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Present: Councillors Patmore (Chair), Sinden (Vice-Chair), Carr, Cooke, Foster, Hay, Hilton and Roberts

Officers: Jane Hartnell (Chief Executive), Coral Harding (Continuous Improvement and Democratic Services Officer), Pranesh Datta (Economic Development Manager), Ruth Kynoch (Town Fund Project and Finance Officer)

Members of Cabinet Present: Councillors Batsford and Evans

1. <u>APOLOGIES FOR ABSENCE</u>

Apologies received from Councillors Bacon and Turner

2. DECLARATIONS OF INTEREST

Councillor	Item	Interest
Cllr Carr	4	Personal – Member of Steering group for Eagle House
Cllr Hilton	4	Personal – Member of Garden Town Team

3. MINUTES OF THE PREVIOUS OVERVIEW AND SCRUTINY COMMITTEE

Councillor Hilton asked regarding an update on the loan to the Hastings Housing Company. The Chief Executive answered there is no update available at this time.

Councillor Hilton asked when will the Head of Housing's report be available. The Chief Executive answered the report is being prepared and will be shared soon.

<u>RESOLVED –</u> that the minutes of the meeting held on 19^{th} September 2023 be approved as a true record.

4. HASTINGS TOWN DEAL PROGRAMME UPDATE

The Chair explained that this meeting is a pre scrutiny of decisions going to cabinet. This meeting gives Overview and Scrutiny a chance to review the report and to ask questions and make some recommendations. The Committee asked questions.

Given the issues around Owens including it appears, no final sign off of the building for safety and local builders being left with significant debts as well as the sudden closing of the business resulting in many people losing their jobs,

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what auditing processes are in place to ensure work is completed satisfactorily before payment is made from the Town Deal funds.

The Economic Development Manager explained that Owens plan to rebrand and reopen in 2024. The building safety is dealt with by building control and the Fire Brigade. For all future projects it is being reviewed to request relevant building and safety certificates before making the last stage payments. These will have to be accepted on face value as the responsibility for satisfactory building works is that of the owners of the building or the operators / users.

Councillor Sinden asked if surveys were completed prior to work starting. The Town Fund Project and Finance Officer answered that building regs are in in place for the separation of the two buildings for the two projects, the building was structurally sound, and the owners conducted a full structural survey prior to buying the site.

Councillor Patmore asked how have Owens received towns deal money when they owe payments to local contractors. The Economic Development Manager explained it is disappointing that Owens hasn't paid their contractors and that disputes within projects will in future will need to be highlighted as risks by the project leads. Councillor Patmore asked who signed off the business cases? The Economic Development Manager answered the project leads produce business cases which is the presented to the Town Board investment panel for full consideration. There is also an independent consultancy assessment of the business which the panel also takes into consideration. Business cases may also be called in by DLUHC when they are approving the 'summary documents' for the project submitted. Councillor Hilton suggested having experts in their field to review the business cases. The Economic Development Manager explained this will be considered for future projects.

Priory Meadow – Job Centre Plus was in the building for a very short time, this again indicates a failure in the business case. What reasons were given firstly for moving into the building and then very quickly moving out?

The Economic Development Manager explained the New Look building project was for both changing the ground floor and the first floor where the Gym group located. The DWP had funding to open an extra Job Centre Plus as a response to the 'covid crises. It was expected to be open longer but they vacated early. The floor is let to Instant Offices who are working with New River REIT to find a new tenant. Rent is still being paid for the ground floor but currently there is no footfall or job data available. The impact of the Gym Group facility is generally considered a success.

Regarding Hastings Castle. Very concerned to learn more about the models of operation being considered for this as there are dangers in giving away too much control of what is delivered here. We would be keen to see this come to O and S for discussion before final decision made. Surely there is a high risk of this project not being delivered by 2026 given we don't even have an operator/designer for the project? How viable is the Hastings Castle project?

The Economic Development Manager answered the plan for Hastings Castle was always in two phases. The first phase is focused on the café and surroundings and the second phase works to the castle and access across ladies parlour. The second

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phase is dependent on additional funding. The investment from Hastings Borough Council is under review and alternative delivery options will be considered due to the council's current financial position. Getting possession of the café has delayed the project as well as departure of key members of staff.

