

Cabinet Agenda

Monday, 1 November 2021 at 6.00 pm

Council Chamber, Muriel Matters House, Breeds Place, Hastings, East Sussex,
TN34 3UY

For further information, please contact Democratic Services on 01424 451484 or email:
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		Page No.
1.	Apologies for Absence	
2.	Declaration of Interests	
3.	Minutes of Last Meeting	1 - 4
4.	Hastings Town Deal programme update <i>(Victoria Conheady, Assistant Director, Regeneration and Culture)</i> <i>(Cabinet decision)</i>	5 - 18
5.	Additional Restrictions Grant (ARG) Update <i>(Peter Grace, Assistant Director, Financial Services and Revenues)</i> <i>(Cabinet decision)</i>	19 - 22
6.	Agreeing the way forward for future of the Grounds Maintenance service <i>(Mike Hepworth, Assistant Director, Environment and Place)</i> <i>(Cabinet decision)</i>	23 - 30
7.	Notification of Additional Urgent Items	31 - 38
8.	Urgent Items (if any)	
9.	Solar for Business <i>(Victoria Conheady, Assistant Director, Regeneration and Culture)</i> <i>(Cabinet decision)</i>	39 - 54
10.	Contain Outbreak Management Fund - remaining allocation proposals	55 - 62

(Jane Hartnell, Managing Director)
(Cabinet decision)

- | | | |
|-----|---|---------|
| 11. | 500 Affordable Homes Programme
<i>(Andrew Palmer, Assistant Director, Housing and Built Environment)</i>
<i>(Cabinet decision)</i> | 63 - 74 |
| 12. | Commission of Housing Stock Condition Survey and Report
<i>(Andrew Palmer, Assistant Director, Housing and Built Environment)</i>
<i>(Cabinet decision)</i> | 75 - 78 |

Agenda Item 3 Public Document Pack

CABINET

4 OCTOBER 2021

Present: Councillors Barnett (Chair), Batsford, Chowney, Evans, Rogers and Webb

366. APOLOGIES FOR ABSENCE

Apologies received from Councillor Forward.

367. DECLARATION OF INTERESTS

None.

368. MINUTES OF LAST MEETING

RESOLVED (unanimously) that the minutes of the meeting held on 6th September 2021 be approved as a true record.

369. ANNUAL CLIMATE CHANGE REPORT

The Assistant Director, Regeneration and Culture, presented a report to update the cabinet on progress against the agreed priority actions on the Climate Emergency Action Plan and present the council's annual carbon emissions data.

As part of the Covid-19 response many non-statutory projects were paused and officers redeployed to assist in the pandemic response. However, much has been achieved over the past 18 months, as identified from paragraph 21 onwards in the annual report.

Work has already begun on reviewing and refreshing the council's Climate Emergency Strategy and Action Plan in order to keep pace with changing policy, funding streams and other opportunities.

Councillor Evans proposed approval of the recommendations, seconded by Councillor Chowney.

RESOLVED (unanimously):

- 1. To acknowledge the significant progress made to date against the actions of the climate emergency action plan**
- 2. To approve the plans for the year.**
- 3. To approve the plans to report annually to Cabinet in October, providing an update about progress made and a revised action plan to reflect policy changes where needed, keeping the action plan a living, dynamic document. A 6-month progress report will be reported in February each year too.**

Reasons:

CABINET

4 OCTOBER 2021

1. In March 2020, Cabinet approved the Councils Climate Emergency Strategy and 2-year interim action plan. This report presents the initial monitoring report to show progress against the priority actions and provides an update on the Councils own and town wide emissions.
2. The interim plan sets out actions that will take us to March 2022 only.
3. The climate change strategy and action plan will be updated and developed during the second half of 2021/22 to take us further towards 2030.
4. An annual report will be presented to Cabinet each year in October providing up to date information about progress made and an up to date action plan which is dynamic and responsive to policy changes. A 6 month progress reported will be reported in February each year too.
5. This report covers the period from March 2020 – September 2021. Annual reporting was delayed due to elections and the pandemic response.

370. LAND AT HAROLD PLACE

The Assistant Director, Financial Services and Revenues, presented a report to seek approval for additional funding to redevelop the Harold Place site in the town centre.

Funding of £1.2 million was agreed in December 2019 by cabinet and Full Council to redevelop the site as a restaurant. The proposed operator advised that they were unable to proceed at that time. In October 2020 the proposed operator confirmed they wished to proceed and Heads of Terms were negotiated with the council.

Since then, the council has commissioned designs and drawings in order for the redevelopment to be properly costed. Consequently construction costs have increased partly due to the more detailed design but also due to inflation within the construction sector.

Councillor Chowney proposed approval of the recommendations, seconded by Councillor Rogers.

RESOLVED (unanimously):

1. To recommend to full Council that the project proceeds and the budget earmarked for this scheme be increased from £1.2m to £1.7m.

Reasons:

This is a significant regeneration project to construct a new restaurant in a highly visible location in the Town centre which will provide employment opportunities both during construction and ongoing. The agreed operator is a relatively well known and quality restaurant company.

371. 2 - 12 BATTLE ROAD - DANGEROUS STRUCTURE

CABINET

4 OCTOBER 2021

The Assistant Director, Housing and Built Environment, presented a report to update the Cabinet on new developments which will impact on the cost and timescale of the removal of the dangerous structure.

It was anticipated that the work would be completed this month and within the allocated budget. However, since the contractor entered the structure it has become apparent that there has been encroachment on to the roof slab of the structure from the gardens of Silverlands Road. Removing this roof slab would risk the boundary walls of the gardens above.

The proposed remediation, which will support the gardens above, involves significant additional cost. The impact of Brexit and Covid on supply chains has also been a complicating factor, making sourcing materials difficult, which has had a further impact on the expected completion date.

Councillor Barnett proposed approval of the recommendations, seconded by Councillor Batsford.

RESOLVED (unanimously):

Cabinet recommends to Council to approve:

- 1. the additional safety work to the structures above the rear retention wall of Battle Road; and**
- 2. the additional increase in the budgeted costs from £325,000 to £525,000 (to include a contingency margin of 20% for inflationary costs of materials and unforeseen minor variations to the agreed safety work) as recommended in this Report. Without this additional work, the demolition of 2-12 Battle Road cannot be completed.**

(The Chair declared the meeting closed at 7pm)

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Agenda Item 4



Report To: Cabinet

Date of Meeting: Monday, 1st November 2021

Report Title: Hastings Town Deal programme update

Report By: Assistant Director Regeneration and Culture

Key Decision: Y

Classification: Open

Purpose of Report

1. To approve the revised investment programme agreed with the government since the last [Cabinet report on 25th June 2021](#)
2. To set out the arrangements for the delivery of the Town Deal Programme
3. To provide an update on the Levelling Up fund due to be announced by the government over the next few months

Recommendation(s)

1. To approve the revised investment programme profile (Appendix 1) as agreed with the government and authorise the signature of the Grant Funding Agreement when provided by the government.
2. To delegate to the Assistant Director of Regeneration and Culture, in consultation with the Lead Member for Regeneration, the authority to offer grants and payments to partner organisations to deliver their projects as identified in Appendix 1.
3. To delegate any alterations to the Town Deal programme to the Section 151 Officer, in consultation with the Town Deal Board and the government office.
4. To approve funding of up to 5% of the Town Fund allocation towards the early development of projects to assist them in preparing clear design concepts, seek professional advice and prepare indicative costings.

5. In addition to above, to approve the use of the Management Allowance (M&A) of £1.215m, provided for by the government, to establish a Town Deal Programme Management Team and support related programme activities as agreed by the Town Deal Board (see Appendix 2). This is in addition to budgets approved by June 2021 Cabinet and as revised in item 9 below.
6. To delegate to the Assistant Director of Regeneration and Culture, in consultation with the Lead Member for Regeneration, to develop a HBC Levelling Up capital project bid and submit to government when the new prospectus and deadlines are published. To utilise the £125,000 of capacity funding recently awarded by the government to prepare for the bid.

Reasons for Recommendations

1. The Town Investment Plan (TIP) has been developed with the Town Deal Board and wider stakeholders. The projects in the TIP will act as a catalyst for the transformation and recovery of Hastings Town Centre for the benefit of the whole town. The Town Centre contains our largest employment base, learning and skills opportunity for our residents.
2. The TIP provides for a 5-year 're-set' strategy for the town addressing a wide range of economic and social issues. It is an opportunity to commence the recovery process from the pandemic and is expected to lead to other investment opportunities including those emerging from national and local funding streams, as well new inward investment.
3. The TIP has now been re-assessed by government and £23.085m (excluding £1.215m M&A Allowance) of funding has been allocated for projects – see Appendix 2.
4. The Grant funding agreement allows for early development costs up to a maximum of 5% of stated grant allocation per project.
5. As the accountable body, Hastings Borough Council will retain overall responsibility for the delivery of the programme. Project management and delivery support will continue to be provided by the Council in conjunction with partner agencies.
6. The Levelling Up funding is a new opportunity for the council to potentially bid for up to £20m of capital grants (under current government guidance), which is expected to be open over the next six months.

Introduction

Hastings Town Investment Plan

1. Hastings Town Investment Plan was submitted to the Department for Levelling Up, Housing and Communities (DLUHC, formerly the Ministry of Housing, Communities and Local Government) on 29th January 2021. Hastings Stage 1 Town Investment Plan (TIP) can be viewed by following this link to our blog: <https://www.hastingstowndeal.co.uk/>
2. Hastings Town Investment Plan made a funding request of £28.21m with a total proposed programme value of £113.7m, including the match and leveraged funding. It contained seven programme themes with over 12 projects (excluding sub projects).
3. The government issued a Heads of Terms to the town at the end of May 2021 offering £24.3m for delivery of our investment proposals. This is less than asked for but a considerable success for the town. This reduction level was common to all Town Deals and our Heads of Terms didn't specify how this reduction was to be applied across the programme, other than stipulating that all projects should be delivered within the financial envelope available.
4. MHCLG subsequently offered to all town deal area accountable bodies a 5% allowance for Management and Administration (M&A), to include the management and administration, oversight and monitoring of the programme. Full profiling of this allowance was included in our submission to government at the end of August 2021 (see Appendix 2).
5. The use of the M&A has been netted off our Heads of Terms offer. This equates to a further £1,215,000 from the overall programme, leaving £23,085,000 which will be available for capital expenditure on projects identified in the Town Investment Plan (for implementation, delivery and completion).
6. A reprofiled investment proposal was agreed by the Town Deal Board at its meeting on 24th August 2021 and submitted to the government at the end of August 2021. This is due to be formally approved by government in October 2021 and we are now awaiting a formal Grant Funding Agreement prior to approval of the projects to proceed to their next stages.
7. A summary of the proposals formally agreed with government is detailed in Appendix 1 with their description.

Management of the Town Fund Programme

8. Appendix 2 sets out how the Management Allowance is to be used as agreed by the Town Deal Board at its meeting on 24th August 2021.
9. In addition to the above, the Council is now proposing to utilise the remaining stage 1 and 2 Town Deal capacity funding (in total £152,000) and budgets from the Regeneration and Culture Service Area across 2020/21, 2021/22 and 2022/23 (totalling £93,000). This is a revision of the budgets approved by the Cabinet in June 2021.

Delivery of the Town Fund Programme

10. All the projects for delivery are identified in Appendix 1 subject to development and approval of full business cases.
11. There are four main HBC-led capital projects included in the Town Investment Plan which are now able to proceed to the development phase and subject to further Cabinet approval as and when appropriate. These are as follows:
 - Hastings Castle
 - Town Centre Core Projects
 - Town Living
 - Churchfield Business Centre (a fast-track project)
12. There is also a total of 8 additional partners' capital projects being delivered by local and regional organisations as part of the investment programme. These are also listed in Appendix 1.
13. The Towns Fund allocation for our partners' projects totals £9.945m and also subject to business case approval, local assurance and signing of an appropriate grant funding agreement.
14. All Towns Fund projects are now permitted to use 5% of their grant funding allocation for early feasibility studies if required. This is prior to business case approval. However, if the business case is subsequently not approved this funding is lost to the programme.
15. In addition to above, the Town Deal Board also agreed to set aside £65,000 from the overall current offer, for the installation of a lift at White Rock Baths courtyard. This was an early Towns Fund project completed and built last financial year.

Levelling Up Fund (LUF)

16. The current levelling up fund prospectus was published in March 21 - [Levelling Up Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/100000/levelling-up-fund-prospectus-2021-03-21.pdf). This prospectus is subject to change with the agenda now much more prominent. It will be an opportunity for the town to focus on improving the lives of our poorest communities.
17. The previous round detailed that the £4.8 billion fund will support town centre and high street regeneration, local transport projects, and cultural and heritage assets. The fund focused on investment projects (up to a maximum of three) that combined require up to £20m of funding. Bids above £20m and below £50m were only accepted for transport projects only. It is expected all capital projects would need to be completed by March 2024.
18. A key requirement of whatever approach was taken, was to ensure the local MP backs the proposal. The government is likely to identify this as a requirement in the guidance again.
19. Hastings is a priority area for the fund and has been allocated £125,000 capacity funding to develop its proposals and prepare documentation and evidence for the bid.

