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CABINET

8 JULY 2019

Present: Councillors Chowney (Chair), Forward (Vice-Chair), Batsford, S Beaney, Evans, Rogers, Lee and Patmore.

179. APOLOGIES FOR ABSENCE

Apologies received for Councillor Fitzgerald.

180. DECLARATION OF INTERESTS

None.

181. MINUTES OF LAST MEETING ON 7 MAY 2019

RESOLVED - that the minutes of the Cabinet meeting held on 7th May 2019 be approved as a true record.

RESOLVED - under rule 13.3 of the council's constitution, the recommendations set out in minute numbers 182 and 190 were agreed without being called for discussion.

182. CONSTITUTION CHANGE JULY 2019

The Chief Legal Officer submitted a report to amend the Council's Constitution.

The amendments that the Chief Legal Officer suggested are as a result of a conflict of interest by members of the Standards Committee in considering a standards complaint necessitating changes to Part 2 of the Constitution.

Members of Working Arrangement Group were consulted and are supportive of the change.

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

RESOLVED:

To recommend that the amendment to the Council's Constitution be adopted by Full Council.

Reasons for the decision:

The Council's Constitution is the basis for the Council's Corporate Governance.

183. SEX ESTABLISHMENTS POLICY REVIEW

The Assistant Director, Environment and Place, submitted a report to provide Cabinet with feedback from a consultation on proposed changes to the council's sex

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establishments policy, and seek Cabinet approval to recommend that Full Council adopts the updated policy.

The Licensing Manager presented the report to the Cabinet.

There is no statutory requirement for the Council to have a specific policy on sex establishments. However, following a relatively high profile application for a sexual entertainment venue 6 years ago, Councillors indicated that adoption of a clear policy would help make the application process more transparent to all concerned, including applicants and objectors.

The existing policy was developed in 2015 and has been reviewed and updated by the Licensing Manager. The policy has stood the test of time and has not been challenged. However, it required updating to reflect the changes to the borough over the past 4 years and take account of the latest legal advice.

The main change from the existing policy has been to propose reducing the numbers of such establishments deemed to be appropriate for the borough down from the existing one sex shop and one sexual entertainment venue to just one sexual entertainment venue.

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

RESOLVED (unanimously):

That Cabinet endorse the draft policy attached at appendix 1, and recommend that it is adopted by Full Council.

Reasons for the decision:

From time to time the council's sex establishments' policy should be reviewed and updated. The existing policy was adopted in July 2015 and is now due for a review.

184. LOWER TIER RESIDENTIAL DEVELOPMENT

The Assistant Director, Housing & Built Environment presented a report to advise members of progress being made in bringing forward the Lower Tier site at Bexhill Road for residential development; details of Homes England's Grant Funding Agreement; and to establish a budget to cover the Council's costs in advance of any grant monies due from Homes England.

The site is currently identified for 192 homes, of which 40% would be Affordable Housing. At this stage, the Affordable Housing has been identified as a mix of Shared Ownership and Affordable Rent, which is rent that is up to 80% of open market rental value.

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The Council will be solely responsible for taking forward the initial stages of the development until the site is fully remediated, planning is obtained and the land value has been maximised. The Council will then enter into a JV agreement with a Registered Provider (RP) for the housing development phase. This approach is in part due to the need to provide Homes England with the confidence that the Council, who has no recent track record of residential development, has the necessary expertise to take forward a site of the size and complexity presented by the Lower Tier.

The Council is receiving legal advice on how best to contract with a RP partner and is exploring options for entering into a contract following a Voluntary Transparency Notice (VEAT) being published.

The Assistant Director noted that any flood mitigation measures at the site could improve circumstances for existing residents as well as the proposed development.

Councillors discussed the report and asked questions of the Assistant Director.

Councillor Batsford proposed approval of the recommendations of the report, seconded by Councillor Forward.

RESOLVED (6 for, 2 against):

- 1. That the engagement of Harmony Homes for professional support and project co-ordination prior to planning permission being granted is agreed.**
- 2. That the engagement of Ambiental Technical Solutions for flood remediation modelling and works is agreed.**
- 3. That the use of the Bloom Procurement Framework to engage professional services including architectural services up to the granting of planning permission is agreed.**
- 4. That the Council agree expenditure of up to £6.9million capital (this expenditure to be funded by Homes England) and £90,000 revenue (interest) to fund development costs associated with the delivery of the Lower Tier residential development.**
- 5. That a further report be produced for Cabinet and Council agreeing a revised Capital Programme for 2019/20 and beyond. This to include the potential development funding for the Lower Tier site.**

Reasons for the decision:

The Council intends to develop circa 190 new homes on part of the former recreation ground at Bexhill Road. Extensive remediation work is required to bring the site up to a marketable value, and the scheme would not be viable without external funding.

