

## Cabinet

Date and Time - **Monday 27 July 2020 – 6.30 pm**

Venue - **Remote Meeting**

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### Councillors appointed to the Committee:

Councillor D.B. Oliver (Leader), Mrs C.A. Bayliss, J.H.F. Brewerton, T.J.C. Byrne, K.P. Dixon, K.M. Field, S.M. Prochak (Deputy Leader), H.L. Timpe and J. Vine-Hall.

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## AGENDA

### 1. MINUTES

To authorise the Leader to sign the Minutes of the meeting held on 8 June 2020 as a correct record of the proceedings.

### 2. APOLOGIES FOR ABSENCE

### 3. ADDITIONAL AGENDA ITEMS

To consider such other items as the Leader decides are urgent and due notice of which has been given to the Head of Paid Service by 9:00am on the day of the meeting.

Agenda Item 17 – Discretionary Business Grant Scheme

Agenda Item 18 – Children’s Nursery Provision in Bexhill

### 4. URGENT DECISIONS

The Leader to give details of those reports that have been referred to the Chairman of the Council to consider designating as urgent, in accordance with Rule 17 of the Overview and Scrutiny Procedure Rules contained within Part 4 of the Council Constitution, and to which the call-in procedure will not therefore apply.

### 5. DISCLOSURE OF INTERESTS

To receive any disclosure by Members of personal and disclosable pecuniary interests in matters on the agenda, the nature of any interest and whether the Member regards the personal interest as prejudicial under the terms of the Code of Conduct. Members are reminded of the need to repeat their declaration immediately prior to the commencement of the item in question.

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**At the discretion of the Leader, the order of the items set out in the agenda may be varied**

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**Tel: 01424 787813**

**Rother District Council aspiring to deliver...  
an Efficient, Flexible and Effective Council, Sustainable Economic Prosperity,  
Stronger, Safer Communities and a Quality Physical Environment**

6. **THE RAVENSIDE GATEWAY ROUNDABOUT IMPROVEMENT PROJECT**  
(Pages 1 - 4)
7. **STREET NAMING AND PROPERTY NUMBERING POLICY** (Pages 5 - 26)
8. **BEXHILL LEISURE FACILITIES OPERATION AND DEVELOPMENT**  
(Pages 27 - 38)
9. **CONSULTATION REPORT - DRAFT ROTHER DISTRICT COUNCIL ENVIRONMENT STRATEGY** (Pages 39 - 52)
10. **INCORPORATION OF A LOCAL HOUSING COMPANY** (Pages 53 - 98)
11. **REVENUE BUDGET AND CAPITAL PROGRAMME OUTTURN 2019/20**  
(Pages 99 - 108)
12. **REVISED TERMS OF REFERENCE FOR THE CABINET COMMUNITY INFRASTRUCTURE LEVY STEERING GROUP** (Pages 109 - 110)
13. **PAVEMENT LICENCES** (Pages 111 - 126)
14. **SUPPORT TO THE AVIATION INDUSTRY** (Pages 127 - 130)
15. **EXCLUSION OF PRESS AND PUBLIC (EXEMPT INFORMATION)**  

The following items include material which are exempt from publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and it is recommended that the press and public be excluded. The relevant paragraph of Schedule 12A indicating the nature of the exempt information is stated after the item and is reproduced in full at the end of the agenda. In all the circumstances of each case, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
16. **BEXHILL LEISURE FACILITIES OPERATION AND DEVELOPMENT - CONFIDENTIAL APPENDICES B & C (PARAGRAPH 3)** (Pages 131 - 132)
17. **DISCRETIONARY BUSINESS GRANTS SCHEME - ADDITIONAL ITEM**  
(Pages 133 - 136)
18. **CHILDREN'S NURSERY PROVISION IN BEXHILL - ADDITIONAL ITEM**  
(Pages 137 - 138)

Malcolm Johnston  
Executive Director

Agenda Despatch Date: 17 July 2020

Extract from Schedule 12A of the Local Government Act 1972 (as amended)

3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

\* In accordance with Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, if Cabinet decides at the meeting that it will be necessary to go into confidential session to discuss the contents of the confidential appendices to Agenda Item 8, agreement will need to be obtained from, the Chairman of the Overview and Scrutiny Committee or the Chairman or Vice-Chairman of Council in attendance at the Cabinet meeting.

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## Rother District Council

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** The Ravenside Gateway Roundabout Improvement Project

**Report of:** Ben Hook, Head of Service Acquisitions, Transformation and Regeneration

**Cabinet Members:** Councillors Field and Timpe

**Ward(s):** Pebsham and St. Michaels

**Purpose of Report:** To introduce the Ravenside Roundabout Project, to make significant improvements including a bespoke gateway to Bexhill sculpture.

**Decision Type:** Non-Key

### Officer

**Recommendation(s):** **Recommendation to COUNCIL:** That the cost of the Ravenside Roundabout Project be met from external sponsorship and the Bexhill Community Infrastructure Levy, capped at a total contribution of £150,000, and the Capital Programme be amended as appropriate;

### AND

It be **RESOLVED:** That, subject to the approval of the funding:

- 1) the Ravenside Roundabout Project, including the installation of a bespoke gateway sculpture to Bexhill-on-Sea be supported;
- 2) the Executive Director be authorised to enter into a Section 96 Agreement with Highways England; and
- 3) officers be authorised to commission the sculpture through a tender process with invited Sussex-based professional sculptors and a Ravenside Roundabout Sculpture Panel be established, comprising the Leader of the Council, the Lead Cabinet Member for Communities, Culture & Tourism, the Pebsham and St. Michaels' District Ward Members and the East Sussex County Councillor for East Bexhill to manage the tender, consultation, design stage and delivery.

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### Introduction

1. The Highways England (HE) roundabout at Ravenside is situated at an important gateway into Bexhill-on-Sea. Its unkempt appearance makes a poor first impression on visitors and has been a cause of resident dissatisfaction for many years. Appeals to HE to improve the appearance of the roundabout and increase the frequency of maintenance have been unsuccessful.

2. In recent months, officers, along with the Leader of the Council, have met with HE to discuss the opportunity to enhance the appearance of the roundabout and put a sustainable management solution in place. HE are agreeable in principle to Rother District Council (RDC) taking on responsibility for improving and maintaining the roundabout and RDC Officers have been charged with exploring the options to do so.
3. East Sussex County Council (ESCC) has a successful roundabout sponsorship scheme administered by Keegan Ford Ltd. Their experience in securing the sponsorship and expertise in traffic management, plus health and safety for works on the Highway, mean that they will need to play a key role in facilitating the project, as RDC does not have that level of expertise.
4. Officers are therefore working in conjunction with HE and ESCC to investigate options and costs for improvements to the roundabout, including a possible two-phase approach involving a phase 1 clearance followed by a phase 2 installation of a sculpture and hardstanding. It is envisaged that this will be at least an 18 month project with phase 1 potentially commencing in autumn 2020.

### **Suggested Proposal and Actions**

5. In order to make changes, secure sponsorship and take on responsibility for specific aspects of future maintenance of the roundabout, RDC will be required to enter a Section 96 Agreement with HE. A similar agreement exists for the roundabout at Little Common, another HE roundabout which RDC maintains, with the costs being recovered through a sponsorship agreement.
6. The design of the Ravenside roundabout, access to it and the health and safety implications for working on it make it a more complicated situation than at Little Common. A traffic management plan will be needed to support any work carried out. Officers are currently taking advice from HE and ESCC in this regard as the expertise does not exist in-house.
7. The proposed two-phase approach would see a one-off tidy up of the roundabout involving strimming of the weeds, removal of the arisings and litter and an application of herbicide. This could proceed in the autumn but, the effect would be short-term only. HE have advised that this could be done ahead of the Section 96 Agreement being in place, subject to a traffic management plan which could potentially be as little as the use of a traffic management trucks to slow traffic on the approaches. Any further access would need the Section 96 Agreement to be in place.
8. Phase 2 would see the installation of a sculpture and the construction of a hard surface across the roundabout with provision for drainage and taking into account access to existing services. This would require a road closure to be in place.
9. The option of improving the roundabout through a soft landscaping scheme, such as laying it to grass or planting, has been considered but dismissed due to weed management issues and the on-going maintenance implications. The roundabout is rife with horsetail, an invasive, deep-rooted weed that spreads

rapidly and is extremely difficult to eradicate. To successfully treat it, a programme of herbicide application over at least two years would be required. Furthermore, the existing stone covering across the surface of the roundabout is likely to harbour a bank of weed seeds which could germinate over many years.

10. The sculpture would be commissioned through a tender process with tenders invited from Sussex based professional sculptors. A Ravenside Roundabout Sculpture Panel comprising the Leader of the Council, the Lead Cabinet Member for Communities, Culture & Tourism, the Pebsham and St. Michaels' District Ward Members and the East Sussex County Councillor for East Bexhill would be set up to manage the tender, the consultation, design stage and delivery. HE would be engaged in respect of the health and safety implications.

### **Financial Implications – Estimated Cost of Project and Funding**

11. Officers will liaise with ESCC who will bring in Keegan Ford Ltd to present a sponsorship plan to support the costs of making good the roundabout and the cost of the sculpture. Keegan Ford Ltd work with ESCC to secure sponsors for ESCC-managed roundabouts within the county.
12. Other funding sources that could provide match funding for the sculpture against RDC's committed funding would be investigated. Officers will liaise with HE regarding the possibility of the current HE maintenance budget for the roundabout being used to support the project.
13. At this stage, prior to investigations into traffic management and underground facilities having been made, the total cost of the project is estimated to be around £150,000-£200,000 including the clearance of the roundabout, traffic management and the installation of a gateway to Bexhill sculpture.
14. These costs will need to be met from other funding sources as the Council's reserves are under considerable pressure and uncertainty, especially through the impact of COVID-19 pandemic.
15. It is, therefore, suggested that the project progresses, based on the allocation of the use of the Bexhill Community Infrastructure Levy (CIL) receipts. These receipts currently amount to £174,709 and therefore it is proposed that the project be capped at £150,000.

### **Conclusion**

16. The Ravenside roundabout has been an eyesore for many years with HE only doing the bare minimum to comply with health and safety. HE are receptive to RDC taking forward a project to improve the appearance but the Council will need to take the lead and fund it.
17. It is therefore recommended to visibly improve the appearance of the Ravenside Roundabout and to install a bespoke gateway sculpture to Bexhill. The costs of up to £150,000 are proposed to be met from external sponsorship and funding from the Bexhill CIL.

## Implications

### Legal Implications

18. Officers will need to ensure works are complaint with HE's transport legislation.

### Human Resources Implications

19. Staff will be taken off other duties in order to facilitate this project and will need to be mindful of working with HE and ESCC H&S requirements.

### Environmental Implications

20. This project seeks to improve the physical environment of a key gateway roundabout welcoming visitors and residents to Bexhill-on-Sea.

### Risk Implications

21. On the basis that hard landscaping is adopted, ongoing maintenance should be minimal and is expected to be met from any sponsorship deal. However, there will be a risk that should the sponsorship not be sufficient, or the sponsor withdraws at any point, this cost will fall to the Council. Compensatory savings would then have to be found from elsewhere in the Revenue Budget until such time as an alternative solution is found, that may require handing back responsibility of maintenance to HE.

<b>Other Implications</b>	<b>Applies?</b>	<b>Other Implications</b>	<b>Applies?</b>
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Sustainability	Yes	Access to Information	No
Risk Management	Yes	Exempt from publication	No

Executive Director:	Dr Anthony Leonard
Proper Officer:	Malcolm Johnson, Head of Paid Service
Report Contact Officer:	Donna Hall - Cultural Development & Events Officer
Appendices:	None
Relevant Previous Minutes:	None
Background Papers:	None
Reference Documents:	None

## Rother District Council

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** Street Naming and Property Numbering Policy

**Report of:** Ben Hook, Head of Service – Acquisitions, Regeneration and Transformation

**Cabinet Member:** Councillor Oliver

**Ward(s):** All

**Purpose of Report:** To present the revised Street Naming and Property Numbering Policy and recommend its adoption to Council

**Decision Type:** Non-Key

**Officer Recommendation(s):** **Recommendation to COUNCIL:** That:

- 1) the revised Street Naming and Property Numbering Policy be approved and adopted; and
  - 2) the Functions and Responsibilities of the Licensing and General Purposes Committee be amended to include the determination of appeals under the Public Health Act 1925, Sections 17 - 19, with regard to Street Naming and Numbering.
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### Introduction

1. The purpose of a Street Naming and Property Numbering Policy (SNPN) is to bring clarity in the mechanism for how Rother delivers this service. The last policy review was over two years ago, (Minute CB17/17 refers) and in that period there have been both national and local changes. This report updates this policy.
2. The draft SNPN Policy was presented to Cabinet in June 2020 and was referred back to officers for amendment in three key areas (Minute CB20/11 refers):
  - a. clarity over the decision-making process and appeals procedure;
  - b. making consultation with Parish and Town Councils part of the policy; and
  - c. review options for charging for the registration.
3. The draft SNPN Policy has now incorporated these changes and proposed a charging system that is in-line with those implemented by some authorities.

## **General Policy Update**

4. The SNPN Policy changes are mostly administrative, largely centered around the increasing use of digital technology to support submission of applications. In 2018, Rother replaced the IT system that enabled customers to submit applications, replacing the Microsoft CRM system with Firmstep. This enabled the development of more intuitive forms to assist with the application process. The point at which information is provided to applicants (and potential applicants) has also changed, with a more comprehensive set of advice on the application process now provided at a much earlier stage. While some of these changes may not be significant in their own right, the policy should keep pace with our current (best) working practices.
5. The new SNPN Policy, at Appendix A has much tighter phrasing, as the previous Policy's terminology left the Council open to interpretation and potential challenge.
6. Improvements have also been made throughout the document to aid general understanding and to reflect the changing technology that we have incorporated into our processes. These improvements include:
  - Expanded Glossary containing more (and simpler) definitions of the terminology used in the policy.
  - Additional Appendices including a section to clarify acceptable road suffixes (Avenue, Lane, etc.) and recent changes to current fees and charges.
  - Recognition of electronic media – e.g. 'in writing' now includes email, and submission/sending of documents no longer needs to be in paper format.
  - Updated contact information.
7. The process for Appeals and Complaints has also been refined with the Licensing and General Purposes Committee listed as the Council's secondary escalation point following a decision by the Street Naming and Property Numbering Officer.

## **Conclusion**

8. It is being recommended that the SNPN Policy be updated and adopted and take account of the local and national changes.

## **Implications**

### **Financial and Sustainability Implications**

9. Additional income will be generated which will help offset the cost of providing this service.

### **Legal Implications**

10. Council policy and operating practice will be amended.

## Environmental Implications

11. None Identified.

## Consultation

12. This will impact the consultation process and will require developers to provide evidence of consultation with Town and Parish Councils prior to application.

## Risk Management

13. The address of the property is important in order for services such as Council refuse collections, though to Police and Emergency Services to locate and reference properties.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Exempt from publication	No
Environmental	No		
Risk Management	No		

Executive Director:	Dr Anthony Leonard
Proper Officer:	Malcolm Johnson, Head of Paid Service
Report Contact Officer:	David Wharton, Transformation Manager
Appendices:	A - Draft Street Naming and Property Numbering Policy.
Relevant Previous Minutes:	CB17/17 CB20/11
Background Papers:	
Reference Documents:	None

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## **DRAFT STREET NAMING AND PROPERTY NUMBERING POLICY**

<b>Date:</b>	June 2020
<b>Version:</b>	3.4

For all enquiries please visit: [www.rother.gov.uk/SNN](http://www.rother.gov.uk/SNN) or telephone 01424 787000

**This Policy can be made available in large print, Braille  
or in another language upon request**

*This Policy is next scheduled for review in January 2021*

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## 1. INTRODUCTION

- 1.1. The address of a property is an important issue; Police, Emergency Services, and the general public need an effective way of locating and referencing properties.
- 1.2. The naming and numbering of streets and buildings in the Rother District is controlled by Rother District Council under The Public Health Act 1925, Sections 17 - 19, with regard to Street Naming and Numbering. This makes Rother District Council the Addressing Authority for the district. No other body has addressing powers.
- 1.3. This Policy guides the Council in exercising its responsibilities for:
  - The naming of streets
  - The numbering of properties
  - The naming of properties
- 1.4. The remit for this role rests with the Street Name and Numbering (SNN) Officer who has delegated authority to make decisions and implement this policy on behalf of the Council.
- 1.5. The process of street naming usually occurs after planning permission has been approved for new development, which involves the creation of a new road(s) and the erection of one or more new buildings which require a postal address.
- 1.6. For Planning Applications and Building Regulations see Section 5.2 - Contact Information
- 1.7. Developers, residents and customers wishing to change the name of their property or seeking an address for a new property need to apply online to the Council, following the procedures detailed in this policy. The same applies to those who wish to discuss or confirm the street numbering of properties within the remit of Rother District Council
- 1.8. The Council's aim is to ensure that everyone we deal with receives the same level of service, based solely on relevant factors and taking individual needs into account. All Service users, and Council Officers, must be treated with courtesy and respect.
- 1.9. All data collected will adhere to General Data Protection Regulations (GDPR) regulations as of 25 May 2018.
- 1.10. The decisions made under previous versions of this policy do not set precedents for new decisions which will be governed by this policy.
- 1.11. The Council will make a decision on any circumstance not explicitly covered by this policy based on industry standard definitions and norms, and widely accepted best practice for Local Authority Street Name and Numbering.

## **2. STREET NAMING**

### **2.1. Street Naming Procedures for New Developments**

- 2.1.1. As far as new street naming proposals are concerned, the Council is content that developers or owners can propose their own street names for consideration and the reasons for choosing those names.
- 2.1.2. Developers must propose one or more alternative suggestions for a new street name in case their preferred proposal is not considered by the SNN Officer to comply with this policy.
- 2.1.3. The Council attaches considerable importance to the views of Parish and Town Councils. It is a requirement that applicants must provide evidence that the views on the suggested names have been sought from the relevant Council.
- 2.1.4. Although suggestions from developers are invited and considered, the final decision on street name resides with the SNN Officer and may not include any of the developers' proposed suggestions. The applicant may appeal this decision as per the process outlined in Section 6 below.
- 2.1.5. Where there are no objections to the street name, or after agreement has been reached, proposed names will be confirmed in writing by the Council.
- 2.1.6. Developers and owners are advised to start the street naming process soon after planning permission for a development is granted and no later than when Building Regulations are sought or an Approved Inspector Notice is issued.
- 2.1.7. It should be noted that to avoid confusion, consultation should take place before developers assign an unofficial marketing name to the development. Problems can arise if purchasers have bought properties which have been marketed under an unofficial name and legal documentation has already been drafted. Developers should not use a name for marketing purposes if it has not been authorised as a street name by the Council.
- 2.1.8. Developers are encouraged to use the final approved street name as part of their advertising, etc. - this helps the legal process and the Emergency Services.
- 2.1.9. The property developer should not give any postal addresses, including postcode, to potential occupiers, either directly or indirectly (for example via solicitors or estate agents) before formal approval has been issued by the Council.
- 2.1.10. Royal Mail is responsible for the allocation of post codes. It will allocate a Post Code only to those streets that have properties on them that will require the delivery of mail. It should be noted that Royal Mail requires confirmation from Rother District Council of an official address before it will issue a postcode.
- 2.1.11. The use of a locality in a descriptive address is not of concern to Rother District Council and will not be used in Council systems.

2.1.12. The Council reserves the right to change a street name at any time, should it be discovered that a name has been used in breach of this policy.

## **2.2. Street Naming Criteria**

2.2.1. The Council will use this policy when considering a new number or address. Developers and Town and Parish Councils should adhere to this policy for any suggested street names.

2.2.2. Where possible, a street name should have a proven historical connection to the land intended for development. Encouragement and preference is given to names that reflect local natural history or the nature of the terrain.

2.2.3. Proposals relating to a person's name or commercial reference that could be construed as used for advertising or commercial gain will not be permitted, unless there is a proven historical connection to the land intended for development or a proposal is put forward for commemorative purposes.

2.2.4. New street names must not duplicate any similar name already in use in a town/village or in the same postcode area (e.g. TN40). This will fall under the discretion of the SNN Officer.

2.2.5. The street name suffix (Close, Avenue, etc.) must accurately reflect the type of street to be named as described in Appendix A.

2.2.6. The street name suffix must be on the approved suffix list (Appendix A), other requests will not be considered.

2.2.7. Non-vehicular pedestrian ways must end with one of the following suffixes: Path, Way, Walk.

2.2.8. Street names should not be difficult to pronounce or awkward to spell, and must not be deemed offensive as defined in the Equality Act (EA) 2010 (<http://www.legislation.gov.uk/ukpga/2010/15/contents>).

2.2.9. Street names with the potential to cause offence will not be approved, including the use of names and their combination with numbers that could be easily vandalised or changed into something which is deemed as potentially offensive.

2.2.10. The use of North, South, East or West (as in Collington Lane East) is not encouraged and is only acceptable where the road is continuous and passes over a major junction. It is not acceptable when the road is in two separate parts with no vehicle access between the two.

2.2.11. The use of two phonetically similar names within a postcode area (e.g. TN40) must be avoided (e.g. Chapel Road and Capel Road).

2.2.12. Street names will not begin with 'The'.

## **2.3. Erection of Street Name Plates**

- 2.3.1. All costs for the erection of signs for new streets will be borne by the property developer. There is a specification for the signs and their locations which is available on the Rother District Council Website (<http://www.rother.gov.uk/article/1467/Street-name-plates>). The proposed naming and numbering scheme for the new development will be sent out to the applicant as part of the official notification. The Housing and Community Service Estate Maintenance Department of Rother District Council can be contacted for further street sign advice if required (see Section 5.3).
- 2.3.2. The maintenance of street signs becomes the Council's responsibility only if and when a street has been adopted.
- 2.3.3. It is unlawful to erect a street nameplate before the street name has been confirmed in writing by Rother District Council. Contravention currently attracts a fine of £200 under the provisions of the Criminal Justice Act 1982 (Chapter 48, Section 37, Standard Scale Level 1 Offences). The level of the fine will change in accordance with any revisions to the Act (<http://www.legislation.gov.uk/ukpga/1982/48/section/37/data.pdf>).
- 2.3.4. Section 19 of the Public Health Act, 1925, places a duty on the local authority to see that street names are conspicuously indicated in or near the street.

