBRL had agreed to share all previous reports on the condition of the land with the council; however, it will be necessary to commission a further study of options that will inform the future development of the site. A further report would then be brought to Cabinet which will include recommendations on the future use of the site and proposed management arrangements.

The recommendations of the Director of Operational Services report were agreed without being called for discussion.

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RESOLVED that:

- 1) **In consultation with the Deputy Leader of the Council, the Director of Operational Services and the Assistant Director Financial Services and Revenues are authorised to:**
 - a. **Conclude arrangements for the acquisition of the site and the capital receipt subject to satisfactory outcome of due diligence**
 - b. **Commission a report examining the optimum way(s) in which the site could be developed for the benefit of the local community**
 - c. **Agree the details of an agreement with HBRL or its successor bodies about the future use of the site and financial receipt this is informed by the outcome of the due diligence work and a study of potential development options as set out in section 16 of the report**
- 2) **That a future report be brought forward with proposals for the development of the site to include any recommendation for disposal if applicable**

The reason for this decision was:

To facilitate the social and economic regeneration of Ore Valley and the surrounding are.

19. COMMUNITY HOUSING FUND

Councillors Chowney, Lee and Poole, having declared a prejudicial interest in a related matter, left the chamber during the debate on this item. Councillor Fitzgerald took the chair for this item.

The Assistant Director, Housing and Built Environment, presented a report which advised members of an allocation of £244,000 of Community Housing Funds from central government and to outline planned expenditure in respect of the grants funding.

The government has produced guidelines as to how funding can be used to promote community led housing to support and enable local people to play a lead role in solving local housing problems. The criteria to meet the definition of community-led housing schemes included a requirement for the community to be integrally involved throughout the process in key decisions, a presumption in favour of community groups that are taking a long term formal role in ownership, management and stewardship of homes and a requirement that the benefits to the local area and specified community must be clearly defined and legally protected into perpetuity.

The report set out a number of benefits of this approach to housing authorities, such as the ability to provide genuinely affordable housing and promoting community cohesion.

The report noted a £50,000 allocation from the grant to Heart of Hastings Community Land Trust, which was in the process of developing a proposal for the Broomgrove power station site. Further funding had also been set aside to encourage any further community land trust (CLT) proposals which may be brought forward.

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Councillor Batsford proposed approval of the recommendations to the Assistant Director, Housing and Built Environments, report which was seconded by Councillor Beaney.

RESOLVED (unanimously) that:

- 1. The allocation of £50,000 to the Heart of Hastings Community Land Trust from the Community Housing Fund is noted.**
- 2. Up to £50,000 is set aside from the Community Housing Fund for council expenditure that will assist bringing forward a plan and assist with the redevelopment of the former power station site at the Ore Valley.**
- 3. Up to £50,000 is set aside for the council to support any CLT proposals that might be encouraged and enabled in other areas of the borough.**
- 4. £10,000 is committed in support of a county-wide partnership to help share expertise in respect of community-led housing groups.**
- 5. The Assistant Director, Housing and Built Environment, in consultation with the Assistant Director, Financial Services and Revenues, and the Lead Member for Housing, are granted delegated powers to allocate the remaining £84,000 at a later date to the CLT's or other groups, subject to suitable progress being made in respect of Community Self-Build Plans on the former power station land or alternative sites**

The reason for this decision was:

On 23 December 2016, the Department for Communities and Local Government (DCLG) confirmed a £60 million fund to support community-led housing developments in areas where the impact of second homes is particularly acute. Community-led housing is about local people playing a leading role in solving local housing problems, creating genuinely affordable homes and strong communities in ways that are difficult to achieve through mainstream housing.

The community housing fund is set at £60 million a year for 5 years. Hastings Borough Council has been given an initial award of £244,098, any subsequent awards will be dependent on how the initial fund is spent. As the funding is ring-fenced the first year's funding in 2016/17 was awarded in two tranches, the second on the basis of an outline expenditure plan submitted by the council which set out its broad plans and commitment to enabling community housing development.

The first year's funding of £244,098 was received after the annual budgets were set. Therefore, there is a requirement for this funding to now form part of the council's budget and for a plan to be formulated setting out how it should be spent.

20. FUTURE WASTE & CLEANSING SERVICES

The Assistant Director, Environment and Place, presented a report which updated members on urgent developments associated with the provision of waste and cleansing services, when the existing contract ends.

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Members of the joint waste partnership and the contractor had agreed to a mutual early termination of the waste and street cleansing contract. It was therefore necessary for the local authority partners to begin the procurement process for a new contract, which will come into effect from 29 June 2019.

Local authorities wishing to participate in a joint procurement exercise for waste services are required to sign an inter-authority agreement by 18 July 2017. The outcome of the procurement exercise will be reported back to Cabinet in autumn 2018 for decision.

The report also sought authority to develop arrangements for a potential in-house street and beach cleansing, bulky waste and fly tip removal service to operate in Hastings from 29 June 2019, subject to this meeting best value requirements.