20. It is proposed that this capacity funding will be utilised to bring in external expertise and undertake feasibility studies as needed for proposed schemes prior to submission of a levelling up bid.

Timetable of Next Steps

Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Report to Cabinet	Presentation of report	November 2021	Assistant Director of Regeneration and Culture
Awarding of grant funding agreements to projects	Development of Project proposals	Q3 21/22 to Q2 2022/23	Assistant Director of Regeneration and Culture
	Business Case submission and approval for projects	Q3 21/22 to Q2 2022/23	Economic Development Manager
Updated reports to Cabinet	Completion of all business cases	Q2 to Q3 – 2022/23	Assistant Director of Regeneration and Culture Economic Development Manager
Levelling up fund work commences	Tender for external support to develop bids	Q3 2021	Regeneration Manager
Levelling up bid submitted to government	Bids completed in line with further levelling up guidance	Q1 to 2 2022/2023 (TBC)	Assistant Director, Regeneration and Culture Lead member for Regeneration Regeneration Manager

Wards Affected
All

Policy Implications

Reading Ease Score: 36.0

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness Y

The proposals set out in the Town Investment Plan – includes delivering jobs (estimated at 614), skills, new housing, educational, cultural and leisure assets to maintain opportunities for all in the town. Employment and Educational assets are also being built or enhanced in the most deprived parts of the part of the town including in Hollington and the Ore Valley.

A full Equalities Impact Assessment will be conducted on the programme once all the business cases have been completed. All projects will be completing an Equalities Screening check to and identify any immediate issues and actions with their proposal. The Programme Team will engage with each of the projects to review their 'screening' check and ensure actions are followed through as agreed.

Crime and Fear of Crime (Section 17) Y

The Town Investment Plan has a large investment programme to improve the public realm in the town centre, increase footfall and reduce fear of crime.

Risk Management Y

As part of the project management tools a detailed project plan is being developed and a RAID log is being maintained. Each project will be producing their own risk assessment as part of preparing their business cases. Risk assessments of projects will be regularly conducted by the programme team.

An initial programme risk assessment has been produced by the programme team. Generally, the risks relate to the projects rather than the programme. To mitigate some of the risks a programme team needs to be established as soon as possible and provide the support to the projects.

Environmental Issues & Climate Change Y

All project leads, as part of their strategic business case development, will be asked to carry out an environmental impact assessment of their project and indicate how their project contributes the UK's overarching goal of net zero carbon by 2050; increase climate resilience; as well as delivering the Hastings Councils carbon neutral goals for the town. Indicative project interventions include improvements to the existing buildings, by integrating low carbon technologies and improving the fabric of buildings; providing training opportunities through a new centre of excellence for green construction, renewable energy and electric vehicle maintenance; transforming the public realm by creating a beautiful and vibrant green town centre which increases biodiversity and is resilient to the impacts of a changing climate; improving cycling and walking infrastructure and developing new commercial spaces that are

built to the highest environmental standards and the development of the state of the art visitor attractions

Economic/Financial Implications Y

This is a large capital investment programme with the council being the accountable body. Further implications will become clearer as the project is developed in more detail and business cases prepared. The new leisure and cultural centres have the potential to generate income for the council and contribute to the wider economic growth and regeneration of the town.

Human Rights Act N/A

Organisational Consequences Y

The organisational consequences are set out in the report and require full council support to deliver such a large programme.

Local People's Views Y

Local stakeholders were consulted on development of the plans, put their ideas forward and will have further opportunities to shape projects as they develop. A community engagement plan has been developed as part of the programme.

Anti-Poverty Y

The proposals will deliver jobs, skills, new learning opportunities and raise people's income

Legal Y

HBC as accountable body for the entire programme will need to address all legal issues relating to its projects and also other delivery partners.

Additional Information

Appendix 1 - A summary of the projects in the funding agreement with DLUHC

Appendix 2 - Use of Management Allowance

Officer to Contact

Officer: Pranesh Datta
Email: pdatta@hasting.gov.uk
Tel: 01424 451784

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Appendix 1					
Summary of projects included in the Funding Agreement with DLUHC				Update Oct 21	
Projects per theme					
Challenge Theme	Programme Theme	Projects	Town Fund Contribution	Total Project Value	Project Lead and brief description
Jobs and enterprise growth (Skills & Enterprise)	Enterprise and Employment Infrastructure	Churchfield Industrial Estate	£750,000	£4,503,000	Hastings Borough Council - Churchfield Industrial Estate, 29 Business Incubation Units - fast track project
		Enterprise space, Ponswood	£220,000	£295,000	Unveiled Ltd - repurposing existing open planned office spaces on Ponswood Industrial Estate - fast track project
		Hastings Co-working, Flexible Office and Community Space	£112,500	£272,500	Freedom Works - repurposing existing open planned employment spaces in the Town Centre - fast track project
	Green Low Carbon skills & economy	Green Construction, Energy and Vehicle Training Centre	£2,543,150	£2,973,150	East Sussex College Group - Infrastructure for provision for Green Low Carbon Skills & business start up / development opportunities
		Broadening Futures Together Plumpton Lacuna Place - £150,000 The Firs - £252,000 Total - £402,000	£402,000	£911,775	Plumpton College and Education Futures Trust - new education and skills offer linked to land based occupations and business opportunities - fast track project
Forgotten history and assets (arts, culture & heritage)	Hastings Castle World Heritage Destination	Hastings Castle	£3,325,000	£5,475,000	Hastings Borough Council - telling the story of the invasion and it's impact
	Town to Sea Creative Quarter	12 Claremont	£1,710,000	£2,063,000	Lead: Heart of Hastings; White Rock Neighbourhood Ventures, and Leisure and Learning - development of a community led creative quarter in the heart of the town centre - gallery, workspaces, homes, community spaces, wellbeing facilities; digital and education learning facilities.
		Eagle House	£1,425,000	£2,365,000	
		OB Digital Creative Hub	£717,250	£6,183,250	
Disconnected, unloved town centre (urban regeneration & connectivity)	Town Centre Core	Town Centre Core (Phase 1 projects) - total of 3 sub projects included	£8,000,000	£70,575,450	Hastings Borough Council and NewRiver REIT - Regeneration of key sites in the town centre through acquisition and development to modernise, repurpose and revitalise the centre. A fast track project contained for the New Look building at Priory Meadow
	Town Centre Public realm and green connections	Town Centre Public realm and green connections	£2,815,100	£4,313,100	East Sussex County Council - focus on improving active travel connectivity (walking and cycling) and the enhancement of the public realm in Hastings town centre. The Hastings Garden Town - inspired by Great Dixter's philosophy of creative ecology, horticultural innovation and biodiversity the project will transform the public realm.
Lack of Quality Housing (urban regeneration)	Town Living	Town Living	£1,000,000	£4,000,000	Hastings Borough Council - Town Centre Housing Investment Proposal - providing new and renovating existing
Improved access to Source Park		Source Park - White Rock Courtyard	£65,000	N/A	Installation of lift to the courtyard - project partly previously funded via the Town Fund Accelerated Fund
Totals			£23,085,000	£103,930,225	

Including the programme 5% M&A allowance of £1,215,000 the revised TF programme totals £24,300,000

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Appendix 2 - Hastings Town Investment Plan use of M&A Briefing

Briefing presented and approved by the Town Board – 24th August 2021

Use of Management Allowance for Accountable Body (HBC)

Following approval of the Heads of Terms at the Town Deal Board meeting and HBC Cabinet meeting in June, the programme team are moving forward with the project reassessment process in order to meet our funding allocation of £24.3m.

We have completed our work with Genecon (independent assessors) to reprofile the funding allocation, with support from the project prioritisation working group. All project leads have engaged in the process and held a meeting with Genecon to develop a reprofiled budgetary programme. Final recommendations will be discussed and agreed with the Town Deal board and the HBC Programme Board prior to submission to government by end of August 2021.

Guidance on use of Management Allowance

The government has recently confirmed to towns an allowance to cover management and administration costs (referred to as Programme Management Resource Departmental Expenditure Limit - RDEL) to deliver the Town Deal programme. The allowance is included within the Town Fund offer and equates to 5% of the total grant or for Hastings a maximum sum of £1,215,000. Request to government for programme management costs have been made by many local authorities and HBC officers only became aware of this approval in early July 2021 (when the Annex A-1 document was published by the government).

HBC as accountable body envisages this funding will be utilised to manage the delivery of this £100m+ programme over the next five years.

The impact of the M&A cost on individual projects has been taken into account by Genecon during the project prioritisation process and will be part of reprofiling of the fund allocation. Hastings Borough Council is obliged to return to MHCLG an indicative financial profile of the projects and the M&A costs by end of August 2021 (submission of the Annex A-1 document).

The full allowance will be identified across the five years remaining of the programme and will be utilised to support the programme delivery from a management perspective. However, some of this allowance will also be utilised to mitigate key pinch points of the programme process with regards to capital programme delivery.

Proposed use of the Programme Management Allowance

The M&A budget will be utilised across the following budget areas (see also Table 1 below):

1. Programme team – HBC (jointly funded by the M&A and HBC core budgets)

- Regeneration capital programme manager (specialising in capital project management and likely to be joint funded by the TF programme, HBC core budgets and any levelling up project). This individual will provide guidance, advice support to both the programme team and to project leads on capital programme delivery. They will be key liaison point for project leads on any matters to do with procurement, tender specification and build issues. This role will also act as a/trouble shooter/animator to enable joint initiative/cross over

between projects and funding streams. They will advise project leads with their capital delivery rather than manage them on their behalf. Likely recruitment q4 2021/22

- Project and finance officer – (HBC funded year 1, Town deal funded year 2 onwards). This role will have oversight of the project management, systems, supporting internal programme board and external investment panel board, management of business case consultant; maintenance & development of programme and project management tools; programme financial management; legal contracts (liaison with Legal dept). Currently out to recruitment
- Project compliance officer (HBC funded year 1, Towns fund funded year 2 onwards). This individual will manage all administrative duties and the claims processes.
- Towns Fund Engagement and Communication Officer - support and coordination of engagement activities; generating and managing content for social media; assisting with and organising and promoting lead partner projects. Likely recruitment q4 2021/22

The programme will still draw on existing resources for oversight and management, however current core HBC officers will also work on other cross cutting programmes such as levelling up funding bids and any future rounds of the future high street fund, once towns fund programme team are in place.

2. External consultancy and project lead support/ ad-hoc contingency

- The cost of the business case consultants, external communications support and project prioritisation support is being funded via existing capacity funding which remains from our allocations to date.
- However, the new M&A budget will now set aside funds for the following:
 - Independent assessor for business cases
 - External communications support (social media etc) from March 2022 onwards
 - Any other external consultants needed for management on the programme (e.g. external evaluation etc)
 - Contingency to support non funded project leads (unpaid staff) and other ad hoc support which may be needed to support project leads to develop their proposals. Use of the funds will be constrained and limited (guidelines to be published) and to mitigate risks to business cases and in delivery of the capital programme overall. It is expected that project leads will build into their budget legitimate development costs once funding flows.

3. Planning Service Support

The EDG and board have identified delays within the planning system as being a major risk for delivery of this programme, on time and on budget. As such we have built in an indicative budget for all projects for the following elements:

- Pre-App planning advice (proportionally funded dependent on TF proportion of scheme – i.e. if TF investment is 50% of total budget 50% of pre app fees paid)

- Planning performance agreement for all projects needing full planning approval - if justified due to size of scheme – and associated costs in setting one up. <https://www.gov.uk/guidance/before-submitting-an-application#planning-performance-agreements>
- Proportion of costs associated with conservation advice for each relevant application

4. HBC staff/resources contingency

- There is a small budget included for any other staff related contingency which will include overheads, recharges, equipment, travel, venue hire, training etc.
- This also includes any Legal and finance support costs in bringing in additional staff
- Includes budget for communications and marketing team

Hastings Town Fund Programme Management Cost						
Budget heading	21/22	22/23	23/24	24/25	25/26	Total
Programme staffing	£37,000	£170,000	£170,000	£144,000	£109,000	£630,000
External Consultants & External project lead support/contingency	£60,000	£60,000	£50,000	£20,000	£10,000	£200,000
Planning support	£40,000	£70,000	£70,000	£70,000	£0	£250,000
HBC overheads/equipment/contingency etc	£10,000	£50,000	£30,000	£25,000	£20,000	£135,000
Total	£147,000	£350,000	£320,000	£259,000	£139,000	£1,215,000

Table 1

This indicative M&A budget has been produced to include all these elements across the programme timeline. However, this detail is subject to change as and when we get into the detail of each project. Indicatively the spread across the years is as follows (please note this does NOT include the core costs covered by HBC on staffing this financial year nor the communications/external consultancy costs which have already been commissioned this FY – totalling approx. £300k).