## **2.4. Street/Highway adoption**

- 2.4.1. Adoption of a highway is a matter for the Highway Authority which, in the District of Rother, is East Sussex County Council (<https://www.eastsussex.gov.uk/environment/planning/applications/development-control/roads/adoptionandimprovements/>).

### **3. PROPERTY NUMBERING**

#### **3.1. Property Numbering Procedures for New Developments**

- 3.1.1. The process of property numbering within a street will not start until planning permission has been granted for the new development. Property developers should contact the Council when actual building work commences.
- 3.1.2. The Developers should provide an electronic copy of a site layout plan not less than 1:500 scale. The plan should clearly indicate the plot numbers of each separate dwelling, office or business unit. The main entrance points to the buildings should be indicated by pathways.
- 3.1.3. Wherever possible and particularly for developments involving ten or more dwellings it is advantageous to the swift processing of the request if the site layout plan is submitted electronically with the geocodes (property coordinates) for each dwelling clearly stated.
- 3.1.4. All requests should quote the reference of the approved planning permission for the development.
- 3.1.5. A charge is applied for property registration and for street naming and numbering. An additional charge will be made where changes are requested to an approved scheme during the course of the development. Current Fees are listed in Appendix B.

#### **3.2. Property Numbering Policy**

- 3.2.1. Rother District Council complies with BS7666 (2006) - Spatial Data Sets for Geographical Referencing. Developers are encouraged to liaise with the Council at an early opportunity to ensure that property number requirements comply with BS7666.
- 3.2.2. Certain streets exist that do not have a numbering scheme (see 4.1 House Names).
- 3.2.3. It is important to ensure the numbering sequence of any street is not disrupted when additional properties or developments are built.
- 3.2.4. An official address will not be granted without the relevant granted planning permission(s).
- 3.2.5. In town areas, a new street will be numbered so that, when travelling away from the centre of the town, the odd numbers are on the left-hand side and even numbers on the right. The only exception to this convention relates to property within a cul-de-sac, where consecutive numbering in a clockwise direction is used.
- 3.2.6. In areas of small population e.g. villages, the SNN Officer will assign house numbers as appropriate.
- 3.2.7. Private garages and similar buildings used for housing cars and similar are not numbered.

- 3.2.8. A proper sequential integer (whole number) numbering sequence shall be maintained in all cases (no omissions considered). Once properties are numbered, the Council will not renumber them unless part of a major street redevelopment.
- 3.2.9. Buildings (including those on corner sites) are numbered according to the street in which the main entrance by foot is located.
- 3.2.10. Where multi-occupied buildings have entrances in more than one street, then the location of each entrance will dictate both the numbering and address of the units served from that entrance.
- 3.2.11. Once a road is fully developed and proposals for redevelopment or subdivision are received then the new development should not involve renumbering the entire street. Where such development is small scale this might involve each new unit being given the number of the old property plus a letter suffix.
- 3.2.12. Large-scale redevelopment might include a new access road giving the Council the opportunity to introduce both a new street and numbering scheme.
- 3.2.13. In accordance with The Public Health Act 1925, Sections 17 – 19 all properties shall prominently display the relevant number, or house name where there is no numbering scheme, so that it can be easily seen by visitors and the Emergency Services.
- 3.2.14. The property number, if assigned, must always be included when dealing with Rother District Council even if a name has been given to a property. The name cannot be regarded as an alternative address.
- 3.2.15. The Council reserves the right to change a property number, at any time, should it be discovered that a number has been approved in breach of this policy.

## 4. ADDRESS CHANGES

N.B. Where the 'Owner' of the property is referenced, this refers to the Freeholder only and not the Leaseholder, Tenant, or other occupier.

### 4.1. House Names

- 4.1.1. Provided a property already has a number, the owner can add an unofficial name to it without contacting the Council. The Council will however update the Royal Mail and Emergency Services when a property name has been formally registered.
- 4.1.2. A new name can be added to an existing postal address, but the postal number cannot be deleted from that address. The property number must still be displayed and referred to in any correspondence.
- 4.1.3. Certain streets exist that do not have a numbering scheme. In these cases, where a new building is built in the street, a house name should be nominated and approved by the Street Naming and Numbering Officer before first occupation.
- 4.1.4. The allocated name forms part of the official address and should be prominently displayed.
- 4.1.5. Only owners of properties may change an official name. They should apply to the Council providing all the necessary information as requested in the form. (<http://www.rother.gov.uk/article/6258/SNN>).
- 4.1.6. A property name will not be formally changed where the property is in the process of being purchased. Only when a purchase is complete can a name change request be accepted. In the case of joint ownership, all parties must agree to the proposed change.
- 4.1.7. A non-refundable fee, payable on application, will be made for changing a house name.

Current Fees are listed in Appendix B with further information at [www.rother.gov.uk/SNN](http://www.rother.gov.uk/SNN).

- 4.1.8. The Council reserves the right to change a house name, at any time, should it be discovered that a name has been approved in breach of this policy.

### 4.2. House Naming Criteria

- 4.2.1. The Council will use this policy when agreeing a property name. Property Owners and Developers should adhere to this policy for any proposed property names.
- 4.2.2. Wherever possible it is preferred that a property name has a historical connection. Encouragement is also given to names that reflect local history or the nature of terrain.

- 4.2.3. Proposals relating to a person's name or commercial reference that could be construed as used for advertising or commercial gain will not be permitted, unless there is a proven historical connection.
- 4.2.4. New property names must not duplicate any similar name already in use in a town/village or in the same postcode area (e.g. TN40). A variation in the terminal word, for example, 'hill', 'house', 'cottage', 'lodge' would not constitute sufficient change.
- 4.2.5. The use of two phonetically similar names within a postcode area (e.g. TN40) must be avoided (e.g. Chapel Cottage and Capel Cottage).
- 4.2.6. Property names must not begin with 'The'.
- 4.2.7. Property names must not be difficult to pronounce or awkward to spell, and must not be deemed offensive as defined in the Equality Act (EA) 2010 (<http://www.legislation.gov.uk/ukpga/2010/15/contents>).
- 4.2.8. The name should not contain words that could be modified to form an offensive term. Property names with the potential to cause offence will not be approved.

### **4.3. Renaming of Streets / Renumbering of Properties**

- 4.3.1. Rother District Council will only recognise an alteration to an existing street naming/numbering scheme where the proposed alteration is in the wider public interest and improves or eradicates confusion. The Council has authority to issue Renaming or Renumbering Orders, if any anomaly becomes evident.
- 4.3.2. The Council will only rename a street in exceptional circumstances, such as when it is known that the name causes confusion for statutory service providers, the Emergency Services or collectively for local residents.
- 4.3.3. The Council will only renumber a property where it is known that there are habitual delivery problems or where infilling or subdivision of the property has occurred or, where the safety of delivery drivers for goods and or services is an issue or, if the access has changed from one street to another.
- 4.3.4. Where an existing street is renamed or renumbered, the Council will ensure that all habitable property owner/occupiers that are affected by the proposed change are identified and notified. The notifications will take place after the relevant, Town or Parish Council or other local resident group has been consulted.
- 4.3.5. In some instances, it will be the owner's responsibility to inform their tenants/occupiers when address corrections are made however we will generally request this of the owner during the process.

## 5. CONTACT INFORMATION

### 5.1. **Street Naming and Property Numbering Department**

Local Land and Property Gazetteer Unit

Contact us online: [www.rother.gov.uk/SNN](http://www.rother.gov.uk/SNN)

Write to us at:

#### **Street Naming and Numbering Department**

Rother District Council,  
Town Hall  
Bexhill  
East Sussex  
TN39 3JX

*House Name Change Application form:*

<http://www.rother.gov.uk/article/11500/House-name-change>

*Street Naming for new developments and conversions:*

<http://www.rother.gov.uk/article/6257/SNNDC>

### 5.2. **Planning**

Planning Development Administration

<http://www.rother.gov.uk/planning-and-building-control/>

### 5.3. **Estate Maintenance Department (Street Signage)**

Contact information and Street Sign Specifications can be found here

<http://www.rother.gov.uk/article/1467/street-name-plates>

## **6. APPEALS AND COMPLAINTS**

- 6.1. If the Developer wishes to contest a decision made by the SNN Officer, they can appeal in writing (including email) requesting a review of the decision, including all supporting evidence.
- 6.2. The appeal and accompanying evidence will be considered by the next Licensing and General Purposes Committee, as scheduling allows.
- 6.3. While the Council will constructively engage with Developers regarding all aspects of this policy, the Council reserves the right to a final decision on all proposals subject only to successful legal challenges made to the local Magistrates court.
- 6.4. If you wish to register a complaint regarding the service, please visit <http://www.rother.gov.uk/complaints> or write to:

Complaints, Town Hall, London Road, Bexhill, East Sussex. TN39 3JX

N.B. A complaint will review if an application has been handled in an appropriate and courteous manner but will not review or change the outcome of any decisions.

## 7. GLOSSARY

<b>BS766 (2006)</b>	British Standard Spatial datasets for geographical referencing.
<b>BLPU</b>	Basic Land and Property Unit - an area of land, property or structure having uniform occupation, ownership or function. Such a Unit attracts a UPRN (see below).
<b>Developer</b>	The person or organisation engaging with the Council for the purpose of Street Naming and/or Property Numbering.
<b>GeoPlace</b>	Formerly, The National Land and Property Gazetteer - The National Data Set, now known as AddressBase, which contains unique reference (UPRN), geo codes point and address information for all property and land within England and Wales.
<b>House Numbering</b>	The allocation of numbers and suffixes to properties. This may include houses, flats, industrial units, and groups of static caravans.
<b>House Naming</b>	A request for a house to be named or to change its name.
<b>Locality</b>	Another local description added to the address which is not held in the official address.
<b>LLPG</b>	Local Land and Property Gazetteer – Contains the official address data for all properties (Houses, Flats, commercial premises, etc.) and non-addressable objects (Bin Stores, Recycling locations, Cricket Pitches, etc.).
<b>LLPG Custodian</b>	Council Officer responsible for maintaining the LLPG address dataset for Rother District Council. The LLPG Custodian also holds the role of Street Naming and Numbering Officer.
<b>Owner</b>	Where the 'Owner' of the property is referenced, this refers to the Freeholder only and <u>not</u> the Leaseholder, Tenant, or other occupier.
<b>Street</b>	<p>The generic name for a road, street, pathway, thoroughfare alley, lane etc.</p> <p>The street naming function is administrated by the Local Land and Property Gazetteer Team of Rother District Council. The designation of the class of Road, e.g. A1, A27, B2121, is administered by East Sussex Council.</p>
<b>Street Name and Numbering (SNN) Officer</b>	Responsible for the statutory duty of Street Name and Numbering for the district. This role is currently held by the LLPG Custodian. Authority for this role is delegated by the elected members of the council (Councillors).
<b>Street Naming</b>	The allocation of or change to the name of a 'Street' as defined above.
<b>Street Renaming</b>	Changing the name of an existing street.
<b>Suffix</b>	A letter that is added to a number usually to describe a dwelling or commercial property that has more than one internal unit. For example, where an extra property is built between 22 and 23 High Street would be called 22A High Street.
<b>UPRN</b>	Unique Property Reference Number. Each BLPU has a reference number or UPRN. Each UPRN has a maximum of 12 digits, is unique within the UK and has no internal structure related to the geographical location of the BLPU to which it relates. The maintenance of uniqueness is carried out by GeoPlace.

	<p>All properties, both residential and commercial, now require a Unique Property Reference Number (UPRN), and it is required in most dealings with the Land Registry. The allocation of a UPRN includes separate flats and distinct units within commercial properties. An historical trail will be built up in relation to each UPRN within the AddressBase products. The Street Naming and Numbering Unit of Rother District Council will populate its software with all UPRNs and make these available to all relevant customers.</p>
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## STREET NAME SUFFIX

<b>Street</b>	any thoroughfare (generally used for urban roads) (TR/NTR)
<b>Road</b>	any thoroughfare (TR/NTR)
<b>Way</b>	any thoroughfare (generally used for main roads) (TR)
<b>Place</b>	short road or access way (TR/NTR)
<b>Lane</b>	any narrow rural thoroughfare (TR/NTR)
<b>Avenue</b>	any residential street bounded by trees (TR)
<b>Drive</b>	any residential road (TR/NTR)
<b>Grove</b>	any residential road in a small wood or group of trees (TR/NTR)
<b>Gardens</b>	residential roads with links to gardens (TR/NTR)
<b>Crescent</b>	any crescent shaped street (TR/NTR)
<b>Close</b>	any cul-de-sac only (NTR)
<b>Hill</b>	hillside road only (TR/NTR)
<b>Rise</b>	hillside road only (TR/NTR)
<b>Row</b>	terrace of properties (but not a subset of named street) (TR/NTR)
<b>Terrace</b>	terrace of buildings (but not a subset of named street) (TR/NTR)
<b>Circus</b>	any large roundabout
<b>Mews</b>	any short road which leads to a stable yard or horse related site, or a short row of terraced houses built to look like converted stables, or terraced houses surrounding a courtyard (NTR)
<b>Wharf</b>	any quay side road where shipping was docked and unloaded (TR/NTR)

TR: Can be assigned to a Through Road

NTR: Can be assigned to a No-Through Road

**FEES AND CHARGES**

N.B. Fees correct as of October 2019. Please see [www.rother.gov.uk/SNN](http://www.rother.gov.uk/SNN) for the latest pricing.

**Street naming and numbering for house name changes and confirmations**

<b>EXISTING PROPERTIES</b>	<b>FEE</b>
Renaming or renumbering existing properties	£75 per unit
Confirmation of official address	£35 per unit
Changing a street name (residents' request) - see Street Naming and Numbering Policy	On application
Street numbering where no numbering scheme exists (residents' request)	On application

**Street naming for new developments and conversions**

<b>NEW DEVELOPMENTS</b>	<b>FEE</b>
Naming of streets	£200 per street
Numbering of properties	£35 per property, up to a maximum of £350 per 50 properties
Registration and notification of new properties	£165 + £20 per property
Confirmation of postal address	£35 per property

<p>Alterations in either street name or property numbers to new developments after initial street naming and property numbering has been undertaken.</p>	<p>£165 + £35 per property</p>
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## LOCAL LAND AND PROPERTY GAZETTEER (LLPG) INFORMATION

All changes made through the street naming and numbering process and through notified name changes are included on the Council's Local Land and Property Gazetteer (LLPG), which is used in the delivery of the Council's services.

Our local gazetteer together with the gazetteers of other local authorities are in turn linked and updated daily to a definitive index of land and property in England and Wales known as the National Land and Property Gazetteer (NLPG).

The Council's Local Land and Property Gazetteer Custodian informs not only our internal Services of changes, but also updates external contacts. Owners remain responsible for informing utilities and all others not detailed below.

Agencies and Authorities who are informed of Street and Property Changes:

- GeoPlace - by Data Transfer Protocol File
- East Sussex County Council - Transport and Environment
- Sussex Police
- East Sussex Fire and Rescue Service
- District Valuer & Valuation Officer (VOA)
- Royal Mail
- All Departments within Rother District Council

It should be noted that GeoPlace' AddressBase products are the national method for informing all authorities and agencies of changes, currently the Ambulance Service now get information directly from GeoPlace.

## Rother District Council

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** Bexhill Leisure Facilities operation and development

**Report of:** Ben Hook – Head of Service – Acquisitions, Transformation and Regeneration  
Joe Powell – Head of Service – Housing and Community

**Cabinet Member:** Councillor Brewerton

**Ward(s):** All

**Purpose of Report:** To determine the future of leisure provision and facilities in Bexhill

**Decision Type:** Key

### Officer

**Recommendation(s):** It be **RESOLVED:** That:

- 1) the Bexhill Leisure redevelopment project be suspended;
- 2) a new leisure services contract be procured for the period March 2021 up to March 2024;
- 3) the Council continues to support Freedom Leisure with financial support - detailed at Confidential Appendices B and C - and support the mobilisation of leisure services across the three sites from August 2020 until March 2021;
- 4) a specification be developed for a modest refurbishment of the existing centres to be agreed at a later meeting;
- 5) the housing development on the site be continued and progressed, including work required to develop and submit a reserved matters planning application for the rear of the site; and
- 6) the land acquisition and Compulsory Purchase Order be progressed where necessary.

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### Introduction

1. The 'Development of Former Bexhill High School site' is a Corporate Plan priority project consisting of a new leisure centre and housing.

2. Given the COVID-19 pandemic and the impact on leisure facilities and Council finances, Cabinet resolved that the project Steering Group review the current situation and options available for leisure provision (Cabinet CB20/13 refers).

### **Steering Group review**

3. A Steering Group meeting was held remotely on 25 June 2020, to which all Council Members were invited to join.
4. The information provided to the Steering Group for review was:
  - a. A report on the position of the current operator, including the financial implication of two scenarios:
    - i. operating the Bexhill facilities from 1 April 2021 until a new-build facility is delivered on the existing leisure centre site
    - ii. operating the Bexhill facilities in their current condition for three years from 1 April 2021
  - b. A report on the project status, including land assembly, planning policy, outline planning position, potential capital funds and borrowing requirements, and high-level benefits and implications analysis of four options.
5. Each Steering Group Member provided their comments on the impacts of COVID-19 on current and future leisure provision, the project status, the planning position and the options for a way forward.

### **Options**

6. The four options reviewed by the Steering Group were:
  - a. Option 1: delivery of a new-build facility on the existing or an alternative site
  - b. Option 2: major refurbishment of the existing facilities
  - c. Option 3: continue with the existing facilities in their current condition (the 'do nothing' option)
  - d. Option 4: do not retender the contract and close the Bexhill facilities
7. Each option was analysed for economic, environmental, social and strategic benefits and implications. Appendix A provides detail on the analysis of each option, as presented to the Steering Group and Appendix B provides a summary of the financial forecast supplied by the existing operator.
8. The current operational contract is 'nil fee', it has been expected that this will no longer be viable beyond March 2021. Therefore, savings will have to be found in the Council's revenue budget in order to offset this cost.

### **Recommendation of the Steering Group**

9. Following an open discussion, the recommendation of the Steering Group is that the Council should not rebuild or carry out a major refurbishment of the centres at this moment in time but undertake a modest programme of refurbishment with a view to seeking a new contract. Given the unknown financial implications of

COVID-19 on the economy generally and the leisure sector in particular, the Council should be mindful not to undertake a significant investment with the funding source being unknown and not relied upon. The Council would continue to review leisure requirements in the longer-term, including the possibility of a new facility as demand for leisure services and the financial climate becomes clearer. The recommendation also ensures that the proposed housing strategy for the site continues.

## **Financial Support**

10. In April 2020 in consultation with the Leader of the Council, the Executive Directors to the Council made the decision to provide Freedom Leisure with financial support under delegated powers (Officer Executive Decision 003 (OED003). The decision taken was to provide Freedom Leisure with up to £38,000 per month to meet the financial gap in their revenue brought about by the closure of leisure centres across England, due to the Covid-19 Pandemic. The authority was time limited until the leisure centres became operational again.
11. Freedom Leisure has notified the Council that they expect to reopen on the 25th July 2020 following the Government lifting some of its restrictions preventing leisure centres and pools from operating. Members should note that many restrictions will still be in place and the number of customers Freedom Leisure can accommodate will affect their revenue income in the short to medium term.
12. Confidential Appendix B details the financial modelling Freedom Leisure has provided in order to operate the contract under the COVID-19 restrictions during the period August 2020 and March 2021. Members should note that the total financial support provided to Freedom Leisure by the Council will include additional payments from April to July 2020 to cover the period in which the centres have been closed – see Confidential Appendix C. It should also be noted that the final value of these payments is subject to reconciliation as part of the open book accounting arrangement between the Council and Freedom Leisure.
13. The Council is finalising the terms under which financial support payments are being reconciled presently as well as the terms under which future payments will be made between August 2020 and March 2021. The agreement will be in line with Public Procurement Notices that have been produced by Government to support such financial support packages between local authorities and their leisure services providers through the COVID-19 Pandemic and the recovery phase. It is the intention of the Council to include within the agreement clawback clauses.
14. This situation means that there will remain a significant financial gap within the Freedom contract, albeit with modelling that indicates a month on month reduction in the financial support required. Without the Council's continued financial support, the contract between Freedom Leisure and the Council is unlikely to remain viable and the Council would need to explore alternative options to deliver leisure centre services, all of which entail their own challenges.

15. Members should note that the financial modelling provided should be treated with caution as it is not possible to predict accurately the number of customers that will attend the leisure centres as restrictions are lifted. The Council will continue to monitor Freedom Leisure's financial position on a monthly basis, in consultation with the Leader and Portfolio Holder for Health and Wellbeing.

## **Conclusion**

16. Due to the uncertainty of the long-term impact of COVID-19 on the leisure industry and the operation of leisure facilities, the Steering Group agreed that the project, whilst not being abandoned, should be put on hold until there is more clarity.
17. In so doing, officers will need to procure a new contract to maintain existing leisure services up to 31 March 2024.
18. The Steering Group agreed that housing delivery is a priority, therefore the necessary land acquisition and planning permissions for the residential development to the north of the existing leisure centre are to progress. This is to be done in such a way to ensure that no constraints are built in which may impede on the potential for a new-build leisure centre on this site in the future.

## **Financial Implications**

19. The recommendations of this report enable the capital reserves to be protected until the Council decides whether to invest in the redevelopment of the centres in Bexhill. Alternatively, this will free up previously allocated capital funds for alternative investment proposals or to reduce the overall borrowing requirement of the Council. All options retaining leisure facilities in Bexhill carry revenue costs likely to be in the region of £220,000 to £285,000 per year (excluding any capital investment).
20. The costs of any mitigation work to the existing highway, any financial contributions and the access itself would be borne by the residential development, impacting upon viability, in particular the provision of Affordable Housing.
21. The total value of financial support that could be provided by the Council to Freedom Leisure is detailed at Confidential Appendices B & C.

## **Legal Implications**

22. Legal advice has been sought in relation to the procurement of the new contract. An operator can be appointed on the basis of a three year agreement whilst ensuring compliance with public procurement rules as the estimated value is under the threshold of the Concession Contracts Regulations 2016; and the Council's own Procurement Procedure Rules by the completion of an exemption report approved by an Executive Director and the Chief Finance Officer.