Councillor Fitzgerald proposed approval of the recommendations to the Assistant Director, Environment and Place's report, which was seconded by Councillor Batsford.

RESOLVED (unanimously) that Cabinet authorises:

- 1. The Chief Legal Officer in consultation with the Director of operational Services to sign the Joint Waste Partnership Inter Authority Agreement attached at appendix one to the report. Committing the council to procure waste services to commence 29 June 2019**
- 2. The Assistant Director, Financial Services and Revenues, in consultation with the Leader of the Council, to increase the 2017/18 budget allocation in support of waste procurement to £75,000. To enable the council to commit to and participate in the East Sussex Joint Waste Partnership joint waste procurement**
- 3. The two Hastings Borough Council members appointed to the Joint Waste Committee, to take key waste services procurement decisions on behalf of the council, in accordance with the constitution of the Joint Waste Committee**
- 4. The Director of Operational Services to develop comprehensive fully costed arrangements for a potential Hastings street cleansing direct services organisation (DSO), which subject to meeting best value criteria, could provide street and beach cleansing, fly tip removal and bulky waste collection services in Hastings from 29 June 2019**

The reason for this decision was:

The existing waste services contract provided through the East Sussex Joint Waste Partnership ends on 28 June 2019, and new arrangements must be in place ready to commence on 29 June 2019, to ensure seamless transition for residents.

21. FLEXIBLE HOMELESSNESS SUPPORT GRANT EXPENDITURE

The Assistant Director, Housing and Built Environment submitted a report which advised members of changes in the way central government funds temporary housing for homelessness households.

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There has been a significant increase in the number of homeless applications the council receives, which reflects broader national trends. A new Homelessness Reduction Act, which was scheduled to be implemented in April 2018, will place additional duties on housing authorities in respect of homelessness prevention. The government had introduced a Flexible Homelessness Support Grant (FHSG) to support these activities.

The report proposed directing these resources towards a variety of homelessness prevention activities over a two year period. The grant can also be used to meet the cost of temporary accommodation. A monitoring group, comprising housing and finance colleagues, will meet on a quarterly basis to review the effectiveness of these initiatives in reducing homelessness.

The recommendations of the Assistant Director, Housing and Built Environments, report were agreed without being called for discussion.

RESOLVED that the new flexible homelessness support grant is committed in support of the proposals outlined in the report and to authorise the Assistant Director, Housing and Built Environment, in consultation with the Chief Finance Officer and Lead Member for Housing, to approve variations to the budget which might occur in response to legislative changes and housing needs over the funding period

The reason for this decision was:

A new Flexible Homelessness Support Grant (FHSG) has been awarded to local authorities by the Department for Communities and Local Government (DCLG) to help cover the additional costs associated with temporary housing costs for homeless households. This ring-fenced grant is finite and fixed for a period of two years covering 2017/18 and 2018/19. It can be applied flexibly for prevention activity and interventions that will help minimise the impact of additional accommodation costs on authorities.

The new funding model replaces the demand led Temporary Accommodation Management Fee (TAMF) previously paid by the Department of Works and Pensions (DWP) and administered by housing benefit departments. The fee helped bridge the gap between standard housing benefit payments and the additional costs associated with the use of temporary accommodation for homeless households. In applying the new funding model the government is seeking to encourage council's to prioritise homelessness prevention measures. This will provide councils with a means of controlling and reducing future expenditure on temporary housing solutions which have a high cost, such as the extended use of commercial bed and breakfast accommodation.

The changes in funding should be viewed within a context of rising levels of homelessness and rough sleeping both nationally and locally. This is resulting in significant increases in service demand and is hampering the ability of councils to achieve successful homelessness preventions. The reasons for increasing numbers of people presenting as homeless are complex; however, they are driven by a lack of affordable housing in both the private and social sector, alongside a lack of adequate

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financial support to enable some low-income households to attain or retain suitable accommodation for their needs.

Councillor Chowney proposed a motion for the exclusion of the public from the meeting.

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

22. COMMERCIAL PROPERTY PURCHASE

The Assistant Director, Financial Services and Revenues, presented a report for Cabinet to consider the potential purchase of a retail park in Hastings.

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

RESOLVED (by 5 votes for, to 1 against with 0 abstentions) that:

- 1. Cabinet agree to purchase the property, subject to the satisfactory completion of due diligence work**
- 2. Delegated authority is given to the Chief Finance Officer, 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 expected yield on the investment was set out in the report.**

The reason for this decision was:

The retail park has a number of well-known national retailers. It remains important to Hastings that sufficient affordable retail space to be retained in the town to ensure there are attractive locations for companies to base themselves. The premises are currently fully occupied but the leases in place have relatively short durations remaining, negotiations are being undertaken, at the request of the major occupier, to increase the lease period. This would reduce some of the risk to the council.

The council needs to ensure that key areas remain 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 Chair declared the meeting closed at. 8.00 pm)