August 21

HBC Programme Management Team

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Agenda Item 5



Report To: Cabinet

Date of Meeting: 1st November 2021

Report Title: Additional Restrictions Grant (ARG) Update

Report By: Peter Grace, Assistant Director Financial Services and Revenues

Key Decision: Yes

Classification: Open

Purpose of Report

To update the group on the ARG spend and to agree how the remaining funds should be spent.

Recommendation(s)

1. To approve how the remaining ARG funds are to be spent as per the proposals in this report.
2. To authorise the Chief Finance Officer to make any adjustments, as required, in consultation with the lead member for Financial Management and Estates to ensure the remaining available funding is distributed in line with Central Government guidance.

Reasons for Recommendations

1. With the limited funds remaining, it is vital that we make best use of the money and give assistance where it is most needed.
2. As the level of funding cannot be exceeded, it is important to be able to make changes in a timely manner in order to minimise delays in awarding the remaining financial support.

Introduction

1. The Council has received a total of £3,198,875 from central government in respect of Additional Restrictions Grant (ARG).
2. This ARG money has been made available to Councils to be used on a discretionary basis. It was introduced to provide assistance to businesses severely affected by the pandemic but where they had missed out on government support due to the eligibility criteria of the other specific schemes.
3. Whilst the Council has had discretion as to how the money is spent, the Department for Business, Energy & Industrial Strategy (BEIS) did set out criteria which had to be met and the Council's policy was determined in compliance with these requirements.
4. Up until now, the Council has created and approved three separate discretionary schemes i.e. ARG 1, ARG 2, and ARG 3. Each scheme having different eligibility criteria and funding, in order to tailor assistance to local businesses.
5. The Council was able to gain access to additional funding of £522,543 by having distributed 100% of its previous allocation by the 31 July 2021.
6. The total funding received, now amounting to £3,198,875 has to be spent by 31 March 2022 – or returned to government.

Spend to Date

7. During the first ARG scheme which ran from November 2020 - January 2021, the Council helped 60 businesses, paying out £64,152.
8. The second ARG scheme which ran from March 2021 - July 2021 saw the Council award £948,923 in respect of 137 businesses.
9. The third ARG scheme ran from June 2021 - September 2021 and overlapped with ARG 2. The Council paid out £2,101,257 in respect of 351 businesses.
10. This brings the total spend to £3,114,332, leaving a balance of £84,543 still to be allocated.

Proposal on Use of Remaining Funds

11. As the remaining funding is very limited, it is proposed that rather than open another application-based scheme, alternative methods should be considered.
12. Firstly, as there are still a few outstanding appeals in respect of ARG 3, where there are ongoing enquiries, it would be appropriate to set aside £20,000 to cover any successful appeals.
13. Secondly, the Business Improvement District (BID), Love Hastings Ltd has struggled with collection of the levy. Arrears for 2020/21 alone currently stand at £76,091. This is understandable as the businesses that are expected to pay have themselves been severely impacted by the pandemic.

14. The advice from BEIS is that provided the BID body is not the local authority or a company under the control of the local authority, the ARG funding may be used to support them with the shortfall in their levy income.
15. Therefore, the second proposal is that £50,000 of the remaining funds are allocated to the BID company to help with the shortfall. The BID Company (Love Hastings) who have sought additional funding have advised that the money would be used to:-

“facilitate a programme of town centre activity over the Christmas period to maximise benefit to retailers at this critical time of year. This would include upgraded Festive lighting plus a series of regular street entertainment... depending on how much was available...”
16. Provided the above two proposals are agreed, that would leave £14,543 in the discretionary pot at present. As the deadline for spending the money is 31 March 2022, it is helpful to have some money, albeit limited, in the discretionary pot over the coming months. For example, where a business which provides local jobs is having severe difficulties which could impact the local economy, some financial assistance could be considered.
17. Any decision to make a payment on the proposal at paragraph 15, should be made by the Chief Finance Officer in consultation with the lead member for Financial Management and Estates with a view to ensuring that the money is fully expended by the 31 March 2022 deadline.

Applications and information

18. No formal application process for the grant to the BID is required.

Review and Appeals

19. The Council's normal complaint system will operate.

Government Reporting

20. The Council is required to report to the government on a monthly basis of the level of ARG spend.

Economic/Financial Implications

21. The grants are fully funded by the government.

Timetable of Next Steps

1. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Cabinet Agenda Planning		18 October	Peter Grace

Cabinet	To determine the use of the remaining funds	1 November 2021	Peter Grace
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Wards Affected

Policy Implications

Reading Ease Score:

Have you used relevant project tools?: Yes

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	N
Crime and Fear of Crime (Section 17)	N
Risk Management	N
Environmental Issues & Climate Change	N
Economic/Financial Implications	Yes
Human Rights Act	N
Organisational Consequences	N
Local People's Views	N
Anti-Poverty	N
Legal	N

Additional Information

Officer to Contact

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01424 451503

Agenda Item 6



Report to: Cabinet

Date of Meeting: November 1 2021

Report Title: Agreeing the way forward for the Grounds Maintenance Service from November 2022.

Report By: Mike Hepworth, Assistant Director Environment and Place

Purpose of Report

To agree the way forward for the Grounds Maintenance Service from November 2022

Recommendation(s)

Cabinet agrees that:

- 1) Following our successful experience with the street cleansing service, a comprehensive business case is prepared for consideration by Full Council, for the option of providing an in-house grounds maintenance service. Thereby creating an innovative service fit for the future. Better able to maximise the opportunities presented by the council's commitment to addressing climate change and bio-diversity concerns, and for adding value to projects such as the Town Deal.
- 2) A budget of up to £50,000 from the council's invest to save fund is allocated, for specialist external support to develop the service specification and comprehensive business case.

Reasons for Recommendations

1. The Council's corporate plan commitments include:
 - preparing and implementing delivery of succession arrangements following the end of the ground's maintenance, and building cleaning, and public convenience cleaning contracts ending in 2022.
 - Scope options to bring services back in house as part of contract reviews and renewals e.g. reviewing grounds maintenance
 - Review in-house staffing capacity and skill sets as a basis for progressing in-house delivery opportunities
2. Following a preliminary (but detailed) options analysis, which included soft market testing, initial officer conclusions are that an in-house grounds maintenance service is more likely to provide the flexibility needed to respond to the challenges of climate change mitigation, improving local bio-diversity, and the 'greening' of Hastings through

closer alignment with initiatives such as the Town Deal over the next 10 years, and that these opportunities need to be developed into a detailed specification and method statement, and detailed business case for Council to base its final decision.

3. As with the successful Street Cleansing DSO project, sufficient officer capacity and expertise is required to support the existing officer team to undertake the work to develop the new specification, and an operational 'method statement' together with the comprehensive business case. The costs of this are estimated at circa £50k.

4. That to capitalise on the opportunities presented in developing an in-house service option, and to provide time for mobilisation of a new service, the option to extend the current grounds maintenance contract by a year has been exercised.

Introduction

1. Grounds Maintenance (GM) is an essential service to maintain the council's green spaces, to meet its statutory and legal obligations particularly around health and safety and waste clearance. However, GM is also essential in meeting the council's climate change, biodiversity, public health and well-being agendas.
2. Hastings Borough Council is responsible for the maintenance of areas of green space, public parks, playing fields and the cemetery and crematorium. In recent years, the maintenance of these areas has been contracted out under a partnership contract arrangement with Rother DC and Optivo (the largest local social housing provider), with an annual cost to Hastings Council of c.£950k per annum. The current contract with IdVerde was due to end on 5th November 2022.
3. As with other contracted services, this has given the council the opportunity to review the current delivery model and establish and agree whether an alternative model might be advantageous – specifically whether the service should be taken in-house and added to the in-house street cleansing service. Unfortunately, the work to complete this options analysis and implement a new service model was delayed by the re-focussing of resources during the COVID pandemic. Therefore, the option to extend the current contract for one year has been exercised to enable this work to be concluded. As a result, it is now essential that specialist external support is procured to enable this key project to proceed.
4. Other factors taken into consideration in determining the future of this service include that it is understood that due to increases in costs over the last few years (e.g. the living wage and equipment), irrespective of the delivery model used, this service will be more expensive in future years.
5. A number of business analysis methods have been carried out to provide evidence for the recommendations, including options analysis and soft market testing.

Delivery Method Options

6. The project team have undertaken a detailed options analysis on how the service could be delivered in the future, and this is outlined below.

Do Nothing

7. This option must always be considered. But in this case is not viable if the town's parks and green spaces are to be kept open to the public and safe to use.

Option 1 - Absolute minimum grounds maintenance, providing only statutory obligations for public access. (a) by existing contractor, (b) by undertaking a procurement exercise based on a reduced specification (c) by an in-house service.

8. Regardless of the service provider, such a significant reduction in service levels would impact on the quality and safety of the public green spaces, potentially compromising the council's health and safety, and other statutory duty of care standards. Resulting in serious reputational damage, and possibly also legal claims against the council. In addition, this minimalistic approach to managing the borough's fantastic parks and open spaces would simply not meet the needs and expectations of residents. During the COVID19 pandemic, the value of high quality accessible well managed open spaces has been highlighted many times.
9. Whilst undoubtedly cheaper, the estimated cost of this option is unknown at this stage. Whilst contractual obligations are in place until November 2022, (and now November 2023), any renegotiation of the remaining contract period would need to define the 'minimum' to meet statutory obligations. But it is by no means certain that the current contractor would be willing to continue to provide the service on such reduced terms. Therefore, this option is not recommended.

Option 2 - Initiate the further one-year extension option included in the current GM contract.

10. The current contract allows for a 1 plus 1 year extension. Whilst the first option to extend to November 2023 has already been exercised, there is an option to request a further extension of the contract until November 2024. However, this option delays the council's ability to implement a new more flexible and future proof service longer than is thought necessary.

Option 3 - Re-tender the GM contract for another 10 years. Review current partnership arrangements.

11. The full cost of this option is not yet known, as it would be subject to a full-tendering exercise. However, to inform the options analysis, the project team carried out a soft market test (SMT) through the East Sussex Procurement Hub (ESPH). This resulted in four indicative costs ranging from £1.2m to £1.4m pa based on delivering a like for like service to the current specification. It should be noted that these figures will not be the final costings. But give an indication of what sort of costs an external contract could be. If this is the preferred option, the organisation will need to provide sufficient officer time to undertake the full procurement exercise, as well as potentially significant short-term client-side resources to work with the contractor on their contract mobilisation during the first 12 to 24 months of the new contract.
12. The greatest disadvantage of this option is the lack of flexibility afforded by a long-term contract to adapt and develop the service to meet future challenges, and to maximise synergies with our other services, such as the street cleansing DSO. This is explored further in the following option.

Option 4 - On termination of the current GM contract in Nov 2023, bring all GM work in-house by building capacity in our in-house service

13. The estimated operational cost of bringing the service in house based on our existing provision is £1.1m pa. However, there will be additional upfront costs for staff structure, TUPE arrangements, and considerable capital investment in new equipment. These are estimated to be in the region of £1.3m.
14. Costs aside there are clear benefits to bringing the GM service in-house including: flexibility to change service provision as demand/needs change; synergy with our in-house waste and street cleansing DSO (and other HBC service areas); development of added value benefits; strong desire for improved performance; proactive development input in the up-skilling and training of the workforce; encouragement of active community engagement; commitment to continuous improvement, and therefore best value and efficiency benefits.
15. In addition, this option provides economy of scale benefits with our in-house waste and street cleansing DSO; the potential for a stronger and more focussed contribution to HBC's carbon reduction targets; a medium for increased service user satisfaction; added value efficiency with non-contract minor works provision; alignment with corporate priorities and integration of current parks team staff to the in-house GM DSO.
16. This option would also provide the opportunity to align GM with the council's other major initiatives and strategic objectives and policies, including the potential opportunities arising from the Town Deal, such as working with organisations like Great Dixter and Groundwork South.
17. The main disadvantage would be the level of capital investment required and the set up / officer time required from several service areas including Legal, HR, IT, Transformation and Programmes, Waste and Parks and Gardens. The development of the new service specification, method statement and comprehensive business case will require the support of additional external expertise, as was the case with the street cleansing in-house service development.
18. It's recommended that this option is pursued as a major corporate project for the remainder of this year and next.

POLICY IMPLICATIONS

19. There are clearly a number of policy implications arising from these proposals, and they are outlined below under the appropriate headings.

Equalities or community cohesiveness

20. Access to open space and related features is a fundamental aspect of providing health and wellbeing for all.

Crime and fear of crime

21. Regular maintenance and inspection of open spaces, parks and related amenities provides assurance to users and provides a deterrence to criminal and anti-social behaviour.

Risk Management

22. A risk assessment has been carried out for each option, and there are references to the potential risks, advantages, and disadvantages of the various options in earlier sections of this report. However, the largest risk to the implementation of the options will be the resources required given other council commitments, and as such this would need to be prioritised as a mission critical project within the timescales identified. The second highest risk would be the increase in costs for providing a like for like (as existing) service, and this could only be mitigated if sufficient funding is made available or the service scale/level is reviewed, and economies and efficiencies identified. This would be determined by the viability and feasibility assessments undertaken as part of the development of the detailed business case.