Councillor Carr asked if there is planning permission for a two-level café and interpretation centre. The Economic Development Manager answered the project is not developed to that degree except in concept, but we are open to suggestions. Other funding sources are also being reviewed. Councillor Batsford explained that good signage to the Castle and the Café are the parts of the project which have the least risk. The Economic Development Manager explained once a development and operating partner is found then a separate report would be bought to Cabinet to take the project forward. Councillor Hilton requested to have pre scrutiny review of that report highlighted that local business have felt excluded from the process. Councillor Carr requested the progression of the Castle project to be available to monitor.

Councillor Patmore asked how flexible the membership of the Town Deal Board is? The Economic Development Manager explained the board is always open to discussion. If a request to join the board comes forward it is passed to the Town Deal Board chairs for consideration but the balance and number of members on the board needs to be taken into consideration.

Regarding the Green Construction, Energy and Vehicle Training Centre. Do we have information on the curriculum for this new centre yet? Green construction could also include learning skills to work with natural building materials which are also relevant to maintaining the fabric of the many historic buildings in the town. There is a huge shortage of builders with skills to understand the repair, retrofit and maintenance of historic buildings.

The Economic Development Manager answered that the courses cover sustainability, retrofit and natural environment and a list of courses will be sent to the committee. Councillor Hilton highlighted the opportunity to promote natural building materials.

Regarding Town centre living project. What will happen to this building now which we know is in desperate need of repair? The housing taskforce visited Eastbourne last week and saw how the in-house team had tackled converting a similarly derelict historic building into TA. Are any efforts being made to engage the inhouse team from Eastbourne/Lewes to bring their skill set to bear on this building?

The Economic Development Manager answered that there is still the ambition to have affordable homes in the town centre and meetings / invitations and discussions will be had with social providers to take this £1m investment opportunity forward. Councillor Carr asked if the homes will be for private rent or people on the housing list? The Economic Development Manager answered the homes will be primarily for those on the councils waiting list to address the town's housing issues.

I £80k allocated as spend for Priory St Car Park /ESK. What was this spent on?

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The Economic Development Manager answered there were plans for an in-town leisure centre. This money was used to review these plans. The plans were not viable. Councillor Hilton requested this report. The Economic Development Manager answered the website is being updated and will include this report.

Has any calculation been undertaken as to what increase in income to the council there is likely to be from the increase in council tax and business rates on all the proposed Town Deal projects?

The Economic Development Manager answered that this has not been completed and will be explored.

Only 12 out of 29 units let at Churchfield Business Centre so far. This seems slow, are you confident that the remaining units will be let? What feedback have you had so far on reasons for both taking units on and not taking units on?

The Economic Development Manager answered that he is confident the Churchfield Business Centre units will be let. The units are let on easy in easy out basis for 'start ups' and a level of turnover is expected.

How are we monitoring employment targets? Are we assessing quality of jobs created?

The Town Fund Project and Finance Officer answered that employment is monitored on a six-month basis. The quality of jobs is not tracked.

Public Realm and green connections project – The timeline is unbelievably ambitious for such a large scale scheme especially since we have lost a year to procurement processes. Will this work be completed?

The Economic Development Manager answered the team will be starting their work soon. Every project has a risk and ESCC are still confident the project can be completed. Councillor Sinden asked if all the projects will be complete by March 2026. The Economic Development Manager answered that some projects have already been completed but accepts some projects will find it a challenge to complete and be off site by March 2026. The situation will be assessed with the Board and DLUHC as appropriate.

Councillor Carr asked regarding The Tourist information centre relocation not being in the report. The Economic Development Manager answered that was a precursor to Town Deal and was not covered in this report.

Councillor Cooke asked how many full-time jobs have been created. The Town Fund Project and Finance Officer explained this information can be collated and will be passed to the committee.

Councillor Foster asked if the flooding at the start of the year has impacted the projects. The Economic Development Manager answered that flooding has been recognised as a risk and meetings have been had with Southern Water. Councillor Evans expressed concern that a full report from East Sussex County Council

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regarding the flooding in the town centre has still not been completed due to a lack of information from Southern Water.

How will Councillors be more engaged to comment and input in the important projects for the town.

The Economic Development Manager answered that the business cases phase has been completed and the project leads should be moving to consultation and engagement. A quarterly update report is provided to the Board and will be shared and placed on our website. Councillor Batsford explained the process of the Town Deal was created to have a public view and a Town Deal board.

The Chair asked Overview and Scrutiny members to pass on any recommendations or changes to the report by the end of the week.

(The Chair declared the meeting closed at. 8.00 pm)