Comprehensive support and advice for this process will be provided by the legal and procurement services to ensure compliance.

### Human Resources Implications

23. If a new contract cannot be awarded, Rother District Council will have responsibility for either employment of the staff or the costs of redundancy

### Environmental Implications

24. Retaining and operating the existing facilities with modest refurbishment will significantly hinder the Council's ability to reach its 2030 net carbon zero target.

### Crime & Disorder Implications

25. The site and adjacent building, in recent years, is attracting vandalism and graffiti due to the partly derelict appearance.

### Other Implications

26. Retaining and operating the existing facilities will not deliver the Council's adopted planning policies to create a single-site facility in the allocated location for which a need has been demonstrated.
27. Access provided for the residential development needs to be designed to accommodate any future new leisure centre, being suitable for all vehicle movements anticipated for the whole development, including all cars going to the leisure centre and potentially coach drop-offs. This could require the access to be over-engineered for a residential scheme.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	Yes	Consultation	No
Environmental	Yes	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	No		

Executive Director:	Dr Anthony Leonard
Proper Officer:	Ben Hook – Head of Service, Acquisitions, Transformation & Regeneration; then passed to Joe Powell – Head of Service, Housing & Community to manage the procurement
Report Contact Officer:	Cheryl Poole
e-mail address:	Cheryl.poole@rother.gov.uk
Appendices:	A Leisure options analysis
Relevant Previous Minutes:	CB20/13 CB19/107 OSC19/54 CB19/98 PL19/93 CB19/32 CB17/16
Background Papers:	None.

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Reference	None.
Documents:	

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## Appendix A

### 1. A: New build facility at the BLC site:

This option requires major budget allocation for consultancy, design and construction works, delivering a modern leisure and wellbeing facility.

Impact factor	Benefits	Implications
<b>Economic</b>	<ul style="list-style-type: none"> <li>Reduction/removal of repair costs (c£200k)</li> <li>Support local economy (attracting residents and businesses to Bexhill)</li> <li>Potential income from operator to go towards financing c£200k)</li> </ul>	<ul style="list-style-type: none"> <li>Major capital budget required</li> <li>Financing repayments (c£400k)</li> <li>Land acquisition required (possible CPO)</li> <li>Operator income loss whilst works underway</li> <li>Covid-19 impact may hamper ability to attract income to cover costs</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Potential for net zero carbon</li> <li>Supports RDC environmental targets</li> <li>Supports national environmental targets</li> </ul>	<ul style="list-style-type: none"> <li>Short-term construction impact</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>Centrally located between two most deprived wards</li> <li>Increase access to health activity</li> <li>Increase participation – attract new users to new centre</li> <li>Decrease health inequalities</li> <li>Affordable housing on site</li> </ul>	<ul style="list-style-type: none"> <li>Short-term interruption in access whilst works underway</li> <li>Lack of financial priorities perceived by non-users</li> </ul>
<b>Strategic</b>	<ul style="list-style-type: none"> <li>Complies with DaSA Policy BEX4 (wet &amp; dry facility at allocated site)</li> <li>Delivers adopted corporate plan project</li> <li>Regeneration of long-standing derelict site at key gateway to Bexhill</li> <li>Delivers Outline Planning approval</li> <li>Opens site for housing development</li> </ul>	

**B: New build facility at an alternative site:**

This option requires major budget allocation for consultancy, design and construction works, delivering a modern leisure and wellbeing facility.

Impact factor	Benefits	Implications
<b>Economic</b>	<ul style="list-style-type: none"> <li>• If site clear and owned by RDC, no land acquisition for leisure development</li> <li>• No loss of income for operator of existing sites whilst works underway</li> <li>• Possible operator income (c£200k) &amp; operational savings (c£200k)</li> <li>• Support local economy</li> </ul>	<ul style="list-style-type: none"> <li>• Major capital budget required</li> <li>• <i>If site not owned by RDC, land acquisition cost</i></li> <li>• Financing repayments (c£400k)</li> <li>• Costs of mothballing BLC building</li> <li>• Covid-19 impact may hamper ability to attract income to cover costs</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• Potential for net zero carbon</li> <li>• Supports RDC environmental targets</li> <li>• Supports national environmental targets</li> </ul>	<ul style="list-style-type: none"> <li>• Short-term construction impact</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>• Increase housing availability, including affordable</li> <li>• Continued access to existing facilities whilst construction off site underway</li> <li>• Increase access to health activity</li> <li>• Increase participation – attract new users to new centre</li> <li>• Decrease health inequalities</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of financial priorities perceived by non-users</li> <li>• New location may not be centrally located</li> </ul>
<b>Strategic</b>	<ul style="list-style-type: none"> <li>• Support increase housing supply</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to deliver planning policy DaSA BEX4</li> <li>• Take up another site earmarked for employment and regeneration</li> <li>• High density housing at key town gateway</li> <li>• Leaves allocated site derelict at key gateway</li> </ul>

## 1. Retender leisure contract with refurbishment of both existing facilities:

This option would require significant budgets for consultancy, design and construction works, with two sites to operate, allowing the building fabric and fit-out to be brought up to better standards (e.g. roof replacement, internal layout reconfiguration, replacement plant, redecoration).

Impact factor	Benefits	Implications
<b>Economic</b>	<ul style="list-style-type: none"> <li>No demolition costs</li> <li>Potential reduced requirement for borrowing (funding gap decrease)</li> <li>Reduction in repair and maintenance costs</li> </ul>	<ul style="list-style-type: none"> <li>Retrofit costs (complex refurbishment on old building) – major funding required</li> <li>Refurbishment not long-term solution to building fabric deterioration</li> <li>Loss of income for operator whilst works underway</li> <li>Two sites not attractive for future operators</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Possible longer-term reduction in carbon emissions if refurbishment includes energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Short-term refurbishment impact</li> <li>Two sites remain inefficient to run and for users to travel between two facilities.</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>Maintain current level of access with improved internal environment</li> </ul>	<ul style="list-style-type: none"> <li>Short-term interruption in access whilst works underway</li> <li>Unlikely to attract new users and contribute to decreasing inactivity and health inequalities</li> </ul>
<b>Strategic</b>	<ul style="list-style-type: none"> <li>Reduce resource requirements for overseeing refurbishment as opposed to new build</li> </ul>	<ul style="list-style-type: none"> <li>Failure to deliver planning policy DaSA BEX4</li> <li>Failure to deliver on adopted corporate plan</li> <li>Requirement to run an operator procurement exercise for contract start 1 April 2021</li> <li>Resource required for communications: M&amp;S s106 monies were for leisure facilities</li> </ul>

### 3. Retender leisure contract without refurbishment:

This option assumes carrying on with the facilities in their current state, with a similar operation contract in place – the ‘do nothing’ option. Details on costs obtained from Freedom Leisure are contained within the HOS for Housing & Communities report.

Impact factor	Benefits	Implications
<b>Economic</b>	<ul style="list-style-type: none"> <li>• No short-term major capital outlay for land, design or construction</li> <li>• No short-term risk to Council’s capital reserves or borrowing</li> </ul>	<ul style="list-style-type: none"> <li>• Return to increased revenue expenditure for operational contract c£100k p/a</li> <li>• Increased repair and maintenance costs c£80k p/a</li> <li>• Operator outlay increases, impacting future contract costs</li> <li>• Costs for carbon offsetting</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• No short-term construction impact</li> </ul>	<ul style="list-style-type: none"> <li>• Continued high carbon emissions</li> <li>• Total failure to contribute to RDC environmental targets (zero carbon by 2030 pledge)</li> <li>• Total failure to contribute to national environmental targets (zero carbon by 2050)</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>• Uninterrupted access to current facilities</li> <li>• Access to sport and fitness activities maintained</li> </ul>	<ul style="list-style-type: none"> <li>• Current facilities unable to offer range of activities in demand (flexible, adaptable space)</li> <li>• Unlikely to attract new users and contribute to decreasing inactivity and health inequalities</li> </ul>
<b>Strategic</b>	<ul style="list-style-type: none"> <li>• No resource required for project delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Increased resource for maintenance and repairs</li> <li>• Requirement to run an operator procurement exercise for contract start 1 April 2021</li> <li>• Failure to deliver planning policy DaSA BEX4</li> <li>• Failure to deliver on adopted corporate plan</li> <li>• Resource required for communications: M&amp;S s106 monies were for leisure facilities</li> <li>• Tied in to Ravenside lease until 2059</li> </ul>

#### 4. No retender of leisure contract: close leisure facilities at end of current contract

This option would result in no sport, fitness and swimming facilities in Bexhill.

Impact factor	Benefits	Implications
<b>Economic</b>	<ul style="list-style-type: none"> <li>No major capital outlay</li> <li>Sell land – capital receipt</li> <li>No revenue expenditure</li> </ul>	<ul style="list-style-type: none"> <li>Cost for keeping operational until lease surrender date (as clause states BLP must stay open) c£160k p/a</li> <li>Failure to support local economy (attracting residents and businesses to Bexhill)</li> <li>Cost for operator redundancies at BLC £100k</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>No environmental impact of buildings</li> </ul>	<ul style="list-style-type: none"> <li>Increased environmental impact of residents travelling out of town for leisure activity</li> </ul>
<b>Social</b>		<ul style="list-style-type: none"> <li>Failure to provide access to health and fitness activities</li> <li>Decrease in participation, impacting health of residents</li> <li>Increase in health inequalities</li> </ul>
<b>Strategic</b>	<ul style="list-style-type: none"> <li>No resource for project delivery or operator procurement and management required</li> </ul>	<ul style="list-style-type: none"> <li>Lease clause requires BLP to stay open</li> <li>Failure to deliver planning policy DaSA BEX4</li> <li>Unable to meet leisure provision requirements as per Leisure Facilities Strategy</li> <li>Failure to support regeneration objectives</li> <li>Resource required for communications: M&amp;S s106 monies were for leisure facilities</li> <li>Reputational damage</li> </ul>

### Estimated capital and revenue costs for leisure options

Option	Estimated Capital requirement	Operator fee Years 1-3 (2021/22-2023/24)	Estimated Revenue requirement (per annum)	
Option 1 (a and b: newbuild)	£15,525,000	£583,375	Repayments on shortfall (40 years) Probable operator income <b>Net revenue cost</b>	£440,000 <b>(£200,000)</b> <b>£220,000</b>
Option 2 (refurbishment of both sites)	£8,000,000*	£580,000 As both centres would require temporary closure whilst works underway	Repayments on shortfall (40 years) Operator nil fee likely Repairs and maintenance <b>Net revenue cost</b>	£265,000 £0 £20,000 <b>£285,000</b>
Option 3 (maintain status quo) With plant/structural remedial works to ensure fit safe, legal and fit for purpose	£2,000,000**	£340,100	General repairs and maintenance Operator annual fee – long term <b>Net revenue cost</b>	£80,000 £150,000 <b>£230,000</b>
Option 4 (close centres)	£0	£100,000	<u>Whilst facilities in RDC ownership</u> Site safety Ground rent (BLP) Business rates (after 6 months) BLP Business rates (after 6 months) BLC <b>Net revenue cost: for empty buildings</b>	£10,000 £25,000 £65,000 £75,000 <b>£175,000</b>

\*Option 2 (refurbishment) based on a recent refurbishment of Caldicot Leisure Centre, which had been estimated at £6m, but in January 2020 costs were coming in closer to £8m for major improvements at just one site.

\*\*Option 3 (maintain facilities in current condition) will still require major investment for heating/lighting replacement, plant and potential roof replacement to ensure the building fabric is safe, legal and fit for purpose if to be operated for another 10-15 years.

**NB: costs for capital works are high-level estimations and cannot be ascertained until detailed design and specification work has been undertaken.**

## Rother District Council

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** Consultation Report – Draft Rother District Council Environment Strategy

**Report of:** Ben Hook – Head of Service, Acquisitions, Transformation and Regeneration

**Cabinet Member:** Councillor Field

**Ward(s):** All

**Purpose of Report:** To report the results of the public consultation for the draft Environment Strategy, and the recommendations of the Climate Change Steering Group

**Officer**

**Recommendation(s):**     **Recommendation to COUNCIL:**

That the Rother Environment Strategy 2020-2030 be approved and adopted, subject to the inclusion of the items listed in paragraphs 14 and 15 of the report, identified through the consultation process and recommended by the Climate Change Steering Group.

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### Introduction

1. At its meeting on 16 September 2019 (Minute C19/38 refers), full Council agreed the following resolution to:
  - i. Declare a ‘climate emergency’.
  - ii. Review and update urgently Rother District Council’s current carbon strategy.
  - iii. Pledge to do what is within our powers, to make Rother District carbon neutral by 2030, taking into account both production and consumption emissions.
  - iv. Call on the Government to provide any additional powers and resources necessary for Rother District to achieve the target of becoming carbon neutral by 2030, and to implement best practice methods to limit global warming to 1.5°C.
  - v. Request that Cabinet establishes a Steering Group to report to full Council within six months with an Action Plan, outlining how the Council will address this emergency. The Carbon Neutral 2030 Action Plan will detail the leadership role Rother District will take in promoting community, public, business and other Council partnerships to achieve this commitment throughout the District. The Action Plan will also outline adequate staff time and resources to undertake the actions to achieve the target.

- vi. To investigate all possible sources of external funding and match funding to support this commitment.
  - vii. Identify citizens across Rother who are climate champions for their communities and to use them to inform on ideas to implement locally.
  - viii. Investigate what Rother District Council can do to minimise the emission of gases which adversely affect climate change even more than CO2.
2. This declaration led to the development of the draft Rother Environment Strategy and Action Plan which was approved for public consultation by Cabinet in February 2020 (Minute CB19/96 refers).

### **The Consultation**

3. The Consultation was open for 12 weeks starting on 25 February 2020 and ended at 5pm on Friday 18 May 2020.
4. The Consultation Plan identified that the following groups would likely be affected, positively or negatively by the Environment Strategy and might wish to make comment or propose amendments. The main target groups for this consultation were:
- i. Residents.
  - ii. Businesses operating in Rother and representative business groups.
  - iii. Transport companies and vehicle suppliers.
  - iv. Utility companies – electricity, gas, water.
  - v. Public sector organisations: Police, Fire & Rescue, East Sussex County Council, NHS CCG and health sector, East Sussex Local Authorities.
  - vi. Voluntary groups and charities operating in Rother.
  - vii. Environmental groups and active transport groups, walking and cycling groups.
  - viii. Schools, colleges and young people.
  - ix. Housing associations and other housing providers.
  - x. National Farmers Union (NFU).
  - xi. Contractors and Service Level Agreement partners with Rother District Council.
  - xii. All Rother Parish and Town Councils.
  - xiii. Rother District Council - Internal departments and teams: Environmental Health, Strategy and Planning, Regeneration, Affordable Housing Development, Finance, Waste and Recycling and Grounds Maintenance.
5. A general invitation to consult residents, visitors, service users and businesses was made via:
- i. My Alerts to 17,428 households (over a third of all Rother households).
  - ii. Media release on launch.
  - iii. Social media notifications on the Council's Facebook and Twitter accounts.
  - iv. The Council's website.
  - v. Posters were made available for display.

A launch event as well as consultation exhibitions were planned but they were not able to proceed due to control measures introduced during the COVID-19 outbreak.

6. In addition to this, a direct invitation to consult was sent to a number of key businesses, charities, public bodies, organisations and other groups. A list of these can be found at Appendix A.

### **The Response**

7. 108 responses were received from local residents through the online survey. A further seven respondents submitted their response by email along with one posted letter. This means we had a total of 116 responses from the public.
8. 19 responses were also received from the list of identified organisations giving a total of 135 responses.
9. The ability to promote the draft strategy was hindered by the COVID-19 measures and whilst this return is lower than would have been expected for a consultation of this prominence, the quality of the response has generally been good.

### **The Results**

10. The draft Environment Strategy was well received by those who responded, with little in the way of criticism. A number of comments were centred on the action plan and the lack of specific actions. However, it is recognised that the action plan is 'high level' at this stage and will be bolstered by the development of a more comprehensive programme of projects and interventions once adopted.
11. From the consultation results there were 10 suggested recommendations that were presented to the Climate Change Steering Group to consider (comments in relation to these recommendations are provided at Appendix B). These were:
  - a) Light Pollution and Dark Skies.
  - b) Supply Chain.
  - c) Reduction in Business Rates and Council Tax for Good Environmental Practice.
  - d) Review strategy again due to environmental effects of social distancing, new Government policy post COVID-19 etc.
  - e) Add References to the High Weald Management Plan.
  - f) Address Ecological Collapse and Biodiversity Crisis.
  - g) Public Transport.
  - h) Include Farmland and the Working Countryside.
  - i) Hydrogen and Biomethane.
  - j) Vehicle Noise.

### **Climate Change Steering Group**

12. The results of the consultation were considered by the Climate Change Steering Group on 2 July 2020. Members were also provided with two supplementary documents. Supplementary Document 1 was the full, unabridged responses from those organisations that submitted comments. Supplementary Document 2 was all of the responses provided by residents organised by the order of questions in the consultation questionnaire. These documents are available on request.

13. Following a full debate on the 10 additional recommendations for inclusion, the Steering Group have recommended to Cabinet to include the following items into the strategy before it is sent to Council for approval:

To be included in the Strategy and Action plan:

- Supply Chains – to ensure that procurement assessment gives greater weight to the environmental impact of the companies with which the Council contracts, including assessments of their supply chains
- Public Transport – To include activity that will improve the standard, environmental impact and frequency of Public Transport throughout the District as well as promoting its use amongst residents.

To be referred to in the strategy but not included in the action plan at this stage:

- Light Pollution and Dark Skies – to be addressed initially in the Local Plan review
- References to the High Weald Management Plan - to be addressed initially in the Local Plan review
- Address Ecological Collapse and Biodiversity Crisis - to be addressed initially in the Local Plan review
- Include Farmland and the Working Countryside - to be addressed initially in the Local Plan review
- Vehicle Noise – To be reviewed again at a later date

14. Members of the Steering Group recommended that subsequent to the consultation, the following recommendations be kept out of the strategy at this time:

- Reduction in Business Rates and Council Tax for Good Environmental Practice – a scheme such as this would be expensive and unworkable.
- Review strategy again due to environmental effects of social distancing, new Government policy post COVID-19 etc. – The strategy will remain a live document and reviewed regularly. The COVID-19 impacts will initially be addressed through the Economic Recovery Steering Group who should ensure that actions within the Economic Recovery Plan are compliant with and contribute towards the ambitions of the Environment Strategy.
- Hydrogen and Biomethane – Elements of this are already being introduced through proposed changes to building regulations. Also, further advancements through research and development are required in this field to make a significant impact.

15. Those recommendations that are not included in the action plan at this point will continue to be considered for inclusion in future years once delivery of the strategy is underway.

## **Conclusion**

16. Cabinet should consider the responses received through the consultation exercise. With consideration for the recommendations of the Steering Group, they should decide which, if any, of the additional recommendations in Appendix B they would like to see included into the Environment Strategy.

17. The Strategy will then be updated in such a way as to include these items before being recommended for adoption at Full Council.

## Implications

### Financial Implications

18. A revenue budget has been approved for the delivery of the Environment Strategy and the appointment of the Environment and Policy Manager. There will likely be need for further expenditure as a programme of activity is developed, in order to meet the Council's target of a 'Carbon Neutral District' by 2030.

### Human Resources Implications

19. Delivering on this Strategy will draw on resources from across the organisation

### Environmental Implications

20. Adoption of this strategy is a key step in furthering the activity required to reduce carbon emissions in the District. This strategy aims to improve the environment through the lowering the emission of carbon and other harmful particulates.

### Sustainability Implications

21. Because this strategy will impact on all areas of business it is likely to have both positive and negative impacts on organisational sustainability. This will be drawn out more as the programme of activity is developed.