Environmental Issues

23. With either an in-house DSO or a new external contract, this is an opportunity to consider, develop and implement a more sympathetic approach to environmental management, and contribute to the council's climate change strategy. However, we believe that an internal DSO option has the potential to create far greater flexibility to respond to climate change impacts, as technology and innovation in this field progress.

Economic/Financial Implications

24. As noted earlier in the report, it is expected that the cost of providing a GM contract in the future will exceed the current budget allocated for the service whichever option is chosen. Largely this is due to natural increases in the cost of labour, fuel, and consumables. However, the proposed recommendation will enable an informed consideration of best value, both in terms of financial and social benefits, and the ability to build in flexibility of future service delivery to reduce on-going costs.

Organisational Consequences

25. As with any frontline service used by a high number of customers, getting GM right is essential. Failing to do so not only gives a negative impression of the service to customers, but it could also result in the council not meeting its statutory obligations, all of which could damage the council's reputation.
26. The work carried out by officers on the options analysis, has been undertaken against the backdrop of the council's response to the pandemic, and within the capacity required for project management of the other major projects and programmes.
27. It is clear, that developing a new way of managing and maintaining our parks and open spaces requires the support of additional resources with appropriate skills and experience. However, this approach worked successfully when we developed the in-house waste and street cleansing service.

Financial implications

28. The council's current financial and resource situation is a well-documented challenge. Excessive amounts of additional cost could have a dire effect on the council's ability to fulfil its functions. The development of the new specification and business case will be undertaken in this context, and will be fully cognisant of the

need to operate within the financial constraints and balance this with meeting the other strategic objectives mentioned above.

29. If the council choose to implement the in-house service option, the work to develop the specification and method statement will also aim to identify ways to reduce costs, and this option will also enable the service specification to remain flexible over time and to facilitate further efficiencies in the future. Whereas the evidence from the soft market testing suggests that if the council were to simply procure a new contract along similar lines to the existing one, the costs will increase significantly. The option suggested buys time to properly review our future needs, and the best way of delivering them.

Local people's views

30. The option recommended provides an ideal opportunity and sufficient timescale, to consult with local people on what they would ideally like to see in the future management and maintenance of the town's green spaces and parks and gardens.
31. The emerging Local Plan has specific references to the work undertaken by this service – Biodiversity and Net Gain Existing & Emerging Local Plan – Biodiversity and Net Gain Policy DP6 Green Infrastructure, DP5 Biodiversity, DP4 Flood risk and water quality.

Anti-Poverty

32. Access for All is a critical factor behind the need to maintain our parks and open spaces at low or no cost.

Timetable of Next Steps

33. The timescale of activity and decisions were Council to accept the recommendation would be as follows:

CABINET –November 1 2021
Commence with recommendation
Prepare consultant brief – November/December 2021
Tender for consultant – January/February 2022
Appoint consultant – February/March 2022
Review/Approve – Business Case – June/July 2022
Develop implementation plan
New service in place November 2023.

Wards Affected

All Wards

Implications

Relevant project tools applied? Yes

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	Yes
Risk Management	Yes

Environmental Issues	Yes
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	Yes
Local People's Views	Yes
Anti-Poverty	Yes

Additional Information

Officer to Contact

Mike Hepworth

Mhepworth@hastings.gov.uk

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Agenda Item 7

To Councillor Battley
Chair of Overview and Scrutiny Committee

ACCESS TO INFORMATION RULES

KEY DECISIONS

RULE 20 –general exceptions.

NOTICE is hereby given under Rule 26 of the Access to Information Rules contained in the Council's Constitution that the following key decision will be taken at Cabinet on: -

Cabinet- 1 st November 2021			
Solar and Business			
<u>Decision</u>	<u>Consultation and Timetable</u>	<u>Working Papers and files</u>	<u>Responsible Officer / Portfolio Holder</u>
To approve the updated roof top solar programme	The project has been agreed and is included within the Capital Programme	Cabinet	Victoria Conheady / Cllr Maya Evans

Signed
Chief Legal Officer

Dated

Note:

Rule 26.20 General Exception

If a matter which is likely to be a key decision has not been included in the forward plan, then subject to Rule 26.21 (special urgency), the decision may still be taken if:

- (a) the decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next forward plan and until the start of the first month to which the next forward plan relates;
- (b) the Chief Legal Officer has informed the chair of a relevant overview and scrutiny committee, or if there is no such person, each member of that committee in writing, by notice, of the matter to which the decision is to be made; and
- (c) the Chief Legal Officer has made copies of that notice available to the public at the offices of the Council; and
- (d) at least five clear days have elapsed since the Chief Legal Officer complied with (b) and (c).

Where such a decision is taken collectively, it must be taken in public.

To Councillor Battley
 Chair of Overview and Scrutiny Committee

ACCESS TO INFORMATION RULES

KEY DECISIONS

RULE 20 –general exceptions.

NOTICE is hereby given under Rule 26 of the Access to Information Rules contained in the Council’s Constitution that the following key decision will be taken at Cabinet on: -

Cabinet 1 st November			
Proposals for allocating the remainder of Contain outbreak			
<u>Decision</u>	<u>Consultation and Timetable</u>	<u>Working Papers and files</u>	<u>Responsible Officer / Portfolio Holder</u>
To approve proposals for allocating the remainder of Contain Outbreak Management Fund (circa £90k)	Remaining monies to be spent by March 2022 in line with Funding requirements set out in the previous report to Cabinet in June.	TBD.	Jane Hartnell Kim Forward

Signed
 Chief Legal Officer

Dated

Note:

Rule 26.20 General Exception

If a matter which is likely to be a key decision has not been included in the forward plan, then subject to Rule 26.21 (special urgency), the decision may still be taken if:

- (a) the decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next forward plan and until the start of the first month to which the next forward plan relates;
- (b) the Chief Legal Officer has informed the chair of a relevant overview and scrutiny committee, or if there is no such person, each member of that committee in writing, by notice, of the matter to which the decision is to be made; and

- (c) the Chief Legal Officer has made copies of that notice available to the public at the offices of the Council; and
- (d) at least five clear days have elapsed since the Chief Legal Officer complied with (b) and (c).

Where such a decision is taken collectively, it must be taken in public.

To Councillor Battley
 Chair of Overview and Scrutiny Committee

ACCESS TO INFORMATION RULES

KEY DECISIONS

RULE 20 –general exceptions.

NOTICE is hereby given under Rule 26 of the Access to Information Rules contained in the Council’s Constitution that the following key decision will be taken at Cabinet on: -

Cabinet 1 November 2021 500 Affordable Homes			
<u>Decision</u>	<u>Consultation and Timetable</u>	<u>Working Papers and files</u>	<u>Responsible Officer / Portfolio Holder</u>
To update Cabinet on the development of a programme of activities to increase the supply of affordable housing in the town over the next 5 years. The strategic outline is needed before we can proceed with the next stages of developing the programme.	N/A	N/A	Andrew Palmer, Assistant Director, Housing and Built Environment Councillor Andy Batsford

Signed
 Chief Legal Officer

Dated

Note:
 Rule 26.20 General Exception

If a matter which is likely to be a key decision has not been included in the forward plan, then subject to Rule 26.21 (special urgency), the decision may still be taken if:

- (a) the decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next forward plan and until the start of the first month to which the next forward plan relates;
- (b) the Chief Legal Officer has informed the chair of a relevant overview and scrutiny committee, or if there is no such person, each member of that committee in writing, by notice, of the matter to which the decision is to be made; and
- (c) the Chief Legal Officer has made copies of that notice available to the public at the offices of the Council; and
- (d) at least five clear days have elapsed since the Chief Legal Officer complied with (b) and (c).

Where such a decision is taken collectively, it must be taken in public.

To Councillor Battley
Chair of Overview and Scrutiny Committee

ACCESS TO INFORMATION RULES

KEY DECISIONS

RULE 20 –general exceptions.

NOTICE is hereby given under Rule 26 of the Access to Information Rules contained in the Council's Constitution that the following key decision will be taken at Cabinet on: -

Cabinet			
<u>Decision</u>	<u>Consultation and Timetable</u>	<u>Working Papers and files</u>	<u>Responsible Officer / Portfolio Holder</u>
Cabinet should agree to the commissioning of a new housing stock condition survey. The survey will inform and support the Council's future strategic planning activity related to housing. This survey is necessary to support the fulfilment of our duty under section 3 of the Housing Act 2004.		Cabinet Report	Andrew Palmer / Cllr Andy Batsford

Signed 
Chief Legal Officer

Dated 20th October 2021

Note:

Rule 26.20 General Exception

If a matter which is likely to be a key decision has not been included in the forward plan, then subject to Rule 26.21 (special urgency), the decision may still be taken if:

- (a) the decision must be taken by such a date that it is impracticable to defer the decision until it has been included in the next forward plan and until the start of the first month to which the next forward plan relates;
- (b) the Chief Legal Officer has informed the chair of a relevant overview and scrutiny committee, or if there is no such person, each member of that committee in writing, by notice, of the matter to which the decision is to be made; and
- (c) the Chief Legal Officer has made copies of that notice available to the public at the offices of the Council; and
- (d) at least five clear days have elapsed since the Chief Legal Officer complied with (b) and (c).

Where such a decision is taken collectively, it must be taken in public.

Agenda Item 9



Report To: Cabinet

Date of Meeting: 1st November 2021

Report Title: Solar for Business

Report By: Assistant Director Regeneration and Culture

Key Decision: Yes

Classification: Open

Purpose of Report

To propose that the Council works with HBC tenants and other local businesses who occupy commercial and industrial units in the town, to consider the installation of solar panels on their roofs and the potential to buy the energy generated by the solar panels through a Power Purchase Agreement (PPA), providing energy at a competitively priced rate.

To further propose that delegated authority be given to the Chief Finance Officer and the Assistant Director Regeneration and Culture, in consultation with the Leader, to sign off individual sites within this programme to expediate the processes.

Recommendation(s)

- 1. To authorise the spend of £1.638 million on the Solar for Business Programme which is the remainder of the £1.76 million as agreed in December 2017 Cabinet decision on 'An Energy Transition for Hastings'.**
- 2. To delegate authority to the Chief Financial Officer and the Assistant Director Regeneration and Culture, in consultation with the Leader, to agree the assessment of individual sites and to sign off for the installation of individual sites.**
- 3. To agree to the method of analysis for all sites.**

Reasons for Recommendations

1. This Solar for Business programme is a key step within the Climate Emergency response as it reduces businesses energy demand from the grid and therefore helps businesses reduce their emissions and therefore the wider borough emissions.
2. This Solar for Business programme aids the Green Recovery following the COVID crisis as it is designed to save businesses money on their electricity bills with no upfront costs for the business. This will offer businesses peace of mind and enable them to focus on building their business back.
3. The method of analysis has been developed in consultation with the Chief Financial Officer to ensure estimations of performance and financial considerations are as accurate as possible.
4. Delegating authority to the Chief Finance Officer and the Assistant Director Regeneration and Culture, in consultation with the Leader, will ensure each site is reviewed in both an economic and broader local financial and sustainability benefits.

5. Delegating authority to the Chief Financial Officer and the Assistant Director Regeneration and Culture, in consultation with the Leader, will allow for sites to be processed quickly and efficiently from point of identification through to the installation and commissioning of the PV system.

Introduction

1. An Energy Transition for Hastings was brought before Cabinet on December 4th 2017 and requested provision within the Capital Programme of £1.76m for the purchase and installation of solar photovoltaic arrays.
2. This process was started with the installation of the PV systems at Muriel Matters House and Castle Business Centre (East). Both of these systems make use of the Feed in Tariff (now discontinued) to provide a return for the council in addition to the money saved on energy bills by using the electricity generated.
3. To 30 September 2021, these existing systems have produced a combined 130,216 kWh of electricity which has offset 32,474 kg of CO₂e emissions and has an estimated financial benefit of £16,330 (earnings from the feed in tariff plus estimated savings on the electricity bills).
4. Officers have been working on drafting PPAs and Leases (see appendix A for FAQ's and terms) with help from other local authorities who already have this type of programme up and running, as well as identifying and desktop studying the commercial roofspace within the borough for some guide system sizes, locations and returns .
5. Officers have also identified a route to market using a Solar Installation framework set up and managed by Portsmouth City Council that is available to all local authorities in East and West Sussex to use. It is our intention to include proximity as a quality scoring question on the tenders.
6. Given the recent jump in electricity prices (from around 14p/kWh to 19p/kWh) and the knock-on effect that will have on businesses energy bills this PPA scheme should be received favourably as a way for businesses to reduce their rising bills.

