

# Public Document Pack

## CABINET

3 JULY 2023

Present: Councillors Barnett (Chair), Evans (Vice-Chair), Batsford, Cannan, Roark, Rogers, and Willis.

In attendance: Jane Hartnell (Chief Executive), Victoria Conheady (Deputy Chief Executive), Mary Kilner (Chief Legal Officer), Kit Wheeler (Chief Finance Officer), Amy Terry (Property and Commercial Assets Manager) and Simon Jones (Deputy Chief Finance Officer)

### 8. APOLOGIES FOR ABSENCE

None received.

The Leader of the Council announced that from August the Cabinet will introduce a 30 minute public question time. No notice will be required for questions, and answers will be provided in writing if they can't be answered at the meeting.

### 9. DECLARATION OF INTERESTS

None received.

### 10. MINUTES OF LAST MEETING

**RESOLVED** – that the minutes of the meeting held on 5<sup>th</sup> June 2023 be approved as a true record.

### 11. WHITE ROCK THEATRE OPTIONS

Due to high public interest the Leader of the Council called this item for discussion first.

The Deputy Chief Executive presented a report outlining the options explored by officers for the future of the White Rock Theatre. The existing lease and management contact with Trafalgar Theatres Ltd comes to an end on 31<sup>st</sup> January 2024. Options explored include a contract extension, a retender of contracts, sale, lease only and mothballing.

Following financial and legal advice, and the fact that the council does not wish the theatre to close, officers recommend marketing the theatre for lease.

Councillor Carr was present and asked what liabilities the council has for theatre staff and why was the report was not considered earlier?

Councillor Foster was present and asked if the lease could be extended for a longer period?

The Deputy Chief Executive responded that there is a clause in the contract which

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outlines a cap to the council's liability and that is budgeted for. The council was advised that it was not possible to market the lease six months before the end of the current contract.

There are limits to the length of management contracts can be awarded. The council is open to both short and longer term lease opportunities.

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

### **RESOLVED (unanimously):**

**1. Cabinet note the options analysis undertaken on the future of the White Rock Theatre from the end of January 2024.**

**2. Cabinet instruct the Property & Commercial Assets Manager, under existing delegated powers, and in consultation with the Deputy Chief Executive and the Lead Councillor for Health and Culture to:**

**a) market the theatre building for lease**

**b) instruct specialist leisure agents to conduct the marketing and due diligence process**

**c) agree terms for lease with a successful bidder to enable continuous use of the building for its intended use from 1st February 2024**

Reasons:

1. The council needs to make an urgent decision about the future use of the White Rock Theatre from the end of January 2024 when the current lease and management contract with Trafalgar ends.

2. Officers have conducted an options appraisal to identify the best legal and financially viable options open to the council for the future of the White Rock Theatre beyond January 2024.

## **12. TREASURY MANAGEMENT OUTTURN REPORT FOR 2022/23**

The Deputy Chief Finance Officer presented a report outlining the Treasury Management activities and performance of the last financial year.

The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities for 2022/23.

The council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR) and this figure was £71.1 million for 2022/23. This was less than budgeted due to the availability of capital receipts and therefore no further borrowing was undertaken in 2022/23.

No recommendations have been made to amend the Treasury Management Strategy.

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Councillor Foster asked what stubbornly high inflation means for the council's risk position?

The Chief Finance Officer responded that higher interest rates mean the council's investments will do better. The council will always look at the best time to borrow in consultation with external advisers. When interest rates start come down the council may look to more long-term external borrowing.

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

### **RESOLVED (unanimously):**

#### **Cabinet considers the report**

Reasons:

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 2022/23.

Under the Code adopted the Full Council are required to consider the report and any recommendations made. There will be a further report forthcoming on Treasury Management covering a review of the current financial year i.e. the Mid-year review.

### **13. FINANCIAL MONITORING OUTTURN REPORT FOR 2022/23 - TO END OF MARCH 2023 (PERIOD 12)**

The Deputy Chief Finance Officer presented a report to provide a summary of the outturn position for services at the end of March 2023.

The statement of accounts is still being completed and therefore the figures are subject to change. External audit of the 2020/21 accounts is still to be completed and the audit of the 2021/22 and 2022/23 accounts has not yet started.

The Chief Finance Officer drew attention to appendix 4 of the report, Medium Term Financial Plan (MTFP) update, which highlights that the council has achieved 80% of its budget saving targets.

Councillor Carr asked what measures will be taken to ensure budgets stay on target and when will councillors see a costed plan for savings that need to be made?

Councillor Barnett noted that significant savings have been realised on revenue spending and the council's reserves are over £1 million better off than previously forecast. All officers should be thanked for this achievement.

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

### **RESOLVED (unanimously):**

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**Cabinet notes the contents of the report, and the actions within the conclusion and management action section.**

Reasons:

To assist the Council in understanding the outturn financial position for the year end and particularly areas of over and under spend. The outturn position for 2022/23 can be used to inform budget monitoring for the 2023/24 financial year.

### **14. EXCLUSION OF THE PUBLIC**

#### **RESOLVED:**

**That the public be excluded from the meeting during the consideration of the items of business listed below because it is likely that if members of the public were present there would be disclosure to them of “exempt” information as defined in the paragraphs of schedule 12A to the Local Government Act 1972 referred to in the relevant report.**

### **15. UNIT AT BEXHILL ROAD RETAIL PARK**

The Chief Executive presented a report to update Cabinet on lease renewal negotiations.

#### **RESOLVED (unanimously):**

**Cabinet note the rent review settlement**

Reasons:

It was necessary to agree terms prior to reporting to Cabinet as we were bound by Court procedures and any delay could have resulted in less favourable terms.

(The Chair declared the meeting closed at 7.30pm)