### Consultation Implications

22. This strategy will require regular updating as delivery progresses and the national policy landscape changes. These updates will require consultation.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	Yes
Environmental	Yes	Access to Information	No
Sustainability	Yes	Exempt from publication	No
Risk Management	No		
Executive Director:	Dr Anthony Leonard		
Proper Officer:	Malcolm Johnson, Head of Paid Service		
Report Contact Officer:	Ben Hook – Head of Service, ATR		
e-mail address:	<a href="mailto:Ben.hook@rother.gov.uk">Ben.hook@rother.gov.uk</a>		
Appendices:	A. Direct Consultation Invitation List B. Recommendations for Inclusion		
Relevant Previous Minutes:	CB19/96		
Reference Documents:	Rother District Council Draft Environment Strategy Supplementary Document 1 – Organisational Responses Supplementary Document 2 – Resident Responses		

**DIRECT CONSULTATION INVITATION LIST**

Battle & District Chamber of Commerce  
 Battle Abbey Advisory Group  
 Bexhill Chamber of Commerce & Tourism, Bexhill Town Team  
 Bovis Homes, BT Payphones, BT: Redcare and Payphones HLC  
 BT: Payphones, De Etchingam CIC, De La Warr Pavilion  
 Dyer & Hobbis, GT Railway, Hastings Direct  
 Little Common and Cooden Business Association  
 Locate East Sussex, Millwood Designer Homes, National Grid  
 Network Rail, Renown Buses, Rye Chamber of Commerce  
 Rye Partnership, Sea Change Sussex  
 South East Local Enterprise Partnership, South East Water  
 Southeastern Railway, Southern Gas Networks  
 Southern Water Planning Policy, Stagecoach Bus  
 Sussex Strategic Business Board, UK Power Networks  
 Wheel Farm Business Park, Hastings & Rother Credit Union Ltd  
 Bexhill Jobcentre Plus, Community Links (Hastings & Marsham Area)  
 East Sussex Better Together, ESBT (Housing Sub Group)  
 East Sussex County Council  
 East Sussex County Council (Adult Social Care & Health), East Sussex County Council ASC Mental Health Services, East Sussex County Council Drug & Alcohol Commissioning, East Sussex County Council Mental Health, East Sussex County Council Social Care  
 East Sussex Fire & Rescue Service  
 East Sussex NHS Partnership Trust, Environment Agency  
 Friends, Families, Travellers, Hastings Borough Council  
 Highways England, Homes England, IFH Hastings GP Federation  
 Lewes District Council and Eastbourne Borough Council  
 NHS Hastings & Rother CCG, One You East Sussex  
 Rother Association of Local Councils, Sussex Police  
 High Weald AONB Unit, National Probation Service, 1066 Cycle Club  
 Action in rural Sussex, Active Sussex, Alzheimers Society  
 Association of Carers, Autism Sussex, Battle & District Riding Club  
 Battle & Villages Lions Club, Battle Area Community Transport  
 Battle Ramblers, Beautiful Battle, Bexhill 100  
 Bexhill Caring Community, Bexhill Charter Centre  
 Bexhill Community Bus, Bexhill Dementia Action Alliance  
 Bexhill Diabetic Group, Bexhill Foodbank, Bexhill Heritage  
 Bexhill Homelessness Unity Group (HUG)  
 Bexhill in Bloom, Bexhill Islamic Association, Bexhill Lions Club  
 Bexhill Old Town Preservation Society  
 Bexhill Rail Action Group (BRAG)  
 Bexhill Ramblers Association, Bexhill Sea Angling Club  
 Bexhill Street Pastors, Bexhill Talking Newspaper  
 Bexhill Youth Council  
 Campaign for Better Transport East Sussex (now Transport Futures)  
 Care for the Carers, Christians Against Poverty  
 Churches Together in Bexhill  
 Community Links (Hastings & Marsham Area)  
 Disabled Motoring UK, East Sussex Age UK  
 East Sussex Association of the Blind & Partially Sighted People  
 East Sussex Better Together

East Sussex Group of Advance Motorists  
East Sussex Hearing Resource Centre  
East Sussex Recovery Alliance  
Elder Abuse Recovery Service (EARS) East Sussex  
Energise East Sussex, FSN (charity)  
Guestling & Pett Community Friends Scheme  
Hastings & Bexhill Mencap Society  
Hastings & District Interfaith Forum  
Hastings & Rother Disability Forum  
Hastings & East Sussex Natural History Society  
Hastings & Rother Furniture Service  
Hastings & Rother Mediation Service  
Hastings & Rother Rainbow Alliance, Hastings & Rother Samaritans  
Hastings & Rother Voluntary Association (Blind)  
Hastings Advice & Representation Centre  
Hastings Sustainable Transport Forum, HATRIC  
Health Watch East Sussex, Heart of Sidley Project, Historic England, Home Works,  
Homecall Rother, Iden Field Trotters  
Marshlink Action Group, Millwood Designer Homes  
National Grid, Natural England, Northiam Conservation Society  
Northiam Footpaths Group, One You East Sussex  
Rother District Citizens Advice Bureau, Rother Environmental Group  
Rother Neighbourhood Watch Scheme, Rother Race Action Forum  
Rother Ramblers, Rother Seniors Forum, Rother Voluntary Action  
Rye Conservation Society, Rye Dementia Action Alliance  
Rye Harbour Nature Reserve, Rye Lions Club, Rye Runners  
Seaview, Sidley Community Association, Sompriti  
SSAFA Forces Help, St John Homeless Service, The Bexhill Hive  
The Pelham CIO, The Snowflake Trust Ltd  
Tilling Green Residents Association  
Together Hastings Resource Centre  
YMCA DownsLink Group, 1066 Country Campaign, Beautiful Battle  
Bexhill in Bloom, Bexhill Old Town Preservation Society  
Environment Agency  
Hastings & East Sussex Natural History Society  
Hastings Sustainable Transport Forum, High Weald AONB Unit  
Northiam Conservation Society, Rye Harbour Nature Reserve  
Sussex Heritage Trust, Bexhill College, Bexhill High School  
Claverham Community College, East Sussex College Hastings  
Bovis Homes, Brighton Housing Trust, Egerton House  
Hastoe Group (social landlord), Homes England  
Millwood Designer Homes, Optivo (social landlord)  
Orbit Homes (social landlord), Persimmon Homes  
Sanctuary Supported Living, Southdown Housing  
Southdown/Home Works, NFU – National Farmers Union  
Freedom Leisure (contractor to RDC), Biffa (contractor to RDC)  
idverde (contractor to RDC), SHS (contractor to RDC), All Rother Parish and Town  
Councils

## RECOMMENDATIONS FOR INCLUSION

### a) Light Pollution and Dark Skies

- i. **High Weald AONB Unit:** Whilst this document is called an 'Environmental Strategy' its focus is on addressing climate change. Whilst this is understandable in the circumstances, it means that many aspects of the environment are not addressed – for example the need to protect our dark skies so people can appreciate the stars and wildlife is not harmed by light pollution.
- ii. **Whatlington Parish Council:** Rother does not have a policy for intrusive lighting, which for rural areas that Rother covers is important for them and the environment. Rother need to have a policy. We will continue as at present highlighting on planning application any light intrusion. As we are a country parish with no streetlights it is very important to us that this is controlled.
- iii. **Burwash Parish Council:** A key thing that has not been included in the action plan is the protection of the dark skies. The area around Burwash is fortunate to be in an area with dark skies. Local groups have been working with the High Weald AONB unit to educate people about the benefits of dark skies and to try to maintain them as they bring enormous benefits both to wildlife and to tourism across the region. The action plan should include ways that Rother plan to reduce light pollution, as well as other forms of pollution and tree planting moving forward. Also, Rother should ensure that all new developments ... should follow dark sky protection planning guidance.
- iv. **Rother Environmental Group:** Dark Skies – the Council to consider the need for implementing a dark skies policy to reduce light pollution. There are local initiatives in this respect already in places like Burwash and a groundswell of opinion locally in favour elsewhere.
- v. **Campaign for Rural England Sussex:** Rother should consider the sense in implementing a dark skies policy to reduce light pollution. There are local initiatives in this respect already in places like Burwash and a groundswell of opinion locally in favour elsewhere. Research by CPRE (<https://www.nightblight.cpre.org.uk/>) shows that parts of Rother are exceptionally dark at night.
- vi. This suggestion was supported by rural residents as well.

### b) Supply Chain

- i. Idverde: Although supply chain is mentioned with regard to energy and water, it is not considered in any broader sense. idverde itself will be auditing the sustainability of its supply chain which is in excess of a thousand suppliers; each with their own environmental impact. Knowing which of these are having the most negative impact will help us to make improvements in how we procure products and services that minimise impact on the environment. Maybe this is something the Council could consider.

### c) Reduction in Business Rates and Council Tax for Good Environmental Practice

- i. Ticehurst Parish Council – TPC would like RDC to consider reduction in rates – business and residential – for good, proven environmental practise.

d) **Review strategy again due to environmental effects of social distancing, new Government policy post COVID-19 etc.**

i. **Sussex Wildlife Trust** – Conclusion

At the time of writing this response, the global and national economy is being severely impacted by the Covid-19 pandemic. We urge RDC to acknowledge this issue and its ramifications seriously when considering the progress and suitability of the Strategy currently proposed. This is a pivotal time for the economy and the environment and there is a real opportunity to direct the district in a green recovery rather than the damaging behaviours of the past. Whilst we acknowledge the possible resource constraints, we urge RDC to be ambitious in their Environment Strategy and push for nature's recovery for the benefit of all the residents of the district.

ii. This suggestion was also supported by residents, particularly in the latter half of the consultation period.

e) **Add References to the High Weald Management Plan**

i. **High Weald AONB:** The draft Strategy notes that over 82% of Rother District falls within the High Weald AONB and although RDC has formally adopted the statutory AONB Management Plan as your policy for the management of the AONB, there is no reference to the management plan in the main text of the Strategy or its delivery plan. The High Weald AONB Management Plan is the single most important document for the High Weald. It provides a useful unifying framework for addressing the major issues that face us today from food and energy security to housing provision, biodiversity, climate change resilience and the transition to a low carbon economy (see here: <http://www.highweald.org/high-weald-aonb-management-plan.html>). Given the draft Strategy's commitment to consider the environmental implications in your decision-making process and to take a co-ordinated approach, RDC will need to ensure the AONB Management Plan has been fully considered in the preparation of the final Strategy. We would be able to assist RDC with this.

ii. **Sussex Wildlife Trust:** We are disappointed that the Strategy does not reference the statutory High Weald AONB Management Plan which RDC has signed up to. Given that 80% of the district is within the AONB the High Weald Unit should be a key partner for the council.

iii. **Dr Simon Forster:** Throughout the Draft Environmental Report document, there is an emphasis on collaboration with other stakeholders. This is entirely correct and necessary if the targets and ambitions of the report are to be met. Yet, despite the fact that 82 % of the area is within the High Weald AONB, there is no reference to consultation or collaboration with the High Weald AONB Advisory Unit. If mining and enhancing the existing landscape is an essential aspect of the 'Biodiversity' scope, the High Weald AONB Advisory Unit should be a key consultee and the District Council should utilise their expertise and work collaboratively with the Unit to achieve the goals common to both parties.

iv. **Transport Futures East Sussex:** From the strategy *'The Designated Landscapes Review (Julian Glover, September 2019) recommends changes in governance of the National Parks and Areas of Outstanding Natural Beauty (AONBs). Among these are the establishment of a new 'National Landscapes Service' (NLS) to bring National Parks and AONBs together (44 all told).*

- v. *The new NLS should ‘represent the 44 bodies with a single strong voice to Whitehall making ambitious offers to the nation for example on access and recreation, transport, health, education and nature as well as advocating on their behalf.’*
- vi. *The AONBs would receive double the current levels of funding and would ‘have a greater voice on development’. Whatever recommendations are eventually adopted, RDC will hopefully be in a better position to influence greater adoption of sustainable practices in line with its recommended ‘Actions’ at ‘3’ (Air Quality).’*
- vii. We [Transport Futures East Sussex] of course understand the recommendations of the Review described have not yet been adopted but it would be wise to anticipate opportunities that may arise at such time as decisions are made. In our view, the AONB is not able to be sufficiently proactive and has limited objectives.
- viii. **Crowhurst Environment Group** [Add] Evidence that reflects policies, overall aims and goals developed by the High Weald AONB Unit.

#### **f) Address Ecological Collapse and Biodiversity Crisis**

- i. **High Weald AONB Unit:** Without wanting to detract from the urgent need to address climate change, I would also suggest RDC considers ecological collapse as a connected issue and act to tackle this with actions that would also help address climate change – the two issues are inseparable. Many of the AONB Management Plan’s actions directly or indirectly look to address climate change and ecological collapse and a firm link between the AONB Management Plan and the Environment Strategy would help inform the Strategy and guide the environmental management of Rother District. Where residents, businesses, and visitors engage with your services, the AONB Management Plan can also be used to support them in their efforts to meet and support your Environment Strategy – the Plan and the Strategy should work in tandem.
- ii. **Sussex Wildlife Trust:** SWT agrees with the sentiment and explanation within the background section, however given this is an Environment Strategy, we feel there should be reference to wider issues including the Biodiversity Crisis<sup>1</sup>. Whilst we agree that many solutions provide additional benefits including enhancing biodiversity RDC should be actively working to recover nature in the district. This will benefit the district directly and should also contribute to mitigating and adapting to climate change. There should also be a clear commitment to using natural solutions to climate change, rather than relying on technological advances. Natural solutions involve working with and enhancing nature to help address societal challenges such as climate change. Healthy natural habitats store huge amounts of green and blue carbon, and we rely on natural (ecosystem) services to create human health and wellbeing. So natural solutions can play an important role in helping to limit the effects of harmful greenhouse gas emissions, and helping humans to create healthy environments where both we and nature thrive.

SWT would like to see an Environment Strategy that prioritises action that will have a positive impact on the environment and help the district become carbon neutral by 2030. A strategy that simply aims to reduce impact on an already struggling environment is not ambitious enough.

In particular, SWT is pleased to see biodiversity listed as one of RDC's eight priority areas. However, simply 'protecting biodiversity' is not sufficient. RDC must be acting to restore biodiversity through the creation of a Nature Recovery Network as set out in the Defra 25 Year Environment Plan and the draft Environment Act. Priority are 6 should read 'Restoring biodiversity'. There should also be an acknowledgement that a healthy functioning environment underpins many of the other Action Plan priorities such as a green economy or improving air quality.

It is very positive that RDC have undertaken a data review, however this seems to be quite limited in its scope. In particular it is disappointing that no data has been gathered in relation to biodiversity in terms of the district as a whole, or the council's own assets.

In order to restore biodiversity and create the nature recovery network necessary for a district that is resilient to climate change, RDC will need to assess the current extent and quality of the district's ecological network and natural capital assets. Evidence required for the Local Plan, as noted in the Strategic Context section of this strategy, could be helpful in this. However, looking at this list it is likely that this information will need to be updated for the Local Plan review.

- iii. **Rother Environmental Group:** As a general comment on the Action Plan Priorities, we feel there is a lack of clarity on what the priorities are and how they relate to one another. We think the primary focus ought to be on climate change, as identified in the chapters on the Background and Strategic Context. This said, these do not give enough prominence to the ecological crisis, and we think stronger actions to address the loss of biodiversity are needed too. Reference: The UN Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). Amongst other data it states that up to 1 million species are threatened with extinction, many within decades <https://www.un.org/sustainabledevelopment/blog/2019/05/nature-declineunprecedented-report/>
- iv. Some public respondents suggested specific actions in relation to improving biodiversity, see the next section.

## g) Public Transport

- i. **Burwash Parish Council:** Burwash Parish Council is in the final stages of developing a Neighbourhood Plan.... We hope that bus shuttles could link the three Burwash villages with the local stations to link in with train timetables, especially at key commuter times.... In order to help the reduction of traffic across the parish public transport options across the Parish should be increased, especially with links to the stations and to Heathfield for shopping trips.
- ii. **Rother Environment Group:** Reducing Car Use -much of RDC is rural with very poor public transport. The Council to initiate innovative partnerships to address this challenge for example with Royal Mail, community buses, school buses (state and private) and promote car sharing and pools.
- iii. **Transport Futures East Sussex:** In smaller, rural developments, such as at Etchingam, Robertsbridge and Burwash, we note the fragility of local bus services, but also their unrecognised potential, along with rail services, to aid a

recovery of the tourist economy of Rother and East Sussex in general while offering useful transport links to residents. The bus is a proven ally in tackling rural isolation and also retaining young populations in and around our villages and small towns including when tied in with rail services.

Rother District Council should make its voice heard by the transport authority – ESCC – and also Transport for The South East (TFSE) in strengthening such provision. Together with possible changes in governance and funding for the AONB (see below), the ‘Green Economy’ by definition needs ‘sustainable transport’ options for employees between population centres and rural areas.

Around 300,000 people each year visit Bateman’s at Burwash and Bodiam Castle mostly arriving/leaving by car. An RDC voice in favour of public transport access to both would be helpful. A new public transport link to Bodiam via a restored rail service from Robertsbridge would be another plank in recovery plans for the tourism industry, at the same time removing many vehicles from lanes hardly suited to heavy traffic, and a bus to Bateman’s would seem essential in that role while also linking Uckfield station, Heathfield, Burwash, Etchingam station, Hurst Green and Hawkhurst. The recently restored Sunday service between Hastings and Hawkhurst (Stagecoach 349) has been a success, used by local people and visitors.

- iv. There were a lot of comments from residents about specific improvements to public transport forms.

## **h) Include Farmland and the Working Countryside**

- i. **High Weald AONB Unit:** First, the draft Strategy must not ignore the potential of Rother’s farmed fields, grasslands, and soils or the role of agriculture to also mitigate climate change, reverse ecological collapse, and contribute to a low/zero carbon economy while continuing to provide society with the food it needs. Ensuring agriculture and horticulture can fully meet this potential will require a move away from industrial petro-chemical farming towards regenerative agriculture. This form of farming focuses on the health of the soil and using a set of practices it restores the natural fertility of the farm and captures and stores more carbon than it emits while also producing nutrient-dense food, clean and plentiful water, and abundant above and below ground biodiversity. The High Weald AONB partnership is taking the lead promoting regenerative agriculture in the area and supporting those increasing numbers of farmers and growers interested in and moving to regenerative agriculture. Given this, we would be very keen to work with RDC to explore how the final Environment Strategy could support and encourage the vital contribution the district’s farmed landscape and regenerative agriculture could offer in the face of the looming climate and ecological crisis.
- ii. **Dr Simon Forster:** Beyond the subject of trees, the Draft Environmental Strategy report does not discuss the future management of the countryside in any detail. There is no discussion on agricultural environmental policies and how the Council intends to influence the environmental management of farmland, the sector that is, in terms of land proportion, the most important in the Rother District.
- iii. **Crowhurst Environment Group:** Despite ongoing degradation of the countryside, there is a lack of discussion on agricultural environmental policies with clear statements about how the Council intends to prioritise and influence

the environmental management of farmland, which forms the highest proportion of land in the Rother District. Rother District includes some of the best examples of medieval field layouts in Europe and has some of the finest example of wild flower meadows in Britain with the potential for this to be great.

## i) Hydrogen and Biomethane

- i. **Southern Gas Networks:** Among the toughest of challenges that will need to be overcome in Rother and across the UK to meet net-zero will be decarbonising heat (i.e. the heating of buildings, water and industrial processes). Today, around a third of the UK's greenhouse gas emissions come from heating, and about 83% of UK homes are heated by boilers that burn natural gas.

We are collaborating with others to find future net zero solutions for heat and building the evidence to demonstrate a pathway to decarbonise the gas networks. Most experts agree net zero cannot be achieved through electrification alone. Changing the gas that flows through our gas network from natural gas to hydrogen (which burns without emitting direct greenhouse gases) could be key to achieving net zero in a way that is cost-effective and minimises disruption for customers.

We are already reducing the environmental impact of the gas we transport through our network and have 35 biomethane plants connected to our networks supplying the annual needs of 200,000 homes with locally sourced and sustainable green gas. Our aim is to increase this to 450,000 homes supplied by 2026. Utilising separated food waste collected from homes and businesses in Rother to generate biomethane to green the gas network is a potential way we could look to work together to deliver both our aims. More detail on how we plan to accelerate towards a shared net zero future in 2045 by reducing our business carbon footprint and decarbonising the gas transported through our network can be found here: <https://www.sgnfuture.co.uk/>

More information about the Gas Goes Green programme we have developed with the UK's other gas networks to deliver the world's first zero carbon gas network can be found here: [https://www.sgn.co.uk/sites/default/files/media-entities/documents/2020-04/ENA\\_GGG\\_launch\\_report.pdf](https://www.sgn.co.uk/sites/default/files/media-entities/documents/2020-04/ENA_GGG_launch_report.pdf)

## j) Vehicle Noise

- i. Transport Futures East Sussex - Background noise from, for example, the Bexhill to Hastings Link Road, has turned formerly tranquil areas into ones where it is no longer possible to fully gain solace from enjoyment of nature and heritage assets in what was a perfect setting. It is not just background noise that diminishes the experience: intermittent, sudden bursts of noise from 'high performance' vehicles of two and four wheels also diminishes that experience. On fine days, such bursts of noise are frequent and can be heard from up to a mile away in many parts of Rother from e.g. the A259, A265, Combe Valley Way or A21.

Effective regulation of vehicles which create such intrusions on passive enjoyment of the outstandingly beautiful aspects of Rother District is ineffective and not conducive to 'green tourism'. Close up, it's intimidating.

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**Rother District Council**

**Report to:** Cabinet  
**Date:** 27 July 2020  
**Title:** Incorporation of a Local Housing Company  
**Report of:** Ben Hook – Head of Service, Acquisitions, Transformation and Regeneration

**Cabinet Member:** Councillor Byrne

**Ward(s):** All

**Purpose of Report:** To approve the Articles of Association and the Shareholders Agreement and appoint Directors enabling the incorporation of Rother District Council’s Local Housing Company.

**Decision Type:** Key

**Officer**

**Recommendation(s):** **Recommendation to COUNCIL:** That:

- 1) up to 4 Elected Members of the Council and up to 4 other independent persons be appointed as Executive Directors of the company; and
- 2) the Executive Director be granted delegated authority to act as the ‘Shareholder’s Representative’ allowing the use of reserved powers, in consultation with the Cabinet Portfolio Holder for Finance and Performance Management.

**AND**

**It be RESOLVED: That:**

- 1) Rother District Council’s Local Housing Company’s name be agreed;
- 2) the Articles of Association, attached at Appendix A, be agreed;
- 3) the issuance of a single share for the value of £1 to Rother District Council be approved;
- 4) the Shareholder’s Agreement be agreed;
- 5) The Head of Service, Acquisitions Transformation and Regeneration be appointed to act as the Chief Operating Officer, until such a time as the Board of Directors are able to convene; and
- 6) Wealden District Council will act as company secretary (named individual to be confirmed).

## **Introduction**

1. In December 2019, Council approved the establishment of a Local Housing Company (the Company) with the initial aim to complete 1,000 new homes by 2035 (Minute C19/59 refers).
2. The first stage of this process is to incorporate the Company and appoint the Board of Directors.

## **Incorporation of the Company**

3. It is proposed that the Company be established as a 'company limited by shares' with the Council as the sole shareholder. This will enable the Company to issue shares to the Council, as necessary to provide working capital for the company in the early years, before sales receipts are realised. To establish the Company a single share will be issued with the value of £1.
4. Articles of Association (the Articles) have been drafted and are attached at Appendix A. Once registered with Companies House the articles, along with the nomination of Directors, will formally incorporate the Company.
5. The Rother District Council legal service, based at Wealden District Council, will act as the Company Secretary to ensure compliance with the Articles, and the appropriate conduct of meetings.