Background

7. Following the agreement from Cabinet on December 4th 2017 and the installation of the two sites, subsequent sites were placed on hold until the PPA paperwork was finalised and full understanding of the implications of the end of the feed in tariff was achieved.
8. The timeframe for this project was further lengthened by reassignment of key staff due to the COVID response.
9. A full desktop analysis has been carried out on the commercial properties in Hastings using the financial analysis sheet (see Paragraphs 12-18 and Appendix B). This has provided an initial ordering of sites into Return On Investment (ROI) brackets, both on properties owned by Hastings Borough Council and Third Party owned.
10. We have created a leaflet, which is attached as Appendix C, that will be sent out via email, social media, and targeted mail drop to invite all businesses to express an interest in the scheme.
11. When those expressions of interest come in, we will obtain electrical usage and cost data from them, cross reference against the desktop survey carried out for that building, and create a new proposal. These businesses will form the 'first wave' of installations proposed after a pilot.

12. Once the 'first wave' businesses have been processed we will then look to actively seek out businesses who sit at the top of the list from the desktop surveys, and then move down the list with an aim to speak to every business on the feasibility list.
13. We will proceed in groups of installations (estimated between five and ten at a time) to avoid creating a backlog of paperwork during the COVID business recovery process and also enabling the potential for staff redeployment as a result of the pandemic and any winter pressures which are being planned for currently.
14. We have identified two sites, one owned by the Council one under Third Party Ownership, as part of a Beta test on the Solar Installation Programme, which will allow us to commence the tendering process through the Portsmouth Framework and determine required officer time per business.

Building Analysis

15. Appendix B shows the financial analysis spreadsheet (with commercially sensitive information redacted). Each site will be analysed using this spreadsheet. This sheet also calculates the benefits to the business over the life of the PPA which will form part of the proposal when in discussions with the businesses.
16. The energy generation is calculated using the standard Microgeneration Certification Scheme (MCS) methodology. MCS is the governing body of renewable energy installations and provide detailed calculations and assumptions for predicting the performance of a solar PV system.
17. In order to calculate the potential energy demands of a specific building the building occupant will need to provide their energy consumption data. For the purposes of the desktop study it is estimated that 75% of the energy generated by the solar system will be used on site.
18. For the majority of buildings an assumed cost of 14p/kWh has been used for the purchase of electricity from the grid (which is the Councils average rate). For larger buildings this has been amended downwards due to better purchasing power of the tenant. Due to the current electricity price increase this may need to be averaged up.
19. Annual income is calculated from the value of the electricity supplied under the PPA and value of exported electricity. From this figure the costs for annual maintenance, annual management, and loan repayment are taken off to result in the annual benefit for the council.
20. This annual benefit is then shown as a ROI %. For each of the sites identified in the google earth and desktop survey they have been grouped together in %ROI bands.
21. Exact PPA rates and terms will be set once the tender has been completed and full costings and modelled system performance have been received from contractors.
22. The Council will utilise Public Works Loan Board (PWLb) funding and the loan repayments have been factored in to the financial appraisal of the sites.
23. The Council should achieve between 10% and 15% Gross ROI (between 3% and 6% net ROI after repayments and maintenance/management costs).
24. Installing solar panels on the businesses should lower their overall emissions by between 6% and 10%.

25. Following engagement with the business over the solar panel installation we will also promote other business support schemes local businesses can access such as LOCASE and Locate East Sussex. This will help the businesses further reduce their emissions.

Power Purchase Agreement (PPA) Setup

26. When a business has been engaged (either through direct contact or an expression of interest from the business), the financial analysis spreadsheet will be updated with accurate data on energy demand profile and site set up, and potential system layout following a site visit.
27. Once the revised financial analysis has been carried out, it will be reviewed alongside the Chief Financial Officer and the Assistant Director Regeneration and Culture, in consultation with the Leader, to ensure it satisfies the Councils requirements in terms of carbon offset and financial returns. Once reviewed it will be sent to the business as a proposal.
28. If the business decides to progress the PPA based on the proposal then a draft PPA and Airspace lease with the figures from the proposal will be sent out, and once signed the building will be sent forward to the tender stage.
29. Once tendered the proposal will be updated (if required) based on the tendered costs and performance modelling. This updated proposal will form the basis for the Final PPA and Airspace lease that once signed by the business will allow the installation to commence.
30. Following installation, the Council will monitor and maintain the system for the period of the PPA, and raise invoices to the businesses for the electricity that is used from the solar PV installation.

Timetable of Next Steps

31. The Key Steps are as follows:

Action	Key milestone	Due date (provisional)	Responsible
Cabinet	Receive Delegated Authority to proceed with developing the programme and delivering the schemes when signed off	1 st November 2021	Cabinet
Commence Discussion with HBC Buildings and Third-Party Buildings	Develop Scheme Programme	November 2021	Energy Development and Delivery Manager
Create Initial tender through	Tenders received	February 2022	

Portsmouth Framework	and reviewed		Energy Development and Delivery Manager
Install Beta Test Schemes	Commissioning of the sites	March 2022	Energy Development and Delivery Manager
Initiate Solar for Business Launch and expressions of interests	Expressions of interest received	June 2022	Energy Development and Delivery Manager
Annual report	Report to Cabinet in line with Climate Emergency Action Plan	February and October	Tackling Climate Change Programme Manager

Wards Affected

All

Policy Implications

Reading Ease Score: 32.8

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	N
Crime and Fear of Crime (Section 17)	N
Risk Management	Y

The full RAID Log can be found in Appendix 4. The Risks associated with setting the project up along with operational risks have been considered and mitigated against. These risks include (but not limited to):

- Fire damage
- Building Damage
- Staffing Resources
- Estates Strategic Review

Environmental Issues & Climate Change	Y
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The Solar for Business Programme is an important step in the Climate Emergency Response and is the first stage of the Climate Theme of Generating Renewable Energy. The potential greenhouse gas reduction from the widespread installation of Solar PV systems is a key target on the Boroughs route to Carbon Neutrality.

Economic/Financial Implications	Y
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As the local businesses are starting their economic recovery due to the COVID pandemic they have been further hit by the potential of a 35% increase in their electricity costs per kWh due to the latest price rises. The installation of solar PV on suitable buildings will reduce the impact of those price rises by offering discounted electricity from the renewable electricity generated on their own rooftop. The Solar for Business programme will also generate an income for the Council to aid its own recovery from the pandemic.

Human Rights Act	N
Organisational Consequences	Y

The Solar for Business programme will link various colleagues from Climate Change, Estates, Building Surveyors and Legal and will require full council support to effectively reduce the boroughs emissions.

Local People's Views	N
Anti-Poverty	N
Legal	Y

The Solar for Business programme will require the input from the Legal team in relation to the preparation of the PPA and Lease documents and any disputes that may arise over the operational life of the scheme.

Additional Information

Appendix A – Solar For Business FAQ's
Appendix B – Example Financial Analysis (redacted)
Appendix C – Solar for Business Flyer
Appendix D – Solar For Business Raid Log

Officer to Contact

Officer: Sam Phyll
Email: sam.phyll@hastings.gov.uk
Tel: 01424 451089

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Solar for Business FAQ's

Question	Answers
Roof Questions	
What roofs will be considered?	We will consider roof types of metal or flat roof construction, or concrete tile. Roofs of fibrous cement type (including asbestos sheets) will not be considered due to their fragile nature and increased ongoing risk of weather-tightness. Roofs with clay or slate tiles will not be ruled out immediately, but will come under closer financial scrutiny due to increased install costs. Roof orientation is a minor consideration as whilst due South will give the most potential output per kWp installed, systems with an East and West pitch can allow for a larger potential system size.
What about structural integrity?	A full structural survey will be carried out, this will be via a site visit from a structural engineer. If the roof requires strengthening works this may make the system unviable.
What is the installation method?	Only fixing methods that comply with MCS012 will be acceptable for all pitched roofs. Flat roofs will be of a self-ballasted type and non-penetrative to roof structure.
What about bird nesting risk?	Any installations on pitched roofs will require bird proofing to be fitted to the perimeter of the array. Flat roofs will need to be an enclosed structure (not open sides), and will require bird proofing to the lower edge of the panels. Flat roofs in an E/W configuration where the gap between the panels is greater than 50mm will require bird proofing between the peaks of the panels.
Electrical Questions	
Where will equipment be mounted?	The main equipment associated with a PV install is the inverter, this takes the DC power from the panels and converts it to AC. The location of the inverter will be building specific, but will need to be accessible in the future without requiring access equipment. Additionally a PV generation meter and building export meter will need to be located with easy access. These will normally be within the electrical mains incoming cupboard.
What will be the cable routes?	The main aim for safety is to keep the DC cable routes as short as possible (as this is normally unfused), ideally if the inverter cannot be mounted externally, then it will be on point of entry to the building to keep DC routes short internally. Where this is not possible we will investigate the use of firefighter switches, or string fuses to reduce the shock potential of the DC cables. Any cable that passes through a firewall will be fire sealed using appropriate measures.
What about shut down for connection?	Where a shut down of the electrical services is required for the connection of the PV system, we will ensure this is carried out outside of normal operation hours to minimise disruption. We will also obtain as much notice as possible and liaise with relevant parties (IT, security etc) to ensure a smooth process.
What are the maintenance and monitoring requirements?	Hastings Borough Council will arrange all maintenance and monitoring of the system for the duration of the PPA. Once a year we will arrange a suitable day and time for the maintenance engineers to visit, and we ask that they are given full access to the system and its components.
Lease Questions	

What is an AirSpace Lease?	An AirSpace Lease allows the Renewable Energy Solutions team to rent the space above the roof from the building owner/tenant to install solar panels. As the panels will continue to be property of HBC the AirSpace Lease is required to differentiate between the ownership and maintenance of the building and the solar panels.
What is the duration of the AirSpace Lease?	The AirSpace Lease will normally run for 25 years alongside the PPA, however for tenants of a building we will consider reducing this term to match the remaining time on the tenancy.
What agreements are needed with the Landlord? (if applicable)	As our Lease and PPA is with the tenant, the landlord will only need to give approval for the system to be installed. Depending on the remaining lease period we may enter into discussions with the landlord about what happens at the end of the lease.
What about roof repairs?	The solar installation will have no impact on the repair and maintain leases. If damage has been caused by the solar installation then the repair of this will either come from our own insurance or be recovered via the installer. If panels need to be removed to complete roof upgrade works, then the costs for this are built into our model and we have allowed for one removal and replacement of the system in its life.
PPA questions	
What is a Power Purchase Agreement?	A Power Purchase Agreement (PPA) is an agreement between the generator (HBC) and user (Tenant) of the electricity generated from the solar panels. This agreement is usually for 25 years and sets out the purchase price per kWh of the generated electricity, and the rate it will increase over the 25 years, usually in line with the Retail Price Index (RPI). The PPA also details out any default charges, maintenance access provision and the potential for the user to buy the system from HBC. If the user is a tenant then we will look to mirror the term left on their lease for the PPA.
What rates will be offered?	This will vary depending on the expected output and consumption of the system and building, and will be calculated individually for each system. We will aim to offer a discount to the current supply of at least 1p/kWh, but in some cases this will not be achievable. The PPA cost per kWh normally increases in line with RPI each year (average of 2.5% increase, compared to average 5% increase in electrical supply cost).

Appendix B – Financial Analysis Spreadsheet

System Size	50	Total Cost		Initial ROI							
Output/kW	1083	Maintenance		Payback Year							
Est Production	54,150	10 yr Inverter Replacement		25 year Benefit							
PPA Use	75%	Management Costs									
Export	25%	Contingency rate	10%	Indice	Modelled	Upper	Lower				
RPI	2.5%	PPA Rate	£ 0.13	Yr 1 Return							
EPI	5.0%	Export Rate	£ 0.055	Initial ROI							
Building Energy Demand	82,000	Current Electricity Rate	£ 0.14								
Loan Rate		Loan Taken	Yes								
Loan Duration	25	Loan Annual Repayment									

Year	Production kWh/a	PPA	Export	Financial Benefit	Maintenance	Management	Loan Repayment	Contingency	Culmative Contingency	Annual Benefit	Culmative Benefit
1	54,150										
2	52,796										
3	52,417										
4	52,038										
5	51,659										
6	51,280										
7	50,901										
8	50,522										
9	50,143										
10	49,764										
11	49,385										
12	49,006										
13	48,627										
14	48,248										
15	47,869										
16	47,490										
17	47,111										
18	46,731										
19	46,352										
20	45,973										
21	45,594										
22	45,215										
23	44,836										
24	44,457										
25	44,078										

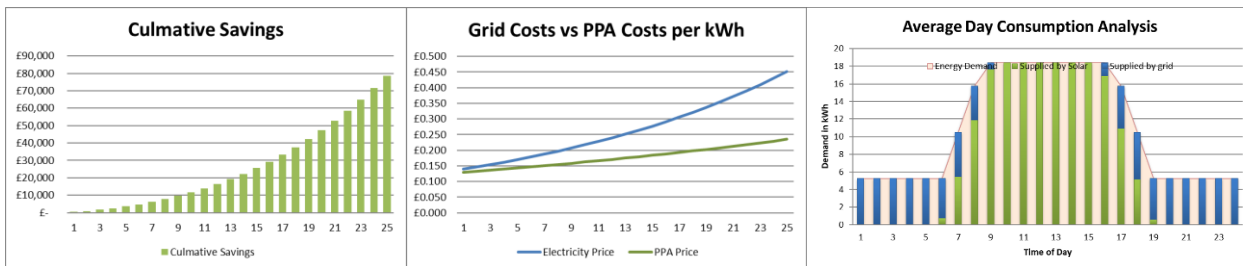
Sheet showing financial analysis, provides a breakdown of the performance over 25 years as well as an initial modelled ROI.