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Through the Homes England Local Authority Accelerated Construction (LAAC) fund, the Council has secured up to £6.9m to bring the scheme forward. This funding must be drawn down by the end of March 2021.

The resulting homes will make a significant contribution to meeting local housing need across a range of tenures and will include for 40% affordable housing. In addition, an opportunity exists to purchase properties through the Council's Housing Company for private letting, creating an ongoing income stream for the Council.

The terms of the funding agreement with Homes England require that claims against the grant funding up to the value of £6.9m are paid quarterly in arrears. Therefore, it will be necessary that payments are made in advance of receiving grant funding.

The funding of the development following the initial grant funding will need to be separately agreed as part of the Council's revised Capital Programme due to be considered in September 2019.

185. PROPOSED VARIATION OF THE ANTI SOCIAL BEHAVIOUR PUBLIC SPACES PROTECTION ORDER

The Assistant Director, Environment and Place presented a report to summarise consultation feedback on proposals to update the Anti-social Behaviour Public Spaces Protection Order (ASB PSPO); agree changes to the draft ASB PSPO; and seek approval for the Chief Legal Officer to update and extend the ASB PSPO in accordance with regulations published by the Secretary of State.

The current proposals for varying the ASB PSPO result from an analysis of complaints from residents, businesses and visitors to the town received since the existing ASB PSPO came into force. Plus feedback from council services and local stakeholders.

The proposed changes to the ASB PSPO and details of the consultation process were included in the Assistant Director's report.

Councillors debated the report and noted that the Council required more support from the police on issues such as street drinking. The Assistant Director informed the Cabinet that he and the Director of Operational Services will be meeting Chief Inspector Sarah Godley to discuss the issues raised.

In response to a question it was confirmed that PSPOs cannot be used to tackle rough sleeping or homelessness.

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

RESOLVED (unanimously):

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1) Cabinet authorise the Chief Legal Officer to vary the existing ASB PSPO by replacing it with the updated version at appendix 6, and to extend it by 3 years from 9th July 2019, in accordance with regulations published by the Secretary of State.

2) Cabinet authorise the Chief Legal Officer to correct any minor drafting errors that may be identified, and make minor amendments including deletions and insertions that may be necessary to ensure the ASB PSPO is accurate.

Reasons for the decision:

PSPOs are made under the Anti-social Behaviour, Crime and Policing Act 2014, and are valid for up to 3 years. The existing ASB PSPO came into force on 12th June 2017 enabling the council and the police to address serious anti-social behaviour in specified public places. PSPOs can be varied and extended, and changes to patterns of ASB in Hastings since summer 2017 have resulted in the need to review and update the council's ASB PSPO.

186. DEVELOPMENT OF INCOME GENERATION, REGENERATION AND ENERGY INITIATIVES

The Director, Operational Services presented a report to review progress in delivering income generation activity.

Cabinet agreed an initial programme for income generation at its meeting on the 4th July 2016. This followed an analysis of the council's financial position that identified a potential revenue funding gap of £3.5m.

The council adopted an income generation strategy in September 2017 and a commercial property investment strategy which committed the council to making available of the levels of investment for the period 2017/18 – 2020/21.

Details of the Council's investments, asset acquisitions and income were included in the Director's report.

Councillor Chowney proposed amending the wording of recommendation 7 to avoid misunderstanding. This was agreed.

Councillor Chowney proposed approval of the recommendations of the report, seconded by Councillor Batsford.

RESOLVED (unanimously):

1. That cabinet welcome the delivery of a range of actions that are anticipated to generate income or savings for the council circa £1.3m in a full financial year.

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2. That the council should continue to acquire suitable commercial properties if they meet our investment criteria when they should become available within the Hastings Travel to Work Area (TTWA).
3. That a revised and adjusted business plan for the Hastings Housing Company be presented to Cabinet before the council commits to a further programme of investment
4. That the council should consider continuing acquiring housing directly in order to reduce the costs and social impact of extended residence in B&B. The Assistant Director Housing and Built Environment be instructed to bring a separate report and business case to Cabinet if a future programme of acquisition is viable.
5. That the council continues to direct resources to explore energy generation within the borough or elsewhere both to earn income and as part of its commitment to address climate change.
6. That generating sustainable income should be a central theme underpinning the council's major projects and its service provision.
7. That the Capital Programme be reviewed and priorities within the Capital Programme be set in order to support the financing of further investment in commercial property, housing and energy within the council's overall means.

Reasons for the decision:

That despite challenges the council has achieved substantial income and savings with the potential for more in the future.

That it is clear that the council's climate, housing, energy and employment creation priorities should embrace the generation of an increased sustainable income for the council wherever this is possible. Future acquisitions and development should constitute part of our capital programme delivery work of major projects.

Government policy supports investment for regeneration and economic development rather than solely income generation.