## **Governance and Decision Making**

6. As sole shareholder the Council has full decision-making power in relation to the company. However, to allow the day to day operations of the company to run smoothly a shareholder's agreement (the Agreement) has been drafted and is attached at Appendix B.
7. This document defines the relationship between the Board of the Company and the shareholder and outlines the expectations of the shareholder in relation to the governance and management of the Company.
8. It is recommended that the structure for the Board of Directors (the Board) seeks to ensure that the Council's interests are protected whilst also allowing room for relevant expertise in a range of fields. The draft shareholder's agreement allows up to 8 directors, a maximum of 4 Elected Members of Council and a maximum of 4 others who are not Elected Members of the Council.
9. It is recommended that the non-Council Members, appointed by the Shareholder, should be sought from a range of backgrounds including finance, legal, commercial housing, and affordable housing.
10. To ensure, where possible, no conflicts of interest exist or arise between the Housing Company and the Council as the sole shareholder, it is necessary that certain officers and Members are excluded from appointment to the Board. These are listed in section 4.1.4 of the Agreement:

*4.1.4 for the avoidance of doubt, shall not be:*

- i) an elected member of the Council who is the Council Leader, the Chairman of the Audit and Standards Committee, has responsibility for planning or is appointed to the Council's Cabinet; or*
- ii) an officer of the Council who has responsibility for undertaking a statutory monitoring officer role or an executive director.*

11. Schedule 1 of the Agreement outlines the powers that the Council chooses not to delegate to the Board. It will be necessary however, to seek approval to exercise these powers from time to time. To ensure that effective decision making can be undertaken it is recommended that Council delegate the authority to exercise these powers to a 'Shareholder's Representative'. It is recommended that the Executive Director act as the Shareholder's Representative, exercising powers in consultation with the Cabinet Portfolio Holder for Finance and Performance Management.
12. Section 3.2 of the Shareholder's Agreement allows for the Board, with the permission of the Shareholder, to appoint a 'Chief Operating Officer' to oversee the day to day running of the Company. In the absence of a Board at this stage it is necessary to appoint someone to progress the development of the Business Plan. The Head of Service – Acquisitions, Transformation, and Regeneration has responsibility for housing development and therefore is the appropriate officer to take on this role, until such a time as the Board can convene.
13. Elected Members of the Council appointed as directors will be provided training on the duties and responsibilities of such a role.

### **Other Matters of Business**

14. All other matters related to the business including (but not limited to):
  - a. The Business Model;
  - b. The Financial Model;
  - c. Appointments of Officers/Service Level Agreements;
  - d. Development Strategy;
  - e. Marketing Strategy; and
  - f. Appointment of advisors

will be considered as part of the business plan to be presented to Members at a later meeting, following the incorporation of the company.

### **Conclusion**

15. The Council has made it clear it wishes to see the establishment of a Local Housing Company to drive forward the development of housing throughout the District. The Articles of Association and Shareholder's Agreement in this report will allow for the incorporation of the company, following the nomination of Directors at the next Full Council meeting in September.

### **Implications**

#### **Financial Implications**

16. At this stage the Council are only being asked to commit £1 for share purchase as well as meeting the cost of incorporation. It must be noted though that as part of the

business plan to be considered at a future meeting, further share issuances will be required to give the Company sufficient cash flow to progress projects and cover operating costs.

### Legal Implications

17. The Council will become sole shareholder of a new legal entity. Those Members appointed as Directors will be required to undertake and accept all those duties, responsibilities and liabilities associated with the role.

### Environmental Implications

18. Incorporation of its own Local Housing Company will enable to the Council to ensure that any housing developments brought forward contribute towards the climate ambitions within the Environment Strategy.

### Sustainability Implications

19. The Company will require support in the early years until such a time as the sales of homes can generate an income stream.

### Risk Management

20. The establishment of a Local Housing Company will limit the extent to which the Council can intervene in those projects being undertaken in relation to housing.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	Yes	Access to Information	No
Sustainability	Yes	Exempt from publication	No
Risk Management	Yes		

Executive Director:	Dr Anthony Leonard
Proper Officer:	Mr Malcolm Johnston, Head of Paid Service
Report Contact Officer:	Ben Hook – Head of Service, Acquisitions, Transformation, and Regeneration
e-mail address:	Ben.hook@rother.gov.uk
Appendices:	A – Articles of Association B – Shareholder’s Agreement
Relevant Previous Minutes:	C19/59

**Memorandum of association**

**of**

**[ COMPANY NAME ]**

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Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

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Name of each subscriber

Authentication by each subscriber

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Rother District Council

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Dated [DATE] 2020

**[COMPANY NAME]**

**Articles of association**

Company number:

Private company limited by shares

Articles of association

of

[COMPANY NAME]

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1 **Model articles not to apply**

The model articles of association for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008, as amended prior to the date of adoption of these Articles shall not apply to the company. References to **the articles** shall be to the following articles of association as amended from time.

2 **Defined terms**

In the articles, unless the context requires otherwise:

**bankruptcy** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**board** means the board of directors of the company from time to time;

**chair** has the meaning given in article 15;

**chair of the meeting** has the meaning given in article 47;

**Companies Acts** means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

**council** means Rother District Council or any successor body thereto;

**director** means a director of the company, and includes any person occupying the position of director, by whatever name called;

**distribution recipient** has the meaning given in article 39;

**document** includes, unless otherwise specified, any document sent or supplied in electronic form;

**elected member** means an elected member of the council who is appointed as a director.

**electronic form** has the meaning given in section 1168 of the Companies Act 2006;

**fully paid** in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

**hard copy form** has the meaning given in section 1168 of the Companies Act 2006;

**holder** in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

**instrument** means a document in hard copy form;

**ordinary resolution** has the meaning given in section 282 of the Companies Act 2006;

**paid** means paid or credited as paid;

**parent** means the council;

**participate**, in relation to a directors' meeting, has the meaning given in article 13;

**proxy notice** has the meaning given in article 54;

**shareholder** means a person who is the holder of a share;

**shares** means shares in the company;

**special resolution** has the meaning given in section 283 of the Companies Act 2006;

**subsidiary** has the meaning given in section 1159 of the Companies Act 2006;

**transmittee** means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

**writing** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

### 3 **Liability of members**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

### 4 **Objects clause**

The company's objects are unrestricted.

### 5 **Change of name**

The company may change its name by resolution of the Board.

### 6 **Directors' general authority**

Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

## **7 Shareholders' reserve power**

7.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

7.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## **8 Directors may delegate**

8.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:

8.1.1 to such person or committee;

8.1.2 by such means (including by power of attorney);

8.1.3 to such an extent;

8.1.4 in relation to such matters or territories; and

8.1.5 on such terms and conditions;

as they think fit.

8.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

8.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **9 Committees**

9.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

9.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **10 Directors to take decisions collectively**

10.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 11.

10.2 If:

10.2.1 the company only has one director; and

10.2.2 no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

## 11 **Unanimous decisions**

11.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

11.2 Such a decision may take the form of a resolution in writing, which may consist of several copies each signed by one or more eligible directors or to which the eligible directors have otherwise indicated agreement in writing.

11.3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

11.4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

## 12 **Calling a directors' meeting**

12.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

12.2 Notice of any directors' meeting must indicate:

12.2.1 its proposed date and time;

12.2.2 where it is to take place; and

12.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

12.3 Notice of a directors' meeting must be given to each director, but need not be in writing.

12.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting. A director may waive the requirement that notice of a meeting of the directors or of a committee of the directors be given to him at any time before or after the date on which the meeting is held by notifying the company to that effect. Where a director gives such notice after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## 13 **Participation in directors' meetings**

13.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

13.1.1 the meeting has been called and takes place in accordance with the articles, and

13.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

13.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

13.3 If all the directors participating in a meeting are not in the same place, the meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chair of the meeting is.

#### 14 **Quorum for directors' meetings**

14.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

14.2 The quorum for the transaction of business of the directors shall be three and at least one elected member must be present.

14.3 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision to request that the parent appoints such number of further directors as are required to make up the board under articles 20 and 21.

#### 15 **Chairing of directors' meetings**

15.1 The board shall appoint a director to chair the directors' meetings.

15.2 The person so appointed for the time being is known as the chair.

15.3 The parent may require the directors to terminate the chair's appointment at any time upon giving written notice to the company.

15.4 If the chair is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

#### 16 **Casting vote**

16.1 If the numbers of votes for and against a proposal are equal, the chair or other director chairing the meeting has a casting vote.

16.2 But this does not apply if, in accordance with the articles, the chair or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

#### 17 **Conflicts of interest**

17.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, then provided that the director has disclosed his interest in such actual or proposed transaction or arrangement with the company in accordance with the Companies Acts or the provisions of these articles, he may nevertheless be counted as participating in the decision-making process for quorum and voting purposes in respect of any such matter in which the director is in any way interested, and shall not, save as otherwise agreed, be accountable to the company for any benefit which he derives under or in consequence of any such transaction or arrangement.

17.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

17.3 Subject to article 17.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair whose ruling in relation to any director other than the chair is to be final and conclusive.

17.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## 18 **Authorisation of directors' conflicts of interest**

18.1 For the purposes of section 175 of the Companies Act 2006, as amended, consolidated or re-enacted from time to time (the **2006 Act**), the directors shall have the power to authorise any relationship, situation or other matter which would or might otherwise constitute or give rise to a breach by a director of the duty to avoid conflicts of interest set out in that section of the 2006 Act (a **Conflict Situation**). Any reference in these articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

18.2 For the purposes of sections 175 and 180(4) of the 2006 Act and for all other purposes, it is acknowledged that a director may be or become subject to a Conflict Situation or Conflict Situations as a result of his also being or having been (or being party to an agreement or arrangement or understanding or circumstances under which he may become) an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or a direct or indirect investor in and/or otherwise involved with or interested in, any of the council, the company, its subsidiaries, any of its holding companies or any subsidiary of any of its holding companies (as such terms are defined in section 1159 of the 2006 Act) or any of its shareholders.

18.3 No director shall be in breach of the duty to avoid conflicts of interest in section 175 of the Act as a result of, and no authorisation is required in respect of, any Conflict Situation envisaged by article 18.2 having arisen or existing in relation to him.

18.4 Authorisation of a matter under this article 18 shall be effective only if:

18.4.1 the matter in question shall have been proposed in writing for consideration by the directors, or in such other manner as the directors may determine;

18.4.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other interested director (together, the **interested directors**); and

18.4.3 the matter was agreed to without the interested directors voting or would have been agreed to if the votes of the interested directors had not been counted.

18.5 Unless otherwise determined by the directors (excluding the interested directors), any authorisation of a matter under this article 18 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.

18.6 Any authorisation of a matter under this article 18 shall be on such terms and/or conditions as the directors (excluding the interested directors) may determine, whether at the time such

authorisation is given or subsequently and may be varied or terminated by the directors (excluding the interested directors) at any time. Such terms or conditions may include (without limitation) terms and conditions as to the duration, renewal and/or revocation of the authorisation, and/or the exclusion of the interested directors from all information and discussion of the matter in question. A director shall comply with any obligations imposed on him by the directors (excluding the interested directors) pursuant to any such authorisation.

18.7 If a director receives or has received any information otherwise than by virtue of his position as a director of the company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:

18.7.1 disclose any such information to the company, the directors or any other director or employee of the company; or

18.7.2 use or apply any such information in connection with the performance of his duties as a director;

provided that to the extent that such duty of confidentiality arises out of a situation or relationship which would or might otherwise constitute or give rise to a breach by the director of the duty to avoid conflicts of interest set out in section 175 of the 2006 Act, this article 18.7 shall apply only if such situation or relationship has been authorised by the directors under this article 18.

18.8 A director shall not, save as otherwise agreed by him, be accountable to the company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under this article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

## 19 **Records of decisions to be kept**

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

## 20 **Directors' discretion to make further rules**

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

## 21 **The board**

Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum and the minimum number is three.

## 21 **Appointment and Removal of Directors**

21.1 Notwithstanding any other provision of these articles, the holder or holders of a majority in nominal value of the issued ordinary shares in the capital of the company may at any time and from time to time:

21.1.1 appoint any person to be a director (provided that any such appointment does not cause the number of directors to exceed a number fixed by or in accordance with these articles as the maximum number of directors); or

21.1.2 remove any director from office.

21.2 Every such appointment or removal shall be effected by notice in writing to the company and shall take effect immediately (or on such later date, if any, specified in the notice). Any such notice of appointment or removal may consist of several documents in similar form, each signed by or on behalf of one or more holders.

22 In any case where, as a result of bankruptcy, the company has no shareholders and no directors, the trustee in bankruptcy or other transmittee(s) of the last shareholder to have a bankruptcy order made against him has the right, by notice in writing, to appoint a natural person (including himself) who is willing to act and is permitted to do so to be a director.

### 23 **Termination of director's appointment**

A person shall be ineligible for appointment to the board and if already appointed ceases to be a director as soon as:

23.1 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

23.2 that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors resolve that person's office be vacated;

23.3 a bankruptcy order is made against that person;

23.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;

23.5 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

23.6 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;

23.7 that person is an employee of any shareholder in the company and ceases to be employed as such for any reason;

23.8 that person is removed by the parent by a notice in writing to the company;

23.9 that person is or becomes a person disqualified from elected membership of a local authority;

### 24 **Directors' remuneration**

Directors may undertake any services for the company that the directors decide **provided that** no sum shall be paid to a director who is an elected member of the council.

25 **Directors' expenses**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

25.1 meetings of directors or committees of directors;

25.2 general meetings; or

25.3 separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company **provided that**, no sum shall be paid to a director who is an elected member of the council.

26 **Company secretary**

The directors may appoint a company secretary for such term, at such remuneration and upon such conditions as they think fit. Any company secretary may be removed or replaced by the directors.

27 **Nil- or partly-paid shares permitted**

If the company at any time has nil or partly-paid shares in issue, articles 52 to 62 (inclusive) of the model articles of association for public companies contained in Schedule 3 to the Companies (Model Articles) Regulations 2008, as amended prior to the date of adoption of these articles, shall apply to the company and form part of these articles as if the text of such provisions was set out in full in these articles.

28 **Allotment of shares**

28.1 Save as authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company.

28.2 Sections 561 and 562 of the Companies Act 2006 shall not apply to any allotment of equity securities (as defined in section 560 of the Companies Act 2006) by the company.

29 **Powers to issue different classes of share**

29.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

29.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

30 **Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company

is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

### 31 **Share certificates**

31.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

31.2 Every certificate must specify:

31.2.1 in respect of how many shares, of what class, it is issued;

31.2.2 the nominal value of those shares;

31.2.3 the amount paid up on the shares to which it relates; and

31.2.4 any distinguishing numbers assigned to them.

31.3 No certificate may be issued in respect of shares of more than one class.

31.4 If more than one person holds a share, only one certificate may be issued in respect of it.

31.5 Certificates must:

31.5.1 have affixed to them the company's common seal, or

31.5.2 be otherwise executed in accordance with the Companies Acts.

### 32 **Replacement share certificates**

32.1 If a certificate issued in respect of a shareholder's shares is:

32.1.1 damaged or defaced; or

32.1.2 said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

32.2 A shareholder exercising the right to be issued with such a replacement certificate:

32.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

32.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and

32.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

### 33 **Share transfers**

33.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

33.2 The instrument of transfer of any share taken on formation of the company by a subscriber to the company's memorandum of association need not be executed by or on behalf of the transferee even where the share is not fully paid.

33.3 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

33.4 The company may retain any instrument of transfer which is registered.

33.5 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

33.6 The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

#### 34 **Transmission of shares**

34.1 If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

34.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

34.2.1 may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person; and

34.2.2 subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

34.3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

#### 35 **Exercise of transmittees' rights**

35.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

35.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

35.3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

#### 36 **Transmittees bound by prior notices**

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

#### 37 **Procedure for declaring dividends**

- 37.1 The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 37.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 37.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 37.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 37.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 37.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 37.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

### 38 **Calculation of dividends**

Except as otherwise provided by these articles or the rights attached to shares, all dividends must be:

- 38.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and
- 38.2 apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly. For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

### 39 **Payment of dividends and other distributions**

- 39.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- 39.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
- 39.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address

specified by the distribution recipient either in writing or as the directors may otherwise decide;

39.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

39.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

39.2 In these articles, the **distribution recipient** means, in respect of a share in respect of which a dividend or other sum is payable:

39.2.1 the holder of the share; or

39.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or

39.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

#### 40 **No interest on distributions**

The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

40.1 the terms on which the share was issued, or

40.2 the provisions of another agreement between the holder of that share and the company.

#### 41 **Unclaimed distributions**

41.1 All dividends or other sums which are:

41.1.1 payable in respect of shares; and

41.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

41.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

41.3 If:

41.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and

41.3.2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

42        **Non-cash distributions**

42.1        Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

42.2        For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

42.2.1      fixing the value of any assets;

42.2.2      paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

42.2.3      vesting any assets in trustees.

43        **Waiver of distributions**

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:

43.1        the share has more than one holder; or

43.2        more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

44        **Authority to capitalise and appropriation of capitalised sums**

44.1        Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:

44.1.1      decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

44.1.2      appropriate any sum which they so decide to capitalise (a **capitalised sum**) to the persons who would have been entitled to it if it were distributed by way of dividend (the **persons entitled**) and in the same proportions.

44.2        Capitalised sums must be applied:

44.2.1      on behalf of the persons entitled; and

44.2.2      in the same proportions as a dividend would have been distributed to them.

44.3        Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

44.4 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards:

44.4.1 paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct;

44.4.2 paying up any amounts unpaid on existing shares held by the persons entitled.

44.5 Subject to the articles the directors may:

44.5.1 apply capitalised sums in accordance with paragraphs 44.3 and 44.4 partly in one way and partly in another;

44.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

44.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

#### 45 **Attendance and speaking at general meetings**

45.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

45.2 A person is able to exercise the right to vote at a general meeting when:

45.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

45.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

45.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

45.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

45.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

#### 46 **Quorum for general meetings**

No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. The presence of a duly authorised representative of the parent shall be a quorum.

#### 47 **Chairing general meetings**

47.1 If the directors have appointed a chair, the chair shall chair general meetings if present and willing to do so.

47.2 If the directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

47.2.1 the directors present; or

47.2.2 (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

47.3 The person chairing a meeting in accordance with this article is referred to as **the chair of the meeting**.

#### 48 **Attendance and speaking by directors and non-shareholders**

48.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

48.2 The chair of the meeting may permit other persons who are not:

48.2.1 shareholders of the company; or

48.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

#### 49 **Adjournment**

49.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.

49.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:

49.2.1 the meeting consents to an adjournment; or

49.2.2 it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

49.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.

49.4 When adjourning a general meeting, the chair of the meeting must:

49.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and

49.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

49.5 If a general meeting is adjourned, then notice of the time and place to which it is adjourned shall be given:

49.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and

49.5.2 containing the same information which such notice is required to contain.

49.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## 50 **Voting: general**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

## 51 **Errors and disputes**

51.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

51.2 Any such objection must be referred to the chair of the meeting, whose decision is final.

## 52 **Poll votes**

52.1 A poll on a resolution may be demanded:

52.1.1 in advance of the general meeting where it is to be put to the vote, or

52.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

52.2 A poll may be demanded by:

52.2.1 the chair of the meeting;

52.2.2 the directors;

52.2.3 any member (present in person or by proxy) having the right to attend and vote at the meeting or by a duly authorised representative of a corporation.

52.2.4 A demand for a poll may, before the poll is taken, be withdrawn. A demand so withdrawn shall not invalidate the result of a vote on a show of hands declared before the demand was made.

52.3 Polls must be taken immediately and in such manner as the chair of the meeting directs.

## 53 **Content of proxy notices**

53.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:

53.1.1 states the name and address of the shareholder appointing the proxy;

- 53.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 53.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - 53.1.4 is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 53.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 53.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 53.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 53.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - 53.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### 54 **Delivery of proxy notices**

- 54.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- 54.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 54.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 54.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### 55 **Proxies and corporate representatives**

The failure of any proxy or corporate representative to vote in accordance with any instructions given by the member by whom such proxy or corporate representative is appointed shall not invalidate the result of any vote in which the proxy or corporate representative has participated and the company and the directors shall be under no duty to enquire as to the instructions given to any such proxy or corporate representative.

#### 56 **Amendments to resolutions**

- 56.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- 56.1.1 notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and
  - 56.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 56.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 56.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 56.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 56.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

**57 Written resolutions and decisions of the Parent**

A proposed written resolution of the members of the company (or of a class of members) shall lapse if it is not passed before the end of the period of six months beginning with the circulation date of such resolution (as defined in section 290 of the Companies Act 2006).

If the parent makes a decision which is required to be taken in a general meeting or by means of a written resolution, that decision shall be valid and effectual as if agreed by the Company in general meeting. Any decision taken by the parent pursuant to this Article 57 shall be recorded in writing and delivered by the parent to the Company for entry in the Company's minute book.

**58 Means of communication to be used**

- 58.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- 58.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 58.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 58.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
  - 58.4.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five working days

after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five working days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

58.4.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

58.4.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

58.4.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

58.5 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Companies Act 2006.

## 59 **Company seals**

59.1 Any common seal may only be used by the authority of the directors.

59.2 The directors may decide by what means and in what form any common seal is to be used.

59.3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

59.4 For the purposes of this article, an authorised person is:

59.4.1 any director of the company;

59.4.2 the company secretary (if any); or

59.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

## 60 **No right to inspect accounts and other records**

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

## 61 **Provision for employees on cessation of business**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director

or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

## 62 **Indemnity**

62.1 The company may indemnify any relevant officer out of the assets of the company from and against any loss, liability or expense incurred by him or them in relation to the company (including any liability incurred in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006)) **provided that** this article shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Companies Act 2006. This article does not allow for or provide (to any extent) an indemnity which is more extensive than as permitted by the Companies Act 2006 and any such indemnity is limited accordingly. This article is also without prejudice to any indemnity to which any person may otherwise be entitled.

62.2 To the extent permitted by, and subject to the restrictions in, the Companies Act 2006 and without prejudice to any indemnity to which he may otherwise be entitled, the board shall have the power to provide funds to meet any expenditure incurred or to be incurred by any relevant officer in defending any criminal or civil (including regulatory) proceedings, or in connection with an application under the Companies Act 2006, or to enable him to avoid incurring such expenditure.

62.3 Without prejudice to the provisions of article 63, the directors may exercise all the powers of the company to purchase and maintain insurance for the benefit of any person who is a relevant officer or an employee or former employee of the company or any associated company or who is or was a trustee of a retirement benefits scheme or another trust in which a relevant officer or an employee or former employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the company.

62.4 In these articles:

62.4.1 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate;

62.4.2 **relevant officer** means any current or former director, secretary or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006)), other than any person (whether an officer or not) engaged by the company (or associated company) as an auditor, to the extent he acts as an auditor.