The system then goes through another resilience test by the Upper and Lower Indices which account for higher or lower system performance and energy demand.

The contingency is to allow for unforeseen costs arising from the system as well as equipment replacement when required.

System Location	Example Site	Energy Demand	82,000		Year 1 Savings	
System Size	50	Covered by Solar	50%		25 year Savings	
Output/kW	1083	Current Electricity Price			Year 1 Carbon Saving	10.38 Tonnes CO2e
Est Production	54,150	PPA Price				
Onsite Use	75%	Electricity Price Increase	5%			
Solar Consumption	40,608	RPI	2.5%			

Year	Solar Consumption kWh/a	PPA Cost	Supplier Cost	New Annual Cost	Do Nothing Electricity Costs	Annual Savings	Culmative Savings
1	40,608						
2	39,593						
3	39,309						
4	39,024						
5	38,740						
6	38,456						
7	38,172						
8	37,887						
9	37,603						
10	37,319						
11	37,035						
12	36,750						
13	36,466						
14	36,182						
15	35,898						
16	35,613						
17	35,329						
18	35,045						
19	34,761						
20	34,476						
21	34,192						
22	33,908						
23	33,624						
24	33,339						
25	33,055						



Analysis sheet provided for the business. Compares benefit of PPA to current cost of electricity.

Also copies of the graphs that are produced including the potential average day coverage by solar and the grid.

This sheet will go out to businesses as part of their proposal so they can see the benefit of the system over the lifetime of the PPA.

Hastings Borough Council Solar for Businesses

What is it?

Hastings Borough Council Solar for Business has been set up to help businesses reduce their carbon footprint and save money on their electricity bills by installing Solar PV onto the businesses roofs.

How is it done?

We plan, finance, install and manage the solar panels. Once installed we monitor and maintain the system and performance. The installation is completely financed by us, there are no up front costs for your business.

What do I get from it?

All of the electricity generated is available to your business to use at a discounted price compared to the current supplier.

Your businesses carbon footprint is also reduced by using renewable energy generated on site.

Our Aim?

Hastings Borough Council is working towards achieving Net Zero Emissions across the Borough by 2030. By supporting local businesses to become greener and reduce their own carbon emissions is one step towards this goal.

What can we offer your business?

- Reduced energy bills
- Our expert knowledge in designing and managing solar installations
- Our stability as a council

How to contact us?

You can arrange an appointment with us by email:

Solar@Hastings.gov.uk

For more information on Solar for Business and other support to become more energy efficient please visit:

hastings.gov.uk/my-council/climate-change/business/

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RAID ID	RAID Type	Category	Work stream if applic	Date Identif	Description	Impact	Financial Impact if km	Likelihood	Severity	Priority	Counter measures	Residual L	Residual S	Residual Pr	Assigned to	Role	Status	Author	Date of last up	Date comm	Service area	Available to public	
R047	Risk	Finance		28/07/21	Funding not available for project	Project Failure	Severe	Low	High	Yellow	Ensure available funding through PwLB as agreed prior to commencing tendering exercises	Low	High	Yellow	Sam Phyll	Project Manager	Active	sam.phyll@hastings.gov.uk	24/09/21 15:28	31/08/21	Tackling Climate Change		
R048	Risk	Legal		28/07/21	PPA and Lease not approved	Project Failure		Medium	High	Red	Early and comprehensive engagement with legal department with working examples of PPA and Leases from other Councils.	Low	High	Yellow	Sam Phyll	Project Manager	Closed	sam.phyll@hastings.gov.uk	01/09/21 14:43	31/08/21	Tackling Climate Change		
R049	Risk	Business	Project/Work stream	28/07/21	Staffing Resource across differing service areas not sufficient enough to progress project	delays to project		Medium	Medium	Yellow	Ensure project team works closely with and supports other service areas to not over burden them.	Low	Low	Green	Sam Phyll	Project Manager	Closed	sam.phyll@hastings.gov.uk	01/09/21 14:43	31/08/21	Tackling Climate Change		
R050	Risk	Community	Technical	28/07/21	PPA offer from Council is not competitive enough to entice businesses	Reduced returns	reduced earnings over time	Medium	Medium	Yellow	ensure calculations are carried out accurately and compared to up to date bills, agree a bottom line figure with finance to enable negotiation over price if necessary	Low	Low	Green	Sam Phyll	Project Manager	Reducing	sam.phyll@hastings.gov.uk	11/10/21 10:41	11/10/21	Tackling Climate Change		
R051	Risk	Project	Work stream	28/07/21	supply chain issues with importation of equipment	delays to on site work		Medium	Medium	Yellow	allow for broad range of manufacturers of mainline materials on spec, and allow for material changes between tender and installation as long as overall outputs and sizes are not altered	Low	Low	Green	Sam Phyll	Project Manager	Closed	sam.phyll@hastings.gov.uk	01/09/21 14:43		Tackling Climate Change		
R052	Risk	Project	Work stream	12/10/21	Installation of system damages roof	Financial/legal implications	potential repair costs	Low	Medium	Green	Use a sign off procedure where the installer, us, and business owner inspect the work area before, during, and after installation and sign off the work area as undamaged, or report any damage identified before access is struck and before the issues become serious. If an issue arises post install then utilise either our own insurance or the installation companies insurance to repair.	Low	Low	Green	Sam Phyll	Project Manager	Pending	sam.phyll@hastings.gov.uk	12/10/21 12:37			Tackling Climate Change	
R053	Risk	Project	Work stream	12/10/21	Fire resulting from solar panel installation	financial/legal implications		Low	High	Yellow	Have the systems designed and installed by companies with £2 million PI and £10 million Public Liability Insurance. Use only MCS approved products for the solar side, and recognised and internally approved brands for the main electrical items	Low	Low	Green	Sam Phyll	Project Manager		sam.phyll@hastings.gov.uk	12/10/21 12:37			Tackling Climate Change	
R054	Risk	Project	Work stream	12/10/21	Fire not resulting from solar panel installation	financial		Low	High	Yellow	Ensure installation is not restrictive to firefighters attending the scene: cabling away from access and egress points, where possible equipment located in mains cupboards, consider firefighters relays if DC cabling through building. Ensure system is insured	Low	Low	Green	Sam Phyll	Project Manager		sam.phyll@hastings.gov.uk	12/10/21 12:37			Tackling Climate Change	
R055	Risk	Project	Work stream	12/10/21	Building not structurally suitable for installation	officer time, cost of survey	cost of structural survey	Low	Medium	Green	Inspect the roof area as much as possible during survey stage. Ensure all paperwork is stated as dependent on structural survey. Have the structural survey as the first step on the installers timeframe.	Low	High	Yellow	Sam Phyll	Project Manager		sam.phyll@hastings.gov.uk	12/10/21 12:43			Tackling Climate Change	
R056	Risk	Finance	Project/Work stream	12/10/21	Business does not pay bills owed for the electricity	Lost revenue, legal costs and time		Low	Low	Green	Carry out a financial analysis of the business prior to agreeing the PPA with the business. Implement standard debt recovery in case of arrears.	Low	Low	Green	Sam Phyll	Project Manager		sam.phyll@hastings.gov.uk	12/10/21 12:37			Tackling Climate Change	
R057	Risk	Organisation		12/10/21	Building with system installed on is disposed of as part of the estates strategic review.	closure of the PPA for that building	loss of future earnings	Low	Medium	Green	engage with estates when in discussion about buildings we own, consider an uplift in resale price due to solar panels to recover lost potential income	Low	Low	Green	Sam Phyll	Project Manager		sam.phyll@hastings.gov.uk	12/10/21 12:43			Tackling Climate Change	
R058	Risk	Project	Work stream	12/10/21	DNO connection not approved	system will need modifying to fit DNO criteria (eg port limitation for example) or not installed		Low	Medium	Green	DNO application carried out prior to going to tender for the installation, and agreements with installers and businesses not finalised before DNO confirmation received.	Low	Low	Green	Sam Phyll	Project Manager		sam.phyll@hastings.gov.uk	12/10/21 12:46			Tackling Climate Change	

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Agenda Item 10



Report To: Cabinet

Date of Meeting: 1st November 2021

Report Title: Contain Outbreak Management Fund - remaining allocation proposals

Report By: Jane Hartnell, Managing Director

Key Decision: N

Classification: Open

Purpose of Report

To set out proposals for allocation of the remainder of Contain Outbreak Management Fund (COMF)

Recommendation(s)

1. That delegated authority is granted to the Managing Director or relevant nominee, in consultation with the Leader to:
 - allocate the remainder of the COMF fund (£90 351.45) in line with the scheme criteria
 - ensure further scoping and feasibility of the headline proposals and indicative budget allocations outlined in this report where appropriate
 - decide on the final proposals and associated budgets to be progressed

Reasons for Recommendations

1. To set out intended direction of travel in terms of the remainder of the COMF.

Introduction

1. Cabinet approved schemes to support response to and recovery from the pandemic as part of their [June](#) meeting, including Contain Outbreak Management Fund (COMF).
2. In terms of COMF, delegated authority was given to the Managing Director ‘to allocate £80,000 to the Environmental Health and Licensing Team to help reduce the spread of coronavirus and support public health initiatives, and £10,000 to the Parking Services Team towards enhancing communication via digital signage.’
3. This report sets out COMF fund background and criteria, and headline proposals for allocating the remainder of this funding so that remaining monies (£90, 351.45) are used to best effect in Hastings.
4. Associated risks, governance arrangements and options are also outlined, to assist with consideration of the recommendations proposed.

Background and COMF criteria

5. The COMF provides local authorities (LAs) with additional financial support as announced in the Government's Covid Response – Spring 2021.
6. Government COMF payments are based on the government's Covid-19 Relative Needs Formula (RNF) which gives a weighting to both population and deprivation levels, based on the Index of Multiple Deprivation. Therefore, funding has been targeted at areas with high infection and enduring transmission rates. In addition, the RNF allocates funding to both Upper Tier LAs (UTLAs) and Lower Tier LAs (LTLAs).
7. This split recognises that LTLAs hold responsibilities for activities critical to the management of the Covid pandemic including enforcement activities, which form a core component of the local response to the pandemic and the measures that COMF funding is intended to support.
8. The following headline proposals for remaining monies (£90, 351.45) cover the following COMF criteria areas: ‘testing, vaccine deployment, support for vulnerable groups and targeted interventions.’

Headline Proposals

9. The headline proposals below give oversight of the types of work the Council intends to do with the remainder of the COMF, in response to the criteria areas identified. Rough indicative budgets have been identified but need further refinement prior to progressing.
10. The recommendations in this report make clear the need for delegated authority to take final decisions on which headline proposals and allocations to take forward, subject to further scoping and feasibility work where appropriate.

Additional support to boost testing and vaccination

11. The Council's [recovery plan](#) recognises the disproportionate impact of the pandemic among individuals and communities with a protected characteristic as identified in our Public Sector Equality Duty, and how such impact is exacerbated by longstanding areas of deprivation within our town.

12. During the pandemic to date, the Council has a good track record of working with partners to locate and promote vaccination and testing sites, mindful of our deprivation challenges and our Public Sector Equality Duty.
13. It is proposed that **a proportion of this fund** be allocated to strengthen officer capacity to continue this work through the recruitment of a **support officer(s)**.
14. Given the time constraints associated with COMF funding, it is proposed to recruit internally where possible for the support role outlined, potentially increasing hours of our part time staff to contribute to the role.
15. The Customer Services, Communications and COVID Manager is in the process of drafting an associated job description, and it is envisaged that the support role will directly support this Manager in the first instance.
16. Complementing the support role, **additional marketing resources** are required to continue to promote awareness of testing and vaccine opportunities.
17. At present, there is some emerging work with partners identifying ways to boost take up in St Leonards, matching vaccination take up with housing and mental health information and providing more leaflets in different languages as required.
18. HBC colleagues will continue to work in partnership and as this work is firmed up, it may be appropriate to use COMF funds and the marketing budget proposed to enable strands of this developing work.

Support for vulnerable groups and targeted interventions

19. While the proposal for a support officer role above emphasises the Council's desire to support testing and vaccination across the breadth of our local communities, we are also keen to potentially use the role to assist with an internal equalities audit.
20. A key outcome from this audit would result in better intelligence from Council service areas to support the specific targeting of testing and vaccination messages to those in our community with protected characteristics e.g. BAME. It is proposed that this work will be further scoped and costed in due course, in line with health inequalities partnership working.
21. The Council is also keen to support initiatives in some of the town's most deprived areas as identified in the Indices of Multiple Deprivation in the form of targeted intervention.
22. The Council is currently considering proposed work with families disproportionately impacted by the pandemic in Hollington and North East Hastings.
23. This work will potentially commission partners to bridge the gap for these families in terms of positive networks and influences, including safety messages and the need for compliance with Covid safety measures.