The need to address both climate change and economic growth means treating these as being closely related.

187. FINAL ACCOUNTS 2018/19

The Assistant Director, Financial Services and Revenues, submitted a report setting out the draft final accounts position for 2018/19. The financial accounts are subject to change until the external auditors have completed their audit report.

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The report was presented by the Chief Accountant.

Total direct service expenditure amounted to £11,468,517 in 2018/19 compared to the revised budget estimate of £13,313,580, a variation of £1,845,063. This was offset by a variation in the budgeted use of reserves of £2,090,724. Overall there is an improvement in the General Fund revenue outturn position compared to the revised budget of £66,089 (a budgeted deficit of £747,194 compared to an expected outturn deficit of £681,105).

The Assistant Director thanked the accountants for their work.

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

RESOLVED (unanimously) that:

- 1. Cabinet review the revenue and capital outturn positions for 2018/19.**
- 2. That the 2018-19 outturn position, along with the revised estimates for 2019/20 be taken into account when preparing the 2020/21 budget.**
- 3. Cabinet review the achievement of Priority Income and Efficiency Review (PIER) savings for 2018/19.**

Reasons for the decision:

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

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

The 2016/17 Audit Completion Report from the council's external auditors (BDO at the time) recommended that management report on the achievement of PIER savings following their implementation.

The Council's external auditors (now Grant Thornton) commenced auditing the full accounts in early June. The audited Statement of Accounts will be considered by the Audit Committee on 30th July– along with details of the auditor's findings and any material amendments made to the accounts.

188. CORPORATE PLAN RETROSPECTIVE REPORT ON PERFORMANCE DURING 2018/19 AND PROPOSED PERFORMANCE INDICATOR TARGETS FOR 2019/20

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The Director, Corporate Services and Governance presented a report to advise Cabinet of the year-end performance for 2018/19 and proposed performance indicator targets for 2019/20.

The Council meeting on 11 February 2019 agreed the Corporate Plan for 2019/20 which sets out the council's strategic direction and outlines 7 key work programmes for 2019/20.

The Overview and Scrutiny committee considered the year-end performance for 2018/19 and proposed performance indicator targets for 2019/20 at their meeting on 13 June. Most indicators are proposed to retain the same targets for 2019/20.

The full report to the Overview and Scrutiny committee, and the minutes of their meeting are available [here](#).

Councillor Forward thanked officers and the Overview and Scrutiny Committee for their work.

Councillor Forward proposed approval of the recommendations of the report, seconded by Councillor Rogers.

RESOLVED (unanimously):

- 1. That the comments of the Overview and Scrutiny committee be considered.**
- 2. That the year-end performance for 2018/19 and proposed performance indicator targets for 2019/20 be approved.**
- 3. That Cabinet support intentions for performance arrangements during 2019/20.**

Reasons for the decision:

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

189. CENTRAL ST LEONARDS RENEWAL EXIT REVIEW

This item was deferred to the next cabinet meeting.

190. CABINET APPOINTMENTS TO COMMITTEES, WORKING GROUPS AND PARTNERSHIPS

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The Chief Legal Officer submitted a report to consider the nominations received and to make appointments to committees, working groups and partnerships etc. and to appoint the Chairs and Vice Chairs to the committees of Cabinet.

The schedules showing the nominations received were made available as an appendix to the Chief Legal Officer's report.

Members are appointed until the Borough elections in May 2020.

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

RESOLVED:

1. To appoint members to committees, working groups, partnerships and representative bodies as set out in Appendix A and B, and;

2. To appoint the Chairs and Vice Chairs of Charity Committee and Museums Committee, as listed in Appendix A

Reasons for the decision:

Members are required to serve on the committees, working groups, partnerships and representative bodies to which Cabinet appoints. Chairs and Vice Chairs are required for the committees that report to Cabinet.

191. ANNUAL TREASURY MANAGEMENT OUTTURN REPORT 2018/19

The Assistant Director, Financial Services and Revenues presented a report to provide the opportunity for the Cabinet and Council to scrutinise the Treasury Management activities and performance of the last financial year.

The cabinet welcomed the report and noted the importance of the Treasury Management Strategy.

Councillor Chowney proposed the recommendation be amended to make clear that cabinet is agreeing to keep the Treasury Management Strategy as is. This was agreed.

Councillor Chowney proposed approval of the recommendations of the report, seconded by Councillor Batsford.

RESOLVED (unanimously):

That cabinet agree the Treasury Management Strategy is not amended.

Reasons for the decision:

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To ensure that members are fully aware of the activities undertaken in the last financial year, that Codes of Practice have been complied with and that the Council's strategy has been effective in 2018-19.

Under the Code adopted the Full Council are required to consider the report and any recommendations made.

(The Chair declared the meeting closed at 8:42pm)