## 63 **Insurance**

63.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

63.2 In this article:

- 63.2.1 a **relevant director** means any director or former director of the company or an associated company;
- 63.2.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- 63.2.3 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

**Deed Dated**

**Rother District Council**

and

**[Company Name]**

**Shareholders' Agreement**

in respect of [Company Name]

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# Shareholders' Agreement

## Deed dated

## Parties

- (1) **Rother District Council** of Town Hall, London Road, Bexhill-on-Sea, East Sussex, TN39 3JX (the **Council**)
- (2) **[company name]** (company no [company number]) whose registered office is at [registered address] (the **Company**).

## Introduction

- (A) The Company was incorporated in England under the Companies Act 2006 on [date of incorporation] and, at the date of this Agreement, [number of shares on incorporation] Shares are in issue and are registered in the name of and are beneficially owned by the Council.
- (B) The Company has been established for the commercial purpose of increasing the supply of housing across a range of tenures including for sale (on market or shared ownership or shared equity terms) and rent (at a market or at sub-market rent).
- (C) This Agreement sets out the terms upon which the Council will participate in the Company as its shareholder.

## Agreed Terms

### 1 Definitions and Interpretation

#### 1.1 In this Agreement:

**Agreed Form** means a form agreed between the Shareholder from time to time, a copy of which has been initialled for the purpose of identification by or on behalf of the Shareholder;

**Articles** means the articles of association of the Company;

**Business** means the business of the Company as set out in clause 2;

**Business Day** means a day (other than a Saturday or Sunday) on which the banks in the City of London are open for business;

**Business Plan** means the operational business plan and budget of the Company as adopted and amended in accordance with clause 2.

**CA2006** means the Companies Act 2006;

**Director** means a director of the Company;

**Dwelling** means any dwelling owned by the Company from time to time;

**Environmental Information Regulations** means the Environmental Information Regulations 2004;

**Financial Model** means the financial model set out in [file name to follow] and initialled by way of identification by the signatories to this Agreement as amended from time to time with Shareholder Consent;

**Finance Documents** means a development facility agreement to be entered into by the Company and the Council on or about the date of this Agreement, a loan note instrument to be entered into by the Company on or about the date of this Agreement, and any other funding and security documentation which is entered into by the Company relating to the provision of funding for the Business from the Council;

**FOIA** means the Freedom of Information Act 2000;

**Group** means the Company and its subsidiary undertakings from time to time, or any of them as the context requires and **Group Company** shall be construed accordingly;

**Information** has the meaning given to it under section 84 of the FOIA;

**Remuneration Policy** means a policy adopted by the Company (following receipt of Shareholder Consent) in relation to the provision of remuneration (including salary, bonus, the provision of benefits-in-kind or otherwise) for its employees, officers and consultants;

**Request for Information** has the meaning set out in the FOIA or any apparent request for information made under the FOIA or the Environment Information Regulations;

**Shareholder** means any holder of any Share(s) from time to time, being the Council at the date of this Agreement;

**Shareholder Consent** means consent of the Shareholder in accordance with clause 3.6;

**Shareholder Consent Matters** means those matters listed in schedule 1;

**Shares** means the ordinary shares of £[value] each in the issued share capital of the Company;

**Subsidiary** has the meaning given in the CA2006; and

**United Kingdom** means the geographical area of the United Kingdom of Great Britain and Northern Ireland as at the date of this Agreement.

**Rother District** means the Council's administrative area as at the date of this Agreement;

1.2 A reference to a statutory provision includes a reference to:

1.2.1 a statutory amendment, consolidation or re-enactment (whether before or after the date of this Agreement),

1.2.2 statutory instruments or subordinate legislation (as defined in section 21(1) of the Interpretation Act 1978) or orders made under the statutory provision (whether made before or after the date of this Agreement), and

- 1.2.3 statutory provisions of which the statutory provision is an amendment, consolidation or re-enactment.
- 1.3 Reference to:
- 1.3.1 a person includes a legal or natural person, partnership, trust, company, government or local authority department or other body (whether corporate or unincorporate),
- 1.3.2 a statutory or regulatory body shall include its successors and any substituted body,
- 1.3.3 an individual includes, where appropriate, his personal representatives,
- 1.3.4 the singular includes the plural and vice versa, and
- 1.3.5 one gender includes all genders.
- 1.4 Unless otherwise stated, a reference to a clause or schedule is a reference to a clause or schedule to this Agreement and a reference to this Agreement includes its schedules.
- 1.5 Clause headings in this Agreement are for ease of reference only and do not affect its construction.
- 1.6 In construing this Agreement the so-called ejusdem generis rule does not apply and accordingly the interpretation of general words shall not be restricted by words indicating a particular class or particular examples.
- 1.7 For the purposes of this Agreement **Party** means a party to this Agreement and reference to **Parties** shall be to all or more than one of them as applicable.
- 1.8 Where a provision of this agreement imposes an obligation, cost or liability on two or more Parties, that obligation, costs or liability shall be construed as being against those Parties jointly and severally, and where a provision of this Agreement gives a claim, benefit or right to two or more Parties, that claim, benefit or right attaches to those Parties jointly.
- 1.9 Where a consent and/or permission is required under this Agreement from one Party to the other that consent and/or permission should not be unreasonably withheld or delayed.

## 2 **Business**

- 2.1 The Business of the Company shall be:
- 2.1.1 to operate as a commercial company;
- 2.1.2 to purchase land and property within the Rother District from either the Council or on the open market; and
- 2.1.3 to acquire, develop, construct and/or refurbish residential homes or mixed use developments within the Rother District (subject to any variation of the geographical extent of the Company's activities agreed pursuant to clause 2.5) which it will sell at market or shared equity or shared ownership terms or rent (either on the open market or at a sub-market rent).

together with any activities reasonably incidental to the above.

- 2.2 The first Business Plan of the Company is to be agreed by Full Council once the company commences trading. Subsequently the Company shall circulate the Business Plan to the Shareholder by the end of November in each year and invite the Shareholder to provide comments on the proposed Business Plan or to provide Shareholder Consent. The Shareholder will use reasonable endeavours to respond by the end of the following February. Subject to the receipt of Shareholder Consent, before the end of each Accounting Period the Directors shall (in accordance with this Agreement) consider and, if appropriate, adopt an updated and revised Business Plan. No adoption, variation or replacement of any Business Plan shall take effect unless such adoption, variation or replacement has received Shareholder Consent.
- 2.3 Each Business Plan shall be substantially in the format of the first Business Plan and shall be for a three year period, unless the Shareholder consents otherwise.
- 2.4 Notwithstanding any other provision of this clause 2, following the requisite approval by the Directors of a new proposed Business Plan or an amended or updated and revised Business Plan, such draft Business Plan shall become, or such amended or updated Business Plan shall become, the Business Plan for the relevant Accounting Periods. For any period when a proposed Business Plan presented under clause 2.3 has not been approved and adopted by the Directors in accordance with this Agreement the relevant existing Business Plan shall continue to be the Business Plan of the Company.
- 2.5 The Company shall not acquire any property or otherwise trade outside of the Rother District without Shareholder Consent.

### **3 Conduct of the Company's Affairs**

- 3.1 Meetings of the Directors shall be held no less than four times in every year and at not more than three monthly intervals.
- 3.2 With the exception of those matters requiring Shareholder Consent pursuant to clause 3.6, the management of the Company shall be vested in the Directors. The Directors may appoint a chief operating officer on such terms as they may think fit who shall be responsible for the day to day management of the Business within the terms of the Business Plan and this Agreement and perform such duties as may be delegated to them by the Directors. The Directors may also remove such chief operating officer and appoint a replacement, on such terms as it may think fit providing that no appointment to the post of chief operating officer shall be made without Shareholder Consent.
- 3.3 Without prejudice to the generality of the foregoing, the Directors will determine the general policies of the Company and the manner in which the Business is to be carried out, subject to the Business Plan, to those matters requiring Shareholder Consent pursuant to clause 3.6 and to any other express provisions of this Agreement. In particular, but without limitation to the generality of the foregoing, the Directors shall exercise all voting rights and other powers of control available to them in relation to the Company so as to procure (in so far as they are able in the exercise of such rights and power) that, at all times during the term of this Agreement, the Company shall:

- 3.3.1 carry on and conduct its business and affairs in a proper and efficient manner, for its own benefit and in accordance with the Business Plan and with good business practices, and
- 3.3.2 transact all its business on arm's length terms.
- 3.4 The Company shall not carry out any activity which would render the holding of Shares by any Shareholder unlawful provided that where a proposed change of law would render such shareholding unlawful such Shareholder will use its reasonable endeavours to take such steps as are necessary to allow it to continue lawfully to hold its Shares.
- 3.5 The Company will if it requires any approval, consent or licence for the carrying on of its Business in the manner in which it is from time to time carried on or proposed to be carried on, obtain and maintain the same in full force and effect.
- 3.6 The Company shall ensure that none of the Shareholder Consent Matters shall be carried out without the prior consent in writing of Shareholder holding in aggregate between them a majority of the Shares then in issue.
- 3.7 The Company shall permit any Director to discuss the affairs, finances and accounts of the Company and its subsidiaries with any Shareholder's designated officers and executives at any time. All books, records, accounts and documents relating to the business and the affairs of the Company and its subsidiaries shall be open to the inspection of any such person, who shall be entitled to make any copies thereof as he or she deems appropriate to keep the relevant Shareholder properly informed about the business and affairs of the Company or to protect its interests as a Shareholder. Any information secured as a consequence of such discussions and examinations shall be kept confidential by the requesting Shareholder and its designated officers and executives in accordance with the terms of clause 7.
- 3.8 The Company agrees with the Shareholder that it will maintain effective and appropriate control systems in relation to the financial, accounting and record-keeping functions of the Group and will generally keep the Shareholder informed of the progress of each Group Company's business and affairs and in particular will procure that each Shareholder is given such information and such access to the officers, employees and premises of the Group as it may reasonably require for the purposes of enabling it to monitor its investment in the Group.
- 3.9 The Company shall not breach nor cause the Council to be in breach of the Local Authorities (Companies) Order 1995.

#### 4 **Board**

- 4.1 Subject to the Articles, there shall be a minimum of three Directors and a maximum of not more than eight Directors, which:
- 4.1.1 shall be appointed by the Council in accordance with clause 4.2;
- 4.1.2 shall be comprised of such number of executive or non-executive Directors as the Council shall see fit;

4.1.3 shall comprise a maximum of four elected members of the Council; and

4.1.4 for the avoidance of doubt, shall not be:

- i) an elected member of the Council who is the Council Leader, the Chairman of the Audit and Standards Committee, has responsibility for planning or is appointed to the Council's Cabinet; or
- ii) an officer of the Council who has responsibility for undertaking a statutory monitoring officer role or an executive director.

4.2 Subject to the Articles, any appointment(s) or termination(s) of a Director made under this clause 4 shall be effected by the Council by giving notice in writing to the Company, on the date on which the notice from the Council is received by the Company, or if a later date is specified in the notice, on that date.

## 5 **Covenants**

The Company covenants to the Council in accordance with the terms of Schedule 2.

## 6 **Termination**

6.1 This Agreement shall terminate upon

6.1.1 the written agreement of the Parties in accordance with the terms agreed; or

6.1.2 when a resolution is passed by the Shareholder or creditors of the Company, or any order made by a court or other competent body or person instituting a process that shall lead to the Company being wound up and its assets being distributed among the creditors, Shareholder or other contributors,

but shall cease and determine in respect of a Shareholder (without prejudice to that Shareholder's accrued rights, obligations or liabilities) upon that Shareholder ceasing to hold Shares in the Company.

## 7 **Confidentiality**

7.1 Each Party undertakes that it shall not at any time disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party or of any member of the group of companies to which the other Party belongs, except as permitted by clause 7.2.

7.2 Each Party may disclose the other Party's confidential information:

7.2.1 to its employees, officers, representatives or advisers who need to know such information for the purposes of carrying out the Party's obligations under this Agreement. Each Party shall ensure that its employees, officers, representatives or advisers to whom it discloses the other Party's confidential information comply with this clause 7; or

7.2.2 as may be required by law, court order or any governmental or regulatory authority.

- 7.3 Each Party acknowledges that the other Party is subject to the requirements of the FOIA and the Environmental Information Regulations, and shall facilitate the other Party's compliance with its Information disclosure requirements pursuant to and in the manner provided for in clauses 7.4 and 7.7.
- 7.4 If either Party (the **Recipient**) receives a Request for Information in relation to Information that the other Party is holding and which the Recipient does not hold itself, the Recipient shall refer to the other Party such Request for Information as soon as practicable and in any event within five (5) Business Days of receiving a Request for Information, and the other Party shall:
- 7.4.1 provide the Recipient with a copy of all such Information in the form that the Recipient requires as soon as practicable and in any event within 10 Business Days (or such other period as the Recipient acting reasonably may specify) of the Recipient's request; and
  - 7.4.2 Provide all necessary assistance as reasonably requested by the Recipient to enable the Recipient to respond to a Request for Information within the time for compliance set out in Section 10 of the FOIA or Regulation 5 of the Environmental Information Regulations.
- 7.5 Following notification under 7.4, and up until such time as the other Party has provided the Recipient with all the Information specified in clause 7.4, the other Party may make representations to the Recipient as to whether or not or on what basis Information requested should be disclosed, and whether further information should reasonably be provided in order to identify and locate the information requested, provided always that the Recipient shall be responsible for determining, at its absolute discretion:
- 7.5.1 whether Information is exempt from disclosure under the FOIA and the Environmental Information Regulations; and
  - 7.5.2 whether Information is to be disclosed in response to a Request for Information, and in no event shall the other Party respond directly to a Request for Information unless the Request for Information is addressed to it.
- 7.6 The Parties acknowledge that (notwithstanding the provisions of clause 7.1) the Recipient may, acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of Functions of Public Authorities under part I of the Freedom of Information Act 2000, be obliged under the FOIA or the Environmental Information Regulations to disclose Information concerning the other Party:
- 7.6.1 in certain circumstances without consulting with the other Party; or
  - 7.6.2 following consultation with the other Party and having taken their views into account.
- 7.7 Each Party shall transfer to the other Party any Request for Information which it receives but is addressed to the other Party as soon as practicable and in any event within 3 Business Days of receiving it.

7.8 The Parties acknowledge that any lists provided which list or outline Confidential Information are of indicative value only and that a Recipient may nevertheless be obliged to disclose Confidential Information in accordance with clause 7.6.

## 8 **No Partnership**

Nothing in this Agreement gives rise to a partnership between the Parties or constitutes one Party the agent of another.

## 9 **Contracts (Rights of Third Parties) Act 1999**

9.1 Unless the right of enforcement is expressly granted, it is not intended that a third party, other than a lawful successor in title or a lawful assignee, should have the right to enforce a provision of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.

9.2 The Parties may rescind or vary this Agreement without the consent of a third party to whom an express right to enforce any of its terms has been provided.

## 10 **Costs of this Agreement**

Each party shall pay its own costs in connection with the negotiation, preparation, execution and performance of this Agreement and of each department referred to in it.

## 11 **Waiver**

11.1 The rights of each of the Parties in respect of a breach of this Agreement shall not be affected by completion, by its rescinding, or failing to rescind, this Agreement, or failing to exercise, or delaying in exercising, a right or remedy, or by anything else, except a specific authorised written waiver or release. A single or partial exercise of a right or remedy provided by this Agreement or by law does not prevent its further exercise or the exercise of another right or remedy.

11.2 Waiver of a breach of a term of this Agreement, or of a default under it, does not constitute a waiver of another breach or default nor affect the other terms of this Agreement.

11.3 The rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies.

## 12 **Variation**

A purported variation of this Agreement is not effective unless in writing and signed by or on behalf of each of the Parties.

## 13 **Invalidity**

If a provision of this Agreement is held to be illegal or unenforceable, in whole or in part, under an enactment or rule of law, it shall to that extent be deemed not to form part of this Agreement and the enforceability of the remainder of this Agreement shall not be affected. The Parties agree to negotiate in good faith to agree the terms of a mutually satisfactory provision to be substituted for the provision found to be illegal or unenforceable.

14 **Entire Agreement**

14.1 This Agreement (together with any documents entered into under it or at the same time as it) supersedes all prior understandings and agreements between the Parties (whether written or oral) relating to its subject matter and contains the entire agreement between the Parties relating to its subject matter.

14.2 Each Party acknowledges that it does not enter into this Agreement on the basis of, and does not rely on, warranties or representations made, or agreed to, by any person (whether a party to this Agreement or not).

14.3 Each Party waives its rights against the others in respect of warranties and representations (whether written or oral) not expressly set out or referred to in this Agreement.

14.4 Nothing in this clause 14 limits or excludes liability for fraud.

14.5 The Parties acknowledge that they have had the benefit of legal advice on the effects of this clause 14 and confirm that they consider this clause 14 to be reasonable in all circumstances of this Agreement.

15 **Status of this Agreement**

15.1 In the event of any ambiguity or discrepancy between the provisions of this Agreement and the Articles, then it is the intention of the Shareholder that the provisions of this Agreement shall prevail. Accordingly, each Shareholder (so far as each is able) shall take all such steps and do all such acts and things as may be necessary or desirable, including, without limitation, exercising all voting and other rights and powers of control available to it in relation to the Company, so as to give effect to the provisions of this Agreement and shall further if necessary procure (insofar as it is able to do so by the exercise of those rights and powers) any required amendment to the Articles.

16 **Consents**

16.1 Consents, notices, approvals or agreements to be given by the Shareholder under this Agreement shall be given in writing.

16.2 Where this Agreement provides that a matter is subject to the consent, approval or Agreement of any Party then (except as expressly provided otherwise), it shall be in the absolute discretion of the Party concerned as to whether (and if so, on what terms and conditions) the consent, approval or agreement is made.

17 **Communications**

17.1 Any notice or other communication under or in connection with this Agreement shall be in writing and shall be delivered personally or sent by first-class post (and by air mail if overseas) or by facsimile or by email as follows:

17.1.1 if to the Council, to:

Address: Town Hall, London Road, Bexhill-on-Sea, East Sussex, TN39 3JX

Email: [name]@rother.gov.uk

marked for the attention of: [name] [position]

17.1.2 if to the Company, to:

Address: [name and address]

Email: [email address]

marked for the attention of: The Chief Operating Officer;

or to such other person, address, or fax number or email as any Party may specify by notice in writing to the other.

17.2 In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

17.2.1 if delivered personally, when left at the address referred to in clause 17.1;

17.2.2 if sent by mail, other than airmail, two Business Days after posting it;

17.2.3 if sent by fax, on completion of its legible transmission; and

17.2.4 if sent by email, when sent and there has been no communication by the recipient to the senders that the email has not been received,

provided always that a notice given in accordance with the above but received on a day which is not a Business Day or after business hours on a Business Day will only be deemed to be given on the next Business Day.

17.3 The original of any notice or other communication by fax shall be forwarded to the recipient(s) but the non-arrival of that original shall not affect the validity of the notice or other communication by fax.

## 18 **Counterparts**

18.1 This Agreement may be executed in a number of counterparts and by the Parties on different counterparts, but shall not be effective until each Party has executed at least one counterpart.

18.2 Each counterpart, when executed, shall be an original, but all the counterparts together constitute the same document.

## 19 **Governing Law and Jurisdiction**

19.1 This Agreement and the rights and obligations of the Parties shall be governed by and construed in accordance with the laws of England and Wales.

19.2 The Parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales in respect of any dispute or claim arising out of or in connection with this Agreement or any of the documents to be executed pursuant to this Agreement or their subject matter or formation (including non-contractual disputes or claims). This Deed has been executed as a deed and delivered on the date stated at the beginning of this Deed.



## Schedule 1

### Shareholder Consent Matters – Part A (Corporate Matters)

The Company and any Group Company shall not, unless it has Shareholder Consent:

1. vary in any respect its articles of association or the rights attaching to any of its shares; or
2. permit the registration (upon subscription or transfer) of any person as a member of the Company other than the Shareholder in accordance with the terms of this Agreement and/or any permitted transferees, or permit the registration (upon subscription or transfer) of any person as a member of any other Group Company save for the Company; or
3. increase the amount of its issued share capital except as provided in this agreement, grant any option or other interest (in the form of convertible securities or in any other form) over or in its share capital, redeem or purchase any of its own shares or effect any other reorganisation of its share capital; or
4. issue any loan capital or enter into any commitment with any person with respect to the issue of any loan capital; or
5. make any borrowing other than under the Finance Documents; or
6. apply for the listing or trading of any shares or debt securities on any stock exchange or market; or
7. pass any resolution for its winding up or present any petition for its administration (unless it has become insolvent); or
8. engage in any business other than as contemplated by the Business Plan or defray any monies other than in good faith for the purposes of or in connection with the carrying on of such business; or
9. form any Subsidiary or acquire shares in any other company or participate in any partnership or joint venture (incorporated or not); or
10. close down any business operation, or dispose of or dilute its interest in any of its Subsidiaries for the time being, or dispose of any material asset unless in each case such closure or disposal is expressly contemplated by the Business Plan; or
11. amalgamate or merge with any other company or business undertaking; or
12. alter its name or registered office; or
13. enter into any transaction or arrangement of any nature whatsoever (including, for the avoidance of doubt, a service contract) with any of its directors or any person who is connected (within the meaning of sections 1122 and 1123 of the Corporation Tax Act 2010) to any of its directors whether or not any other person shall be party to such transaction or arrangement; or
14. enter into any arrangement, contract or transaction outside the normal course of its business or otherwise than on arm's length terms; or

15. enter into, as lessor or as lessee, any finance lease; or
16. create or permit to be created any mortgage, charge, encumbrance or other security interest whatsoever on any material asset or its business in whole or in part or any of its shares other than:
  - (a) the Finance Documents;
  - (b) liens arising in the ordinary course of business; or
  - (c) any charge arising by the operation or purported operation of title retention clauses and in the ordinary course of business; or
17. adopt or amend its annual Business Plan; or
18. change either:
  - (a) its statutory auditors; or
  - (b) its financial year end; or
19. make or permit to be made any material change in the accounting policies and principles adopted by the Company in the preparation of its accounts except as may be required to ensure compliance with relevant accounting standards under the Companies Act 2006 or any other generally accepted accounting principles in the United Kingdom; or
20. make any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity (other than in the normal course of trading); or
21. give any guarantee, suretyship or indemnity to secure the liability of any person or assume the obligations of any person outside the scope of its Business Plan; or
22. factor or assign any of its book debts; or
23. establish or amend any profit-sharing, share option, bonus or other incentive scheme of any nature for directors, officers or employees (but for the avoidance of doubt, this will not prevent any Group Company from awarding a discretionary cash bonus to directors, officers or employees); or
24. establish or amend any pension scheme or grant any pension rights to any director, officer, employee, former director, officer or employee, or any member of any such person's family; or
25. dismiss any director
26. adopt or amend its Remuneration Policy;
27. agree to remunerate (by payment of salary, bonus, the provision of benefits-in-kind or otherwise) or to increase the remuneration of any employee, officer or consultant to the Company unless the annual aggregate amount of such remuneration (by payment of

salary, bonus, the provision of benefits-in-kind or otherwise) is in accordance with the Company's current Remuneration Policy or Business Plan; or

28. institute, settle or compromise any material legal proceedings (other than debt recovery proceedings in the ordinary course of business or where the Value of such claim is reasonably believed by the Company to be less than £100,000) instituted or threatened against it or submit to arbitration or alternative dispute resolution any dispute if the effect of this is that its solvency may be imperilled, or it may require additional funding in order to undertake its Business Plan; or
29. Make any agreement with any revenue or tax authorities or make any claim, disclaimer, election or consent for tax purposes in relation to the Group Company or its business if the effect of this is that its solvency may be imperilled, or it may require additional funding in order to undertake its Business Plan.
30. Enter into any contract with a value in excess of £10,000,000.