Encouraging Vaccine take up -Young people focus

24. Given the gradual vaccination roll out across our local schools, levels of uncertainty, vaccine hesitancy and mistrust among some young people and associated misinformation in terms of anti-vaccination efforts, it is proposed that the Council allocate **part of the COMF fund for the development of a marketing** campaign made by **young people** for young people to boost vaccine take up.

25. Provisional approaches have been made to our Education partners at Hastings College to consider the production of short videos.
26. These would be used across appropriate social media channels to encourage vaccination take up among young people in the first instance and to counter misinformation.
27. There may be scope through this work to link with the Youth Council and take inspiration from a Hastings version of this: [Vaccination | Everything COVID](#)

Additional Signage and CO2 monitors

28. Building on the electric signage to shortly be installed at the Pier is proposed officers explore extending this to enable **electric signage** at Rock a Nore.
29. This digital signage will extend the council's messaging capability at a key area of the town that visitors and residents of the town frequent.
30. In line with the [funding guidance](#) proposed signage will 'enhance communications and marketing' and serve as an 'additional resource' to convey 'compliance with, and enforcement of, restrictions and guidance.'
31. The council plans to purchase, at a cost of circa **£500**, three **Carbon Dioxide monitors** that will be used by our Environmental Health officers for the investigation and monitoring of crowded premises and in response to complaints from members of the public.
32. These will assist with identifying if ventilation is adequate and subsequent enforcement if necessary, in line with Government guidance on working safely.

Reducing risk of Covid contraction through homeless initiatives

33. It is proposed we also use a proportion of this funding to **encourage testing and vaccination** take up and to **reduce risk of covid contraction** among those engaging in homelessness support services.
34. These monies could be used to both fund overtime payments for a Housing Officer being on call at weekends for the Seaview walk in day centre (9am-1pm).
35. This officer would signpost testing and vaccination provision as part of providing additional Housing advice, support and guidance.
36. The monies could also be used to incentivise move on from emergency accommodation and thereby reducing the risk of Covid contraction at emergency accommodation sites where there are varying degrees of transience and turnover.
37. In particular, a furniture voucher to help homeless households leaving emergency accommodation is proposed – potentially in the region of approx. £500 per household to be used at Hastings Furniture Service.

Risks

38. There are also headline risks related to the above proposals put forward that require ongoing consideration:

39. Subsequent waves of the pandemic and flu resurgence could have a further detrimental impact on staff/partner capacity to deliver proposals as set out on top of existing commitments.
40. There may be difficulties in terms of recruiting or filling proposed council officer roles set out in the above proposals or freeing up staff to deliver where a new role or post is not identified.
41. The headline proposals and indicative budgets outlined are greater than the allocation that remains, therefore further prioritising will be required.
42. The feasibility of headline proposals introduced maybe challenged and or need to be altered as the details of each prospective proposals are further worked up, in line with the Council's project management approach, approvals process and corporate standard.
43. Mitigation and monitoring of these headline risks will require robust governance and project management - associated capacity in this regard is already stretched.

Governance

44. The Covid Taskforce group made up of council officers and the leader and deputy leader will continue to monitor delivery and track spend of the COMF funding.
45. Delegated authority should ensure that associated project management documentation will be completed, and project roles assigned to firm up direction of travel for the associated proposals and indicative budgets introduced in this report.
46. This will assist the Covid Taskforce monitor COMF delivery and spend through until March 2022.
47. These roles will need to include overall project management and work package leads for the respective proposals approved.
48. It will be important to capture the management costs both in terms of financial returns and monitoring delivery of headline proposals.
49. At present these costs are not included in this report and indicative figures may need to be further adjusted to do so.

Options

50. The following headline options have also been identified to assist consideration of the recommendations proposed at the outset of this report:
 - i. Return the circa 90k of COMF funding and only submit returns for work already underway as a consequence of decisions made by Cabinet in [June 21](#).
 - ii. Progress headline proposals as set out in this report, mindful of the headline risks and governance considerations introduced.
 - iii. Progress some rather than all of the headline proposals outlined potentially in combination with alternative ideas.

Recommendation

51. It is recommended that option (ii) is progressed, to ensure that monies made available are used to maximise opportunities to improve vaccination and testing take up, and supporting those disproportionately impacted by the pandemic, enabling the town respond to and recover from the pandemic.
52. It will also be necessary to identify the capacity and resource to project manage and further scope headline proposals and or close and finalise returns to Government accordingly.
53. Further appropriate scoping and feasibility will be required to firm up proposals and indicative budgets and crucially, delegated authority to the Managing Director is required to agree final proposals and associated budget allocations in consultation with the Leader.

Timetable of Next Steps

54. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Report to Cabinet and recommendations approved and next steps agreed (Decisions recorded in the minutes.	1st November 2021	Cabinet
Project management arrangements implemented to deliver agreed spend.	Roles assigned and project documentation completed and reviewed, spend and returns completed by March 2022. Benefits realised.	TBD	Managing Director

Wards Affected

(All Wards);

Policy Implications

Reading Ease Score: TBD.

Have you used relevant project tools?: Y/Not yet – but identified intentions to do so further to approval of Headline proposals.

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness Y/N

Crime and Fear of Crime (Section 17)	Y/N
Risk Management	Y/N
Environmental Issues & Climate Change	Y/N
Economic/Financial Implications	Y/N
Human Rights Act	Y/N
Organisational Consequences	Y/N
Local People's Views	Y/N
Anti-Poverty	Y/N
Legal	Y/N

Additional Information

<https://hastings.moderngov.co.uk/documents/b15385/Updated%20Report-%20Welcome%20Back%20Funding%20Contain%20Outbreak%20Management%20Funding%20COMF%20and%20Culture%20Recover.pdf?T=9>

<https://www.gov.uk/government/publications/contain-outbreak-management-fund-2020-to-2021/contain-outbreak-management-fund-guidance-financial-year-2020-to-2021>

Officer to Contact

Officer Mark Horan

Email mhoran@hastings.gov.uk

Tel 01424 451485

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Agenda Item 11



Report to: Cabinet

Date of Meeting: Monday, 1 November 2021

Report Title: 500 Affordable Homes Programme

Report By: Andrew Palmer, Assistant Director Housing & Built Environment

Purpose of Report

The council is committed to significantly improving the supply of affordable housing in the town to meet unprecedented level of demand. The report outlines key opportunities to deliver a programme which combines direct delivery of affordable housing by the council, or its housing company, alongside enhanced partnership work with Registered Providers (RPs).

The report recommends the adoption of a target to deliver at least 500 Affordable Rented Homes over the next 5 years through the approaches outlined. Once agreed, the programme will form a work package within the council's new Housing Strategy and Corporate Plan.

Recommendation(s)

- 1. That the council sets a target for the delivery of 500 homes for affordable rent (capped at Local Housing Allowance rate) over the five-year period 2022/3 – 2026/7**
- 2. That the two main Registered Provider Partners working locally are asked to commit their support to the programme**
- 3. That the council undertakes a review of its own land holdings with a view to supporting this programme**
- 4. That the Affordable Homes Programme Pipeline (Appendix A) is kept updated to track progress against our target**

Reasons for Recommendations

The supply and delivery of new affordable housing locally is failing to keep pace with rising demand. This has been shown by the growing number of people on the waiting list for social housing, as well as the increasing demand for the council's homelessness services. The pandemic has exacerbated this problem, and the number of households living in temporary housing has continued to rise. This has a significant impact on the council's resources and negatively effects the quality of life of residents.

A lack of affordable housing also undermines the ongoing regeneration of the town, including employment growth and education, as well as the health and general wellbeing of residents.

Background

1. Access to affordable housing in Hastings has significantly worsened in recent years. The supply of new housing continues to fall well short of the overall demand and consequently many local households find themselves increasingly disadvantaged within the local housing market. This is a particular problem, but by no means limited to, those areas where regeneration has attracted outside buyers to the town.
2. Hastings has a large private rented sector, at around 38% of total housing stock. This sector is increasingly unaffordable and inaccessible to low / medium income households. Average rents in the private sector have increased over the past 3 years and are now often 40% above local housing allowance.
3. There is a limited supply of social housing stock in the town, which is owned by Registered Providers (RPs). There are currently 1,413 households on the waiting list for rented social housing, which is 2846 people. The number of properties let over the past year was 217.
4. The number of homeless households living in emergency accommodation has increased to 309. The average length of time people spend living in emergency accommodation is now 210.1 days. This trend also impacts access to employment, training, health services and education for the individuals and families affected. A lack of affordable housing also impacts the council's ongoing work to end rough sleeping in the town.
5. Consequently, the council's spend on temporary accommodation has increased considerably over recent years. The council is projected to spend over £2,000,000 on emergency accommodation in 2021/22. The average cost of a 2-bed need placement in emergency accommodation is £9,000. The council could therefore achieve indicative revenue savings of £16,000 per unit each year on its emergency accommodation spend.
6. The longer-term impact of the pandemic on employment opportunities and working practices may well favour attractive coastal towns such as Hastings, where traditionally comparatively poor transport infrastructure has been a barrier to growth and prosperity. Recent data published by the Office for National Statistics evidences that house prices in Hastings are increasing faster than anywhere else in England. Whilst the overall impact may be favourable in terms of regeneration it is further increasing demand and competition for scarce resources such as housing.
7. The council positively welcomes the opportunity to secure higher levels of inward investment to the town. However, it is mindful that the benefits of regeneration need to be shared equitably if existing communities are not to be further disadvantaged

What is affordable housing?

8. The government defines affordable housing as:

- Homes for rent at below market values
 - Shared ownership and low-cost home ownership schemes
 - First Homes
9. We recognise that the most significant need in Hastings is for affordable rental products. The pipeline attached at appendix A sets out the development of 799 affordable houses using the government definition, of these we will facilitate the delivery of at least 500 homes for affordable rent capped at the Local Housing Allowance rate.

Strategic Fit

10. The need to increase the supply of affordable housing, is aligned with several council strategies, including:

- Corporate Plan and Programme for the Year – the council’s corporate plan includes a priority to tackle poverty, homelessness and ensuring quality housing. This includes an activity to maximise the delivery of new homes through the planning system, development of our limited land and property assets and partnerships with housing providers.
- Homelessness and Rough Sleeping Strategy – includes a priority to minimise our use of emergency accommodation by improving access to housing solutions. This will be supported by a strategy to increase the supply of affordable housing in both the social and private rented sectors.
- Housing Strategy – the council’s housing strategy is due for review. The current target for affordable housing delivery was not met and the council is therefore considering direct delivery to help increase the supply of housing. The 500 Affordable Homes Programme will form a work package within the new strategy.
- Local Plan – the council’s draft local plan recognises the need for affordable housing across the borough and sets out policies to try to maximise delivery through the planning process.
- B&B Reduction Programme – the council has implemented several measures to minimise expenditure on emergency accommodation. However, the main conclusion drawn is that without a step change in the supply of affordable housing the problem and associated costs will inevitably continue to rise.
- Partnership working – the council will work with a range of partners including Registered Providers and other public sector landowners, including the county council to achieve the programme. East Sussex Housing Officers Group is in the process of forming a specialist group to increase the supply of affordable housing across the region.

Planning Delivery

11. Delivery of affordable homes in Hastings has relied almost exclusively on a market and Local Plan led approach with a small number of Housing Associations acquiring sites either in competition with private sector developers or through section 106 requirements as part of larger developments. The current policy for section 106 obligations varies depending upon site specifics, in general there is a requirement to provide 25% affordable housing on brownfield sites and 40% on greenfield sites. As Hastings is a largely urban area, few greenfield sites are available for development.
12. In practice, delivery of the policy has been problematic and largely unsatisfactory in terms of results. National planning guidance on negotiating section 106 agreements in recent years has not been wholly supportive and has tended to put overall housing delivery ahead of the need to provide affordable housing. A lack of prescription has made it all too easy for some developers to avoid their responsibilities on the grounds of site viability or to provide housing of a tenure not always suitable for those in the greatest need. This is not to suggest that viability is not ever an issue in Hastings. It is recognised that values are still comparatively low compared with some other areas of the South East and some sites do carry abnormal costs.

Delivery Models

13. It is proposed that the council seeks firm commitments from the two main RPs working locally to deliver the greater portion of 500 homes target. Ideally up to 300 homes over a 5-year period. The remaining homes might be met directly by the council through a commitment to deliver a minimum of 200 homes over the same period.
14. In respect of the council-owned land holdings there are several options for maximising affordable housing and ensuring delivery.

Direct Delivery

15. The council has recently re-activated its Registered Provider status and successfully applied to become a Homes England Investment Partner, this opens additional opportunities for the council to provide affordable housing directly.
16. Existing sites within the council's ownership, including the Lower Tier Site and Harrow Lane have already been identified for affordable housing. However, these sites alone will not be sufficient to meet demand.
17. It is recommended that the council review its landholdings to identify further sites which it could develop for affordable housing.

Land disposal to Registered Providers

18. This would assist the main RPs making good their commitment to deliver a target figure and would involve the council restricting the marketing of land for sale to RPs to develop out schemes that incorporate affordable housing. It should be noted that the council can dispose of land under the Social Housing Act 2010 (as

amended) to Registered Providers at less than market value for the development of housing, other than housing for outright sale.

19. In some cases, the development of an all-affordable housing scheme would reduce the likely land receipt available to the council (although the evidence at Harrow Lane suggests this may not always be the case). However, there is a General Disposal Consent 2003 which permits the council to dispose of land at below market values so long as it does not exceed £2 million and providing a wellbeing criterion is met. This approach would need to be considered as part of the council's review of its land holdings.
20. The benefits of this approach are that this would be quick and relatively simple to deliver and require limited council officer resource to implement whilst limiting financial risk to the council.

Direct Acquisition of Affordable Homes

21. As previously stated, the council is a Registered Provider of affordable housing with Homes England. At present it has directly acquired 4 homes but can acquire up to 200 homes without seeking Secretary of State approval to reopen a Housing Revenue Account.
22. Should the council wish to exceed the 200 limit then it would have to seek ministerial approval to reopen a Housing Revenue Account (HRA) and account for expenditure separately from other General Fund activity. We are assured that although ministerial approval is required it would only be a formality. There are pros and cons associated with the reopening a HRA and further specialist legal and financial advice will need to be sought before proceeding with this option.
23. This option would be particularly beneficial in instances where a developer has been unable to find a Registered Provider to purchase the affordable housing secured via a Section 106 agreement. In these circumstances the council may receive a commuted sum instead of onsite affordable housing however the value is significantly less than required to replace the lost affordable housing.

Wholly Owned Housing Company

24. The council can develop or acquire housing through the establishment of a not-for-profit arm of its existing 100% owned Housing Company or establish a new council company specifically for the purpose of providing affordable housing.
25. There are pros and cons associated with delivery through a housing company or by the council and again more detailed legal and financial advice will need to be sought before proceeding. Some of this is already being explored a part of the Joint Venture discussions covering the Bulverhythe Lower Tier Development.
26. A full appraisal on a site-by-site basis would need to be undertaken and brought forward before firm funding decisions were made by the council. It is quite likely that a mix of the above options may be employed in different scenarios on different sites.
27. The council already has a wholly owned housing company. The company directors are the Assistant Director for Housing and Built Environment, the Chief

Accountant and the Commercial and Technical Accountant. It is not anticipated that the council's existing company will be used to deliver the programme in its present form but it remains an option.

Governance and sign off

28. It is recommended that the council adopts a 2-stage sign-off process for prospective direct developments by the council.

Stage 1

29. Initial modelling of potential sites is reported to Cabinet. Cabinet approves sites for further due diligence work and removes them from the capital programme while this is completed.

Stage 2

30. Further due diligence is completed. This will include procurement of an employer's agent, architect, legal and survey work. A revenue budget will be required to carry out these appraisals. The outcome of this due diligence is reported back to Cabinet before final approval for a development to proceed.

Financial Implications

31. The council is using an in-house tool, PodPlan, to provide an initial assessment of the viability of developing sites. PodPlan is widely used across social and private developers.

32. Following this initial assessment, the council will be required to provide revenue funding to carry out further due diligence and develop a business case to progress the sites. This business case will then be reported back to Cabinet for decision. It should be noted that the revenue costs the council incurs can be capitalised if the development proceeds.

33. The council will also be required to amend its capital programme to provide funding for the development. In addition to investment by the council, we will also identify grant funding opportunities including Homes England funding streams.

34. Such an approach will need to be considered alongside other capital funding and borrowing commitments and form part of a revised capital allocation programme to be agreed by Cabinet and Full Council.

Timetable of Next Steps

35. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible

Council to review existing landholdings and identify sites which may be suitable for direct development	Report back to Cabinet	December 2021	Assistant Director, Housing and Built Environment / Housing Development Manager
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Wards Affected

Insert the list of wards affected

Implications

Relevant project tools applied? Yes

Have you checked this report for plain English and readability? Yes – 25.4

Climate change implications considered. Yes

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness Y
 Crime and Fear of Crime (Section 17) N
 Risk Management Y
 Environmental Issues Y
 Economic/Financial Implications Y
 Human Rights Act N
 Organisational Consequences Y
 Local People's Views N
 Anti-Poverty Y

Additional Information

Appendix A – 500 Affordable Homes Pipeline

Officer to Contact

Officer Name Michael Courts
 Officer Email Address mcourts@hastings.gov.uk
 Officer Telephone Number 01424 451315

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500 AFFORDABLE HOMES PROGRAMME 2022/23-2026/27

As of October 2021

SITE	TOTAL UNITS PROPOSED (DEVELOPER)	AFFORDABLE HOUSING POLICY REQUIREMENT	PROJECTED AFFORDABLE HOUSING UNITS	REGISTERED PROVIDER & METHOD OF DELIVERY	22/23	23/24	24/25	25/26	26/27
Holmhurst St Mary	208	84	84	Foreman Homes – Awaiting confirmation of RP partner					
Harrow Lane	140	56	140	Ilke Homes – Awaiting confirmation of RP partner					
Ashdown House	151	37	Affordable housing being challenged on viability grounds	Danescroft – RP not identified					
Land adjacent 777 The Ridge	67	26	26	Park Lane – RP not identified					
Lower Tier Bexhill Road	192	77	Potential for all affordable scheme: 192	Council partnership Development					

Mayfield E	38	15	Potential for all affordable scheme: 38	Potential Council Development					
Next Steps Accommodation Programme	4	0	4	HBC Purchases					
Rough Sleeper Accommodation Programme	10	0	10	HBC Purchases					
Temporary Accommodation	26	0	26	HBC Purchases					
York Buildings	6	0	6	Council Development Potential affordable scheme – direct delivery by council					
Towns Fund Project	15	0	15	Council Development					
Land to the rear of 419-447 Bexhill Road	16	7	Potential for all affordable scheme: 16	Potential Council Development					
Former Stills Factory, Fellows Road (Baird Place)	101	25	46	Gemselect/Orbit					
Former Mount Pleasant Hospital (Phase 1 and 2)	40	10	10	Gemselect/Orbit					
Former Mount Pleasant	16	4	4	Gemselect/Orbit					

Hospital (Phase 3)									
Former Broomgrove Power Station	72	18	18	Gemselect – RP not confirmed					
West Marina	152	38	38	RP not identified					
Western Road	47	0 (formally identified as student accommodation)	47	YMCA New Build					
Bishops Avenue	10	0	10	Potential HBC Purchase					
Former St Leonards Academy (Darwell Close)	210	52	52	RP not identified					
Former Westerleigh School	70	17	17	RP not identified					
Totals	1,591	466	799						

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Agenda Item 12



Report to: Cabinet

Date of Meeting: 1st November 2021

Report Title: Commission of Housing Stock Condition Survey and Report

Report By: Andrew Palmer – Assistant Director of Housing and Built Environment

Purpose of Report

1. To inform Cabinet about the need to commission a new housing stock condition survey. The survey will inform and support the Councils future strategic planning activity related to housing. This survey is necessary to support the fulfilment of our duty under section 3 of the Housing Act 2004. It will inform the Councils future Housing Strategy as well as other strategies on homeless, climate change and empty homes. The survey will inform future approaches to compliance and inspection under Part 1 of the Housing Act 2004, as well as other compliance mechanisms such as Additional HMO (houses of multiple occupation) licensing and Selective licensing. It will also assist in any reviews of our Financial Assistance and Housing Enforcement Policies

Recommendation(s)

That the Council agree to proceed with the commissioning of a stock condition assessment in line with the budget proposed of £46,000

Background

2. Under s3 of the Housing Act 2004 a local housing authority has a duty to keep the housing conditions in their area under review with a view to identifying any action that may need to be taken by them under the provisions of the act.
3. These provisions include matters relating to housing conditions which encompasses housing health and safety rating system inspections (HHSRS) and associated appropriate enforcement action. It also includes provisions for the licensing of houses in multiple occupation (HMO), selective licensing of other residential accommodation and management orders on properties.
4. The method used by local housing authorities to undertake this review and the one which is the recognised course of action, is the commissioning of a housing stock condition survey and report.

Rationale for Commissioning a Housing Stock Condition Survey

5. A housing stock condition survey and report is required to support and inform the Councils strategic planning activity for the future. This includes its, Housing Strategy, Homeless Strategy, Climate Change Strategy and Empty Homes Strategy. It will also influence a review of other policies such as the Financial Assistance Policy and Housing Enforcement Policy.
6. It does this by providing both qualitative and quantitative data and analysis of the housing stock, in line with considerations of other influencing factors and stressors. Key themes would include updated data on changes in tenure, condition of properties including the presence of category 1 hazards, household characteristics, availability, and adaptability of properties for mobility impaired tenants etc.
7. The information provided by the housing stock condition survey will inform inspection priorities. This has become even more important with a reduction in resources. It is vital officer resource is directed on the properties, and in the areas considered to be in the poorest condition and present the greatest risk to health and safety of occupiers. The survey will involve both a desk top study and a proportion of door to door inspections. A communications plan will be developed and agreed.
8. The report also provides an evidence base to allow the council to make an informed decision as to whether it should consider the introduction / continuation of licensing schemes such as Additional HMO Licensing and Selective Licensing in the area. This evidence base must be clearly demonstrated in the application process of any future housing licensing scheme.

Potential Consequences of not Commissioning a Housing Stock Condition Survey

9. As mentioned above it is a duty under s3 of the housing Act 2004 for a local authority to keep its housing stock under review. The purpose of this is to identify the actions that may need to be taken by the Council under the provisions of the act. In order to do this an up-to-date stock condition survey is an effective way to review the current status of the housing stock and identify changes that have occurred since the last survey and any improvements, current stressors that are affecting the area.
10. The findings and data produced will support and inform the planning and development of future housing strategies and also other linked strategies that are affected by it, climate change, planning etc. Well drafted strategies underpinned by current evidence and data allow the Council to ensure their housing resource is directed in the most appropriate way and on the issues most in need of addressing. This provides a rationale for the prioritisation of both reactive and proactive inspection programs and our future approach to dealing with non-compliance with housing related legislation.

11. The previous stock condition data is from 2016 and can no longer be fully relied upon to demonstrate the current condition of the local housing stock. Whilst the Council supplemented the 2016 data with live data collected from actual inspections undertaken as part of the previous selective licensing scheme, this was not considered sufficient by the Minister to support a further selective licensing scheme.
12. If the council wish to consider making a new application for a selective licensing scheme in the future, it will need to demonstrate it has addressed the feedback given by the Minister and the reasons it was not approved. An up-to-date housing stock condition survey is a key component of this. The report provides an overview and analysis of the area and the properties on a scale which simply cannot be achieved by using our own M3 data base and visit data. The report can be used to inform whether any future proposals to implement further selective licensing schemes would assist in improving housing condition in the area and should be considered alongside other compliance mechanisms available under Part 1 of the Housing Act 2004.
13. The current Additional HMO Licencing Scheme is due to end in May 2023. If the council wishes to consider implementing a new scheme after this date, the same principles will apply in terms of demonstrating a sufficient evidence base for it. Some of this will be based on the findings and outcomes of the current scheme, but again a holistic view of the housing stock and other influencing factors in the area will also need to be considered.
14. There are also time constraint impacts on obtaining a new housing stock condition survey. It would need to be completed before a decision is made on proposing a new scheme. Any intention for a new Additional HMO Licensing Scheme to directly follow the current scheme will need to be planned many months in advance to comply with consultation requirements. As with the selective licensing scheme, any decision not to implement a new Additional HMO Licensing Scheme will have further consequences not only on compliance mechanisms available but also in the protection that is afforded to tenants living in the area and landlords who are operating in the area.

Financial Implications

15. The survey report will be commissioned in line with the Councils procurement procedures and is estimated to cost in the region of £46,000 although some contingency will need to be factored in for price rises.
16. Following the Corporate Oversight Meeting on 5 October 2021 and subsequent discussion with finance colleagues it was agreed by the Assistant Director Financial Services & Revenues the survey can be funded through a transfer on savings across other housing cost centres in order to commission this important piece of work.

Timetable of Next Steps

1. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Commission Housing Stock Survey via the Procurement Hub	30 th November 2021	May/June 2022	Sandra Thornton

Wards Affected

All

Implications

Relevant project tools applied? Yes/**No**

Have you checked this report for plain English and readability? **Yes/No**

Climate change implications considered? **Yes/No**

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness - No

Crime and Fear of Crime (Section 17) - No

Risk Management - No

Environmental Issues - No

Economic/Financial Implications - Yes

Human Rights Act - No

Organisational Consequences - No

Local People's Views - No

Anti-Poverty - No

Additional Information

Officer to Contact

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