### **Shareholder Consent Matters – Part B (Operational Matters)**

The Company and any Group Company shall not unless it has Shareholder Consent make any amendments to the Financial Model or to its Remuneration Policy

## **Schedule 2**

### **Company Covenants**

The Company covenants to the Shareholder as follows:

1. To only acquire land or a dwelling if the acquisition is in accordance with the Financial Model.
2. To appoint the Council's auditors as its statutory auditors and to maintain the Council's financial year and as its financial year end.

**In witness** whereof the parties have executed this Agreement as a deed.

Executed as a deed by  
affixing the common seal of  
**Rother District Council**  
in the presence of:



.....  
Director

.....  
Member

executed as a deed by )

**[Company Name]** )

)

acting by: )

a director in the presence of: .....

Director

Witness signature

Name

Address

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**Rother District Council**

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** Revenue Budget and Capital Programme Outturn 2019/20

**Report of:** Antony Baden – Finance Manager

**Cabinet Member:** Councillor Dixon

**Ward(s):** All

**Purpose of Report:** To agree the financial outturn for the financial year ending 31 March 2020

**Decision Type:** Non-Key

**Officer Recommendation(s):** It be **RESOLVED:** That the report be noted.

**Introduction**

1. This report updates Members on the Council’s finances as at the end of March 2020 and includes a draft outturn for 2019/20. This may change as a result of the external audit of the Council’s financial accounts due to take place in August. The financial position for the Council is shown in the table below and further analysis is shown in subsequent paragraphs:-

Line	Rother District Council General Fund Summary	Revised 2019/20 Budget £ (000)	2019/20 Draft Outturn £ (000)	2019/20 Variance £ (000)	2019/20 Variance %
1	Executive Directors & Corporate Core	2,084	2,217	133	6.4%
2	Environmental Services	750	321	(429)	-57.2%
3	Strategy and Planning	961	759	(202)	-21.0%
4	Acquisitions, Transformation and Regeneration	(591)	(223)	368	62.3%
5	Housing and Community Services	7,365	7,634	269	3.7%
6	Resources	3,264	3,873	609	18.7%
<b>7</b>	<b>Total Cost of Services</b>	<b>13,833</b>	<b>14,581</b>	<b>748</b>	<b>5.4%</b>
8	Interest from Investments	(512)	(508)	4	-0.8%
9	Capital Expenditure Charged to Revenue	658	416	(242)	-36.8%
10	<b>Rother 2020 Savings</b>				
11	(i) Increase income - investment in property	0	0	0	0.0%
12	(ii) MRP	91	29	(62)	-68.1%
13	(iii) Interest payments	227	286	59	26.0%
<b>14</b>	<b>Net Cost of Services</b>	<b>14,297</b>	<b>14,804</b>	<b>507</b>	<b>3.5%</b>

Line		Revised 2019/20 Budget £ (000)	2019/20 Draft Outturn £ (000)	2019/20 Variance £ (000)	2019/20 Variance %
15	<b>Special Expenses</b>	(674)	(674)	0	0.0%
	<b>Business Rates</b>				
16	Local Share of business rates	(8,020)	(7,609)	411	5.1%
17	s31 Grants	(1,297)	(2,080)	(783)	-60.4%
18	Tariff	5,715	5,715	0	0.0%
19	Levy	0	0	0	0.0%
	<b>Revenue Support Grant</b>	0	0	0	0.0%
	<b>Non-Specific Revenue Grants</b>				
20	New Homes Bonus Grant	(449)	(449)	0	0.0%
21	Rural Services Delivery Grant	0	0	0	0.0%
22	Local Council tax Support Grant	(100)	(96)	4	4.0%
23	Benefits Administration Grant	(233)	(214)	19	8.2%
24	New Burdens Grant & Other Non-Specific Grants	0	0	0	0.0%
25	Homelessness Grant - New Burdens	(43)	(237)	(194)	451.2%
26	Flexible Homeless Support Grant	(275)	(276)	(1)	-0.4%
27	<b>Council Tax Requirement (Rother only)</b>	(6,830)	(6,829)	1	0.0%
	<b>Other Financing</b>				
28	Collection Fund (Surplus)/Deficit	336	337	1	0.3%
29	Contribution from reserves to fund capital expenditure	(658)	(416)	242	36.8%
30	Contributions to/(from) Earmarked Reserves	(1,769)	(1,769)	0	0.0%
31	<b>Total Income</b>	<b>(14,297)</b>	<b>(14,597)</b>	<b>(300)</b>	<b>2.1%</b>
32	<b>Net Deficit/(Surplus)</b>	<b>0</b>	<b>207</b>	<b>207</b>	<b>-</b>

2. Since the last monitoring report to Cabinet there has been no reportable variations.

### Review of significant variations

- The table above shows the Council incurred a deficit of £207,000 in 2019/20, which is £491,000 lower than the Quarter 3 forecast. The Cost of Services at line 7 in the table at paragraph 1 shows a deficit of £748,000, which is £105,000 higher than the Quarter 3 forecast. This was partially offset by under spends on Non-Service budgets and Income, which reduced the Net Deficit at line 32 to £207,000.
- Many of the risks highlighted in previous forecasts materialised during the financial year but the Assistant Director, Resources worked closely with Heads of Services to reduce the overspend and its impact on reserves.
- As part of the 2020/21 revenue budget considerations Members will recall that seeking voluntary redundancies was one of the measures taken to balance the budget. The cost of redundancies was £316,851 and was paid in 2019/20. These are included in the table above. The gross ongoing saving is expected to be £490,000 per annum.
- The main reasons for the variations are detailed in paragraphs 7 to 26 below.

## **Executive Directors – Deficit £133,000**

7. The deficit is £91,000 lower than was forecasted at Quarter 3. Overspends identified in previous forecasts such as extra legal and consultancy costs were successfully offset by savings of £116,000 across those budget areas, however they were partially offset by £25,000 of costs incurred in response to the Coronavirus pandemic, e.g. the purchase of IT equipment, Telephony costs etc.

## **Environmental Services – Surplus £429,000**

8. Environmental Services' surplus increased by £351,000 since the last reported forecast. This was mainly due to an underspend of £353,000 against the Disabled Facilities Grant of £1,625,000 received from Government. The under utilised government grant which supports the provision of DFGs has been transferred to an earmarked reserve to be used to fund further expenditure in 2020/21.
9. As referred to in paragraph 5 the unbudgeted cost of redundancies reduced the underspend by £51,000 but this in turn was offset by other under spends across the department, mainly on the Pollution (£19,000) and Food Hygiene (£16,000) functions. Several other minor variances totalling £18,000 made up the balance.

## **Strategy and Planning – Surplus £202,000**

10. The Strategy and Planning department surplus increased by £106,000 from the previous forecast. The budget for the Local Development Framework had a balance of £93,000 at year end, which is transferred to the LDF earmarked reserve. There were also difficulties in the recruitment to Planning posts, which added £39,000 to the surplus as they remained vacant. These were offset by a further downturn of £37,000 in the previously reported Planning fee income. Other minor positive variances of £11,000 account for the remaining changes.

## **Acquisitions, Transformation and Regeneration – Deficit £368,000**

11. The deficit for the Acquisitions, Transformation and Regeneration Department has increased by £109,000 since Quarter 3 mainly due to redundancy payments of £63,000 and net rental income shortfalls of £64,000. With regards to the latter the rental shortfalls occurred across several parts of the Council's property portfolio and were exacerbated by the requirement to undertake repairs and pay business rates on empty properties.
12. Planned expenditure of £12,000 was spent on producing a marketing plan for Battle and for events in Rye, and was funded from earmarked reserves.
13. Net savings of £30,000 were achieved from vacant posts, which helped to offset partially the variances explained in paragraphs 10 and 11.

## **Housing and Community Services – Deficit £269,000**

14. The Housing and Community Services department has reduced its deficit by £112,000 since the previous forecast and is due to several changes.
15. The Council receives ring-fenced government grants to fund the resettlement of Syrian refugees and initiatives to reduce Rough Sleeping across the district. At the end of the year there was an unspent balance of £130,000, which must be set aside within earmarked reserves for use in the following financial year.
16. The delay in the start of the Rother Tenant Finder programme was reported in the previous forecast and the final underspend has increased by £34,000 to £78,000.
17. The Cemeteries budget has under spent by £17,000, which is an improvement of £43,000 since the last forecast. The expected shortfall in income did not materialise and savings were also achieved against the repairs budget.
18. Cost reductions of £46,000 were also achieved on Bus Shelter installations (£16,000), Battle Community Hub point running costs (£15,000) and Premises Insurances across the Department, (£15,000). Other much smaller variances increased the reduction by a further £9,000.
19. Car Parks experienced an adverse change of £61,000 since the last forecast mainly due to a shortfall in income arising from the closure of car parks due to the pandemic, the cost of resurfacing the Camber Western car park and other factors inhibiting the ability to charge.
20. The overspend on housing benefit payments to people in Temporary Accommodation increased by a further £38,000 since the last forecast.
21. The Salaries budget underspend decreased by £29,000 as some vacancies were filled more quickly than originally anticipated and unbudgeted redundancy costs of £22,000 were paid in March.

## **Resources - Deficit £609,000**

22. The Resources Department overspent by £609,000, which is an adverse change of £656,000 since the Quarter 3 forecast. The main reason for this is that the recovery of housing benefit overpayments was £549,000 less than budgeted, which reflects the improved performance in the administration and payment of housing benefit claims. The Cost of Collection partially offset this by £88,000 as these were lower than anticipated.
23. In order to comply with external audit requirements and accounting standards the Council is required to review its bad debt provision each year. Therefore, the provision has been increased by £96,000 mainly to allow for an increase in the

recovery of housing benefit bad debts. Redundancy costs of £138,000 paid in March increased the overspend.

24. Favourable variances on previously reported overspends reduced the deficit by £39,000. These were mainly in accountancy, printing, software licenses and mobile telephones.

### Non-Service Budgets

25. Interest Income from investments out turned at £4,000 less than the budget. The amount of capital expenditure funded from revenue was £242,000 less than budget due to slippage on several projects, including the ICT infrastructure upgrade (£140,000), the Accommodation strategy (£71,000) and the provision of new bins for the Joint Waste Contract (£58,000). This is reflected in the Capital outturn shown below.

### Impact on Reserves

26. The net impact on Reserves of the 2019/20 outturn is a reduction of £2,392,000, which is £35,000 lower than the revised budget. The movement in Reserves is summarised in the following table:

	2019/20 Revised Budget £'000	2019/20 Draft Outturn £'000	Variation to Revised Budget £'000
<b>Revenue Reserves and General Fund Balance at 1/4/</b>	<b>(17,362)</b>	<b>(17,362)</b>	<b>0</b>
Use of Reserves to Fund Capital Expenditure	658	416	(242)
Use of Reserves to Balance Budget incl deficit	1,769	1,976	207
<b>Balance 31/3/20</b>	<b>(14,935)</b>	<b>(14,970)</b>	<b>(35)</b>

### Collection Fund

27. The Council Tax part of the Collection Fund collection performance was broadly in line with the 98.5% target set at the beginning of the year. The collection performance to the end of March is shown below:

	Equivalent Period		
	2019/20	2018/19	2017/18
Collectable Annual debit (at 100% collection)	£75,493,263.72	£72,343,360.13	£67,805,819.98
Income Received	£74,161,068.73	£71,217,969.62	£66,756,142.20
Income Received as a % of collectable debit	98.24%	98.44%	98.45%
Budgeted yield (at 98.5% collection)	£74,549,856.52	£71,114,683.69	£66,599,906.61
Income Received as a % of budgeted yield	99.48%	100.15%	100.23%

28. The final position for the Council Tax part of the Collection Fund was a surplus of £956,000 which included adjustments to the bad debt provision. The majority of this will be distributed to the County Council, with Rother's share being approximately £95,000.
29. For business rates the the following table shows an in-year collection performance of 98.85% to the end of March which was above the target 98.5% collection rate:

	2019/2020	Equivalent Period 2018/2019
Collectable debit	£17,970,401.16	£18,552,509.20
Income Received	£17,764,589.85	£18,231,262.63
Income Received as a % of collectable debit	98.85%	98.27%
Amount outstanding for year	£205,811.31	£321,246.57

30. Overall for the year, the business rate part of the Collection Fund was in surplus by £462,000 after taking account of actual collection against the original estimate and adjustments to the bad debt provision and provision for rating appeals. Rother's share will be around £200,000.

### Capital Programme

31. The final Capital outturn for 2019/20 was £14,173,000 million, which is £3,072,000 lower than the revised budget. The main variances are explained below.
32. The largest project underspend was £1,000,000 on the purchase of Temporary Accommodation, which was delayed by a combination of the pandemic and availability of suitable properties. Works at the Beeching Road site (part of the Property Investment Strategy) were delayed, which resulted in an underspend of £484,000. The Bexhill Leisure Centre development is currently on hold whilst Members consider its future, and this has resulted in an under spend of £381,000. Finally, there was a lower than anticipated uptake in Disabled Facilities Grants, which under spent by £273,000.
33. A summary of spend by project and financing sources is shown at Appendix A.

### Conclusion

34. The final Council outturn for 2019/20 was a deficit of £207,000, including redundancy costs of £317,000. Excluding redundancy costs, the surplus is £110,000, which represents just 0.8% of the total Net Cost of Services budget.

## Implications

### Financial Implications

35. None.

### Legal Implications

36. None.

### Human Resources Implications

37. None.

### Other Implications

39.	None.Other Implications	Applies?	Other Implications	Applies?
	Human Rights	No	Equalities and Diversity	No
	Crime and Disorder	No	Consultation	No
	Environmental	No	Access to Information	No
	Sustainability	No	Exempt from publication	No
	Risk Management	No		

Executive Director:	Malcom Johnston and Tony Leonard
Proper Officer:	Malcolm Johnston, Head of Paid Service
Report Contact Officer:	Anthony Baden, Finance Manager
e-mail address:	<a href="mailto:Anthony.baden@rother.gov.uk">Anthony.baden@rother.gov.uk</a>
Appendices:	A - summary of spend by project and financing sources.
Relevant Previous Minutes:	None.
Background Papers:	None.
Reference Documents:	None.

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## Rother District Council

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** Revised Terms of Reference for the Cabinet Community Infrastructure Levy Steering Group

**Report of:** Tim Hickling - Head of Service - Strategy and Planning

**Cabinet Member:** Councillor Vine-Hall

**Ward(s):** All

**Purpose of Report:**

**Decision Type:** Non-Key

**Officer Recommendation(s):** It be **RESOLVED:** That the Cabinet CIL Steering Group Terms of Reference, be amended to include the Cabinet Portfolio Holder for Finance and Performance Management.

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### Introduction

1. Minute C19/59 resolved to set up a Cabinet Community Infrastructure Levy Steering Group (CILSG) to consider the allocation and spending of the strategic Community Infrastructure Levy (CIL) money and report back to Cabinet.
2. The membership of the CILSG consists of the:  
  
Leader  
Deputy Leader  
Portfolio Holder for Strategic Planning  
Portfolio Holder for Regeneration & Bexhill Affairs
3. At full Council in June 2020 (C20/9) Councillor Dixon was appointed as Cabinet Portfolio Holder for Finance and Performance Management, with responsibility for Community Grants/CIL Awards, and it is proposed that he is appointed to the CILSG as an interested Cabinet Portfolio Holder.

### Implications

4. None

<b>Other Implications</b>	<b>Applies?</b>	<b>Other Implications</b>	<b>Applies?</b>
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	No	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	No		

Executive Director:	Dr Anthony Leonard
Proper Officer:	Malcolm Johnston, Head of Paid Service
Report Contact Officer:	Tim Hickling – Head of Service Strategy & Planning
e-mail address:	<a href="mailto:tim.hickling@rother.gov.uk">tim.hickling@rother.gov.uk</a>
Appendices:	A CILSG Terms of Reference
Relevant Previous Minutes:	C19/59 C20/9
Background Papers:	None.
Reference Documents:	None.

## Rother District Council

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** Pavement Licences

**Report of:** Richard Parker-Harding – Head of Service – Environmental Services, Licensing and Community Safety

**Cabinet Member:** Councillor Field

**Ward(s):** All

**Purpose of Report:** To delegate authority to Officers, agree the standard conditions and set a fee.

**Decision Type:** Key

### Officer

**Recommendation(s):** It be **RESOLVED:** That:

- 1) the Executive Director and Head of Service Environmental Services, Licensing and Community Safety be granted delegated authority to issue Pavement Licences, in consultation with the Leader of the Council, under the Business and Planning Act 2020;
- 2) the standard conditions be agreed;
- 3) the fee for pavement licences be set at £50 reduced to nil until 31/03/21; and
- 4) the scheme of officer delegations in the Constitution be amended accordingly.

### Introduction

1. Covid-19 has affected business and communities across the country. As the economy starts to re-open, the Government is introducing measures to support recovery and help businesses and communities to adjust to new ways of working and create new jobs. The Business and Planning Act 2020 introduces a number of urgent temporary measures to help businesses recover, and to remove short-term obstacles to enable them to do so.
2. The Business and Planning Act 2020 introduces 2 key provisions, to be administered by local authorities:
  - a) A new “pavement licence” regime, designed to facilitate for premises serving food and drink to seat and serve customers outdoors through temporary changes to planning procedures and alcohol licensing.
  - b) Automatic changes to the alcohol licensing regime that will allow operators with existing alcohol on-sales licences to also serve alcohol for consumption off the premises and to make deliveries.
3. The measures will end on 30 September 2021.

## **Analysis**

4. The Business and Planning Act 2020 makes it easier for premises serving food and drink such as bars, restaurants and pubs, as lockdown restrictions are lifted but social distancing guidelines remain in place to seat and serve customers outdoors through temporary changes to planning procedures and alcohol licensing.
5. The Act also introduces a temporary fast-track process for these businesses to obtain permission, in the form of a “pavement licence”, from the Council for the placement of furniture such as tables and chairs on the pavement outside their premise which will enable them to maximise their capacity whilst adhering to social distancing guidelines.
6. Currently, tables and chairs permissions are granted as Pavement licences by East Sussex County Council, the Highways Authority, under Part 7A of the Highways Act 1980. A fee of £265 is charged for a 2 year licence and there is a 28 day consultation period. East Sussex County Council Highways could issue the new pavement licences on the Council’s behalf.
7. The new temporary measure places a cap on the application fee for businesses of £100, and introduces a 10 working day determination period, ensuring that businesses can obtain licences in a timely and cost effective manner aiding to their financial recovery.
8. A fee of £50 is proposed, reduced to nil until 31/03/21.
9. Licences will be granted until 30/09/21, except those deemed to be approved which will be approved for one year.
10. Consultation will be limited to the Highways Authority and the Public. Any representations from Sussex Police or Council Officers will also be considered before determining the application.
11. Only on-line applications will be accepted.
12. Further details including the mandatory and discretionary standard conditions are set out in Appendix A.

## **Options**

13.
  - A. To approve the amendment to the Constitution granting a delegation to the Head of Service Environmental Services, Licensing and Community Safety to issue pavement licences.
  - B. To delegate the function to East Sussex County Council Highways.

## **Conclusion**

14. The Government is introducing pavement licences to facilitate the recovery of the economy and support businesses to operate safely and profitably. The Council should be prepared to accept licences as soon as the legislation commences.

## Implications

### Legal:

15. The Officer Scheme of delegation contained within the Constitution will need to be amended by the addition of this delegation to enable the Council to meet its obligations under the Business and Planning Act 2020. The measures will come to an end on 30 September 2021. There is no requirement for additions to the Constitution in terms of delegation to officers to be approved by Council.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	No	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	No		

Executive Director:	Malcolm Johnston
Proper Officer:	Malcolm Johnston, Head of Paid Service
Report Contact Officer:	Richard Parker-Harding
e-mail address:	<a href="mailto:richard.parker-harding@rother.gov.uk">richard.parker-harding@rother.gov.uk</a>
Appendices:	A Pavement Licence Guidance and Conditions
Relevant Previous Minutes:	None.
Background Papers:	None.
Reference Documents:	None.

# **Rother District Council**

## **Business and Planning Act 2020**

### **Pavement Licensing Guidance and Conditions**

July 2020

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## **1. Introduction**

The Covid-19 pandemic has affected businesses across the economy causing many to cease trading for several months while others have had to significantly modify their operations.

As the economy starts to re-open, on 25 June 2020 the Government announced a further and urgent relaxation to planning and licensing laws to help the hospitality industry recover from the coronavirus lockdown by removing short term obstacles that could get in their way.

The Business and Planning Act 2020 makes it easier for premises serving food and drink such as bars, restaurants and pubs, as lockdown restrictions are lifted but social distancing guidelines remain in place to seat and serve customers outdoors through temporary changes to planning procedures and alcohol licensing.

The measures included in the Act modify provisions in the Licensing Act 2003 to provide automatic extensions to the terms of on-sales alcohol licences to allow for off-sales. It will be a temporary measure to boost the economy, with provisions lasting until the end of September 2021.

The Act also introduces a temporary fast-track process for these businesses to obtain permission, in the form of a “pavement licence”, from the Council for the placement of furniture such as tables and chairs on the pavement outside their premise which will enable them to maximise their capacity whilst adhering to social distancing guidelines.

Currently, tables and chairs permissions are granted as Pavement licences by East Sussex County Council, the Highways Authority, under Part 7A of the Highways Act 1980. The fee varies between local authorities and there is a 28 day consultation period.

The new temporary measure places a cap on the application fee for businesses of £100, and introduces a 10 working day determination period, ensuring that businesses can obtain licences in a timely and cost effective manner aiding to their financial recovery.

All licences granted will expire on 30/09/21.

## **2. Scope**

### **2.1 Definition of pavement café**

A pavement licence is a licence granted by the local authority, or deemed to have been granted, which allows the licence-holder to place removable furniture over certain highways adjacent to the premises in relation to which the application was made, for certain purposes.

### **2.2 Eligible Businesses**

A business which uses (or proposes to use) premises for the sale of food or drink for consumption (on or off the premises) can apply for a licence. Businesses that are eligible include: public houses, cafes, bars, restaurants, snack bars, coffee shops, and ice cream parlours.

A licence permits the business to use furniture placed on the highway to sell or serve food or drink and/or allow it to be used by people for consumption of food or drink supplied from, or in connection with the use of the premises.

### 2.3 Eligible Locations

Licences can only be granted in respect of highways listed in section 115A(1) Highways Act 1980.

Generally, these are footpaths restricted to pedestrians or are roads and places to which vehicle access is restricted or prohibited. Highways maintained by Network Rail or over the Crown land are exempt (so a licence cannot be granted).

### 2.3 Type of furniture permitted

The furniture which may be used is:

- counters or stalls for selling or serving food or drink;
- tables, counters or shelves on which food or drink can be placed;
- chairs, benches or other forms of seating; and
- umbrellas, barriers, heaters and other articles used in connection with the outdoor consumption of food or drink.

This furniture is required to be removable, which in principle this means it is not a permanent fixed structure, and is able to be moved easily, and stored away of an evening.

The Council would also expect the type of furniture to be 'in keeping' with the local area.

### 2.4 Planning Permission

Once a licence is granted, or deemed to be granted, the applicant will also benefit from deemed planning permission to use the land for anything done pursuant to the licence while the licence is valid.

## 3. Application and Determination of Pavement Licences

### 3.1 Submission of the Application

An application for a Pavement Licence must be made to the Council, on an electronic form and

the following will be required to be submitted with the application:

- a completed Application Form
- no fee to be charged until 31/03/21

- the fee from 01/04/21 to be determined by Cabinet
- any fee to be paid by credit or debit card
- a plan showing the location of the premises shown by a red line, so the application site can be clearly identified
- a plan clearly showing the proposed area covered by the licence in relation to the highway, if not to scale, with measurements clearly shown. The plan must show the positions and number of the proposed tables and chairs, together with any other items that they wish to place on the highway. The plan shall include clear measurements of, for example, pathway width/length, building width and any other fixed item in the proposed area.
- the proposed days of the week on which, and the times of day between which, it is proposed to put furniture on the highway,
- evidence of the right to occupy the premises (e.g. the lease);
- photos or brochures showing the proposed type of furniture and information on potential siting of it within the area applied;
- (if applicable) reference of existing pavement licence currently under consideration by the local authority;
- evidence that the applicant has met the requirement to give notice of the application (for example photographs of the notice outside the premises and of the notice itself);
- a copy of a current certificate of insurance that covers the activity for third party and public liability risks, to a minimum value of £5 million, and
- any other evidence needed to demonstrate how the Council's local conditions, and any national conditions will be satisfied.

### 3.2 Fees

The fee for applying for a licence under the new process are set locally, but are capped at £100. The Council has determined that the fee for applications will be nil until 31/03/21 and £50 thereafter.

### 3.3 Consultation

Applications are consulted upon for 5 working days, starting with the day on which a valid application was made to the Council.

The Council will publish details of the application on its website.

The Council is required by law to consult with the Highways Authority and the public.

Sussex Police and Council Officers can also make representations.

The Council must consider representations received during the public consultation period and consider these when determining the application.

### 3.4 Site Notice

An applicant for a pavement licence must on the day the application is made, fix a notice of the application to the premises so that the notice is readily visible to, and can

be read easily by, members of the public who are not on the premises. The notice must be constructed and secured so that it remains in place until the end of the public consultation period. Evidence of the site notice requirement must be supplied to the Council.

The Site Notice must:

- state that the application has been made and the date on which it was made;
- state the statutory provisions under which the application is made;
- state the address of the premises and name of the business;
- describe the proposed use of the furniture;
- indicate that representations relating to the application may be made to the Council during the public consultation period and when that period comes to an end;
- state the Council's website where the application and any accompanying material can be viewed during the consultation period;
- state the address to which representations should be sent ([licensing@rother.gov.uk](mailto:licensing@rother.gov.uk)) during the consultation period; and
- the end date of the consultation (5 working days starting the day after the application is submitted to the authority).

A template Site Notice is shown as Appendix 1.

### 3.5 Site Assessment

The following matters will be used by the Council and consultees in considering the suitability of the proposed application:

- public health and safety – for example, ensuring that uses conform with latest guidance on social distancing and any reasonable crowd management measures needed as a result of a licence being granted and businesses reopening;
- public amenity – will the proposed use create nuisance to neighbouring occupiers by generating anti-social behaviour and litter; and
- accessibility – taking a proportionate approach to considering the nature of the site in relation to which the application for a licence is made, its surroundings and its users, taking account of:
  - any other temporary measures in place that may be relevant to the proposal, for example, the reallocation of road space. This could include pedestrianised streets and any subsequent reallocation of this space to vehicles;
  - whether there are other permanent street furniture or structures in place on the footway that already reduce access;
  - the impact on any neighbouring premises
  - the recommended minimum footway widths and distances required for access by mobility impaired and visually impaired people as set out in Section 3.1 of [Inclusive Mobility](#), and
  - other users of the space, for example if there are high levels of pedestrian or cycle movements.

Applicants are strongly encouraged to talk to neighbouring businesses and occupiers prior to applying to the local authority, and so take any issues around noise, and nuisance into consideration as part of the proposal.

### 3.6 Determination

Once the application is submitted the Council has 10 working days from the day after the application is made (excluding public holidays) to consult on, and determine the application. This consists of 5 working days for public consultation, and then 5 working days to consider and determine the application after the consultation.

If the local authority determines the application before the end of the determination period the local authority can:

- grant the licence in respect of any or all of the purposes specified in the application,
- grant the licence for some or all of the part of the highway specified in the application, and impose conditions, or
- refuse the application.

If the local authority does not determine the application within the 10 working day period, the application will be deemed to have been granted.

### 3.7 Approval of Applications

The Council may approve applications meeting the criteria contained within these guidelines.

On approving the application, the Council will issue a Pavement Café Licence to which conditions will be attached. The licence may also contain specific terms such as days and hours when tables and chairs are permitted and appearance and location of the furniture corresponding to the application.

A copy of the Council's standard conditions, which will be attached to all Pavement Café Licences are shown at Appendix 2. Additional conditions may be attached if the Council considers it appropriate in the circumstances of any particular case.

### 3.8 Licence Duration

If the Council determines an application before the end of the determination period (which is 5 working days, beginning with the first day after the public consultation period, excluding public holidays) it may specify the duration of the licence, subject to a minimum duration of 3 months. Licences will normally be issued until 30/09/21.

The expectation from the Government is that local authorities will grant licences for 12 months or more unless there are good reasons for granting a licence for a shorter period such as plans for future changes in use of road space. As such, the Council will normally grant applications until 30 September 2021.

If a licence is 'deemed' granted because the authority does not make a decision on an application before the end of the determination period, then the licence will be valid for one year.

A licence granted or deemed to be granted will not be valid beyond 30 September 2021.

### 3.9 Refusal of Applications

If the site is deemed unsuitable for a Pavement Café, or if relevant representations are made which cannot be mitigated by conditions then the application may be refused.

There is no statutory appeal process against decision to refuse an application.

Applicants may request an internal review to be carried out by a more Senior Officer. In addition, the Council's complaints procedure can be used.

## 4. Conditions

The Council's standard conditions are set out at Appendix 2. In some cases, extra measures may be required. This will be determined when assessing any application, on a case by case basis.

Where a local authority sets a local condition that covers the same matter as set out in national published conditions, then the locally set condition takes precedence over the national condition where there is reasonable justification to do so.

However, this is not the case for the statutory no-obstruction condition which is as applies to all Licences. The National 'no obstruction conditions is shown in Appendix 3.

## 5. Enforcement

The Council aims to work closely with other enforcement authorities to enforce the provisions of all appropriate legislation. The case remains that an obstruction of the Highway is an offence under The Highways Act 1980 and will be dealt with by the Highways Authority or the Police.

Obtaining a Consent does not confer the holder immunity in regard to other legislation that may apply, e.g. Public Liability, Health & Safety at Work, Food Hygiene and Safety, Alcohol and Entertainment Licensing, Social distancing controls, and applicants must ensure all such permissions, etc. are in place prior to applying.

If a condition imposed on a licence either by the Council or via a National Condition is breached the Council will be able to issue a notice requiring the breach to be remedied and the authority can take action to cover any costs.

The authority may revoke a licence in the following circumstances:

1. For breach of condition, (whether or not a remediation notice has been issued) or
2. Where:
  - There are risks to public health or safety – for example by encouraging users to breach government guidance on social distancing by placing tables and chairs too close together;
  - the highway is being obstructed (other than by anything permitted by the licence);

- there is anti-social behaviour or public nuisance – for example, the use is increasing the amount of noise generated late at night and litter is not being cleaned up;
  - it comes to light that the applicant provided false or misleading statements in their application – for example they are operating a stall selling hot food and had applied for tables and chairs on which drinks could be consumed; or
  - the applicant did not comply with the requirement to affix the notice to notify the public for the relevant period.
3. The Council may also revoke the licence where all or any part of the area of the relevant highway to which the licence relates has become unsuitable for any purpose for which the licence was granted or deemed to be granted. For example, the licensed area (or road adjacent) is no longer to be pedestrianised. The Council will give reasons where these powers are used.

**Site Notice Template for display by an applicant for a Pavement Licence.**

**Business and Planning Act 2020.**

I/We *(name of applicant)*,

do hereby give notice that on *(date of application)* [I/we] have applied to Rother District Council for a 'Pavement Licence' at:

*(postal address of premises)*

known as

*(name premises known by)*

The application is for:

*(brief description of application (e.g outdoor seating to the front of the premises for serving of food and drink)*

Any person wishing to make representations to this application may do so by email, to:

licensing@rother.gov.uk

by: *(last date for representations being the date 5 working days after the date the application is submitted to the local authority (excluding public holidays))*

The application and information submitted with it can be viewed on the Council's website.

Signed .....

Dated *(date the notice was placed which must be the same date as the date of application)*

### Mandatory Condition

The Secretary of State publishes this condition in exercise of his powers under [clause 5(6)] of the Business and Planning Act 2020:

Condition relating to clear routes of access:

It is a condition that clear routes of access along the highway must be maintained, taking into account the needs of disabled people, and the recommended minimum footway widths and distances required for access by mobility impaired and visually impaired people as set out in Section 3.1 of [Inclusive Mobility](#).

Guidance on the effect of this condition

1. To the extent that conditions imposed or deemed to be imposed on a pavement licence do not require the licence holder to require clear routes of access to be maintained, taking into account the needs of disabled people and the recommended minimum footway widths and distances required for access by mobility impaired and visually impaired people as set out in Section 3.1 of [Inclusive Mobility](#), the licence is granted subject to those requirements.
2. To the extent that a licence is granted subject to a condition which imposes requirements to maintain clear routes of access that are inconsistent with the requirements set out in this condition this condition is not imposed on the licence.

### Standard Pavement Licence Conditions

1. Tables and chairs must not be placed in position outside of permitted times. When the licence is not in use, all tables and chairs and other furniture etc must be stored securely away from the highway, so as not to obstruct highway or footpaths etc.
2. All detritus (food and drink remnants, spillages, bottles, cans, wrappers etc) be regularly removed from the footway surface to reduce hazards to pedestrians. The licence holder must make arrangements to regularly check for and to remove litter and rubbish on pedestrian walkways, caused by persons using the facility, for a distance of up to 10 metres from the boundary of the Facility. If necessary, the licence holder must ensure the licensed area and surrounding highway is to be washed down at the completion of each day's usage using a method sufficient to remove food debris, grease and other spillages that may occur.
3. The licence must be available for inspection on the premises by a Police Officer or authorised Officer of Rother District Council or East Sussex County Council.

## Notes for information

1. Permission to operate a pavement café does not imply an exclusive right to the area of public highway. The licence holder must be aware that the Council and others (e.g. police, highways authority, statutory undertakers) will need access at various times (including emergencies) for maintenance, installation, special events, improvements etc or any other reasonable cause. This may mean that the pavement café will need to cease operating and/or be removed for a period of time. On these occasions there would be no compensation for loss of business.
2. The licence holder is not permitted to make any fixtures, or excavations of any kind, to the surface of the highway without prior written approval. Any costs incurred as a result of damage to the highway, due to the positioning of tables and chairs etc, will be recovered in full from the licence holder by the Council or the Highway Authority.
3. Tables and chairs should be of an approved type and should be kept in a good state of repair. Furniture should be placed so as not to obstruct driver sightlines, or road traffic signs. Placement of tables and chairs must allow pedestrians to use the footway parallel to the frontage of the premises. Care should be taken in the use of hanging baskets, awnings, protruding umbrellas etc. Alternative items may not be used without first seeking the written authority of the Council. Patio heaters must not be used.
4. All potential obstructions must be removed from the public highway when the premises are closed to prevent a safety hazard to pedestrians, particularly during the hours of darkness.
5. Emergency routes to the premises and adjacent buildings must not be obstructed by the Pavement Café, which should not, in normal circumstances, extend beyond the width of the premises frontage.
6. The operation of the area must not interfere with highway drainage arrangements.
7. During the hours of darkness suitable and sufficient lighting must be provided to ensure safe use of the area. Any proposals to provide additional lighting to the licensed areas must be agreed with the Highway Authority.

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## Rother District Council

<b>Report to:</b>	Cabinet
<b>Date:</b>	27 July 2020
<b>Title:</b>	Support to the Aviation Industry
<b>Report of:</b>	Malcolm Johnston
<b>Cabinet Member:</b>	Councillor Oliver
<b>Ward(s):</b>	All
<b>Purpose of Report:</b>	To consider approving the Motion received from the GMB in support of the aviation industry on behalf of the Council.
<b>Decision Type:</b>	Non-Key
<b>Officer Recommendation(s):</b>	It be <b>RESOLVED:</b> That the Motion attached at Appendix 1 be approved.
<b>Reasons for Recommendations:</b>	To provide support to the aviation section as many local residents are employed at Gatwick airport which is a key part of the economic future within the south east.

### Introduction

1. The Leader of the Council has received a request from the GMB, Southern Region to consider and approve the Motion as set out at Appendix 1. Whilst such a Motion would ordinarily be considered by full Council, as the next scheduled meeting is not until 21 September, it was considered appropriate to put before Cabinet who could consider the Motion on behalf of the Council.

### Detail

2. This Motion has been circulated to council leaders in response to the crisis faced in the aviation industry, not only at the major airports hubs such as Heathrow and Gatwick but also at the many other regional airports as well. This crisis not only threatens the jobs of staff employed directly by the airline companies but also the many thousands of jobs at the airports and in the aviation sector's supply chain.
3. Recently, many companies in the sector have announced whole scale redundancy despite having been supported over the last three months through the Government's job retention scheme.
4. The GMB are hopeful that the Council will consider debating and passing this Motion and follow this up by contacting and lobbying both the Chancellor of the Exchequer, Rishi Sunak and the Secretary of State for Transport, Grant

Shapps, asking them to urgently develop with all the stakeholders, including the trade unions, an industry wide package of support that protects jobs and employment before shareholders.

5. Covid-19 has placed the whole of the aviation industry in an unprecedented crisis, which will put the livelihoods of thousands of workers in jeopardy, with the inevitable knock on effect for the economy of communities that rely on this sector for employment and the travelling public.

## Conclusion

6. Cabinet is asked to consider approving the Motion set out Appendix 1 and lobbying Government Ministers, as appropriate.

## Implications

### Financial Implications

None.

### Legal Implications

None.

### Human Resources Implications

None.

## Environmental

7. The environmental impact of aviation is significant and whilst recognising and supporting the employment provided we would encourage the industry to work with Government to reduce this impact through the development of more fuel efficient aircraft and a clear commitment to reduce greenhouse gas emissions from airport operations.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	Yes	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	No		

Executive Director:	Malcolm Johnston
Proper Officer:	Malcolm Johnston, Head of Paid Service
Report Contact Officer:	-
e-mail address:	-
Appendices:	1 – GMB Motion
Relevant Previous Minutes:	None.
Background Papers:	None.
Reference Documents:	None.

**Motion**

Rother District Council is deeply concerned at the effects the Covid-19 pandemic is having on the airline industry, which employs tens of thousands of people across London and the South East.

Rother District Council calls on Her Majesty's Government to do all in its power to protect this vital sector of the British economy and specifically:

- To extend the 80% furlough scheme for 12 months for workers in the aviation industry but with the possibility to 'taper' where necessary.
- The Government must recognise the vital role aviation workers continue to play in ensuring food and medical supplies still enter the country.
- The Government must also recognise the damaging effects the collapse of the aviation sector will have on the economy across London and the South East and must commit to supporting the sector in its hour of need, through an economic package that helps both airports and the wider supply chain to survive without redundancies.
- Any state aid must come with guarantees to protect jobs before shareholders and with environmental safeguards to create a greener industry. State aid discussions should not take place behind closed doors. Trade unions must be involved in those negotiations and powerful airline companies should not be at the front of the queue (the supply chain and regional airports are just as important).
- As the sector starts to reopen Trade Unions Health and Safety representatives must be involved in all stages of the risk assessment process, to ensure appropriate levels of PPE are provided without delay to ALL aviation staff and travelling members of the public.
- The Government must continue to work with and meet the trade unions representing all transport workers to ensure front line transport workers' voices are brought to the fore.
- Whilst recognising and supporting the employment provided, the environmental impact of aviation is significant and we would encourage the industry to work with Government to reduce this impact through the development of more fuel efficient aircraft and a clear commitment to reduce greenhouse gas emissions from airport operations.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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**Rother District Council**

**Report to:** Cabinet

**Date:** 27 July 2020

**Title:** Discretionary Business Grants Scheme

**Report of:** Robin Vennard, Assistant Director Resources

**Cabinet Member:** Councillor Dixon

**Ward(s):** ALL

**Purpose of Report:** Following the Government announcement of the closure of the business grants scheme on the 28 August, authority is required to open a second round and agree an expansion of the scheme to help spend as much of the funding as possible.

**Decision Type:** Non-Key

**Officer**

**Recommendation(s):** It be **RESOLVED:** That:

- 1) the additional eligible business sectors outlined in the report be included in the Council's discretionary business grant scheme; and
- 2) the Executive Director be granted delegated authority in consultation with the Cabinet Portfolio Holders for Finance and Regeneration to determine the amounts of grants and detailed criteria.

**Reasons for**

**Recommendations:** To maximise the use of the available funding to support local businesses and charities. Any unspent funds will have to be repaid to the Government.

**Introduction**

1. Members will be aware that under the emergency decision making provisions agreed by Council in March (Minute C19/75 refers), the Council implemented a discretionary business grant scheme in accordance with guidance issued by Government. This was in addition to the previous schemes which helped small businesses and the retail, hospitality and leisure sectors. The new scheme was designed to help those businesses and charities that had fixed property costs but due to circumstances were not eligible for the previous schemes.

**Proposed Scheme expansion**

2. The discretionary scheme had a total fund of £1.476m and since its launch on the 5 June 2020 has helped 76 businesses and paid out some £946,000 of grants. This leaves a balance in the fund of £530,000 and it is proposed to reopen the

scheme to encourage further businesses to apply. Whilst the second round will continue to use the existing eligibility criteria, it is proposed to expand the criteria.

3. The Government guidance whilst emphasising businesses with fixed property costs as being a priority for support, does allow some flexibility to target those sectors important to the local economy. Following a review of those applications that did not meet the criteria for all three grant schemes, it is proposed that the following business sectors be targeted for support:

**Cultural and tourist venues** – this will allow support to be given local venues that have not been eligible under the existing schemes.

**Supply Chain businesses to the retail, hospitality and leisure sectors** – a number of businesses that predominately or exclusively supply the retail, hospitality and leisure sectors (e.g. commercial catering suppliers) have been adversely affected by the pandemic through the closure of their customers businesses. However, the original grant scheme did not include them and therefore it is proposed to expand the scheme to target this sector.

**Small Campsites** – the district has many small campsites and under the current schemes are not eligible for support. With the initial lockdown of the country and the continued restrictions these sites are required to operate under, they are suffering a significant loss of revenue.

**Entertainment industries** – this includes film and other entertainment based industries where the restrictions have severely curtailed their ability to operate and generate revenue.

4. It is not proposed to extend the scheme to predominately home-based businesses not included in the above sectors. The existing criteria relating to the size of business, i.e. being a small or micro business will remain in place as other Government schemes are available for medium to large businesses.

## Conclusion

5. The Government are closing all three grant schemes on the 28th August 2020 and therefore it is important to maximise the use of the available funding to support local businesses and charities. Any unspent funds at this date will have to be repaid to the Government. Members are asked to approve the second round of the discretionary scheme included the expanded criteria.

## Implications

### Financial Implications

None.

### Legal Implications

None.

## Human Resources Implications

None.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Environmental	No	Access to Information	No
Sustainability	No	Exempt from publication	No
Risk Management	No		

Executive Directors:	Malcolm Johnston and Dr Anthony Leonard
Proper Officer:	Malcolm Johnston, Head of Paid Service
Report Contact Officer:	Chris Watchman, Revenues and Benefits Manager
e-mail address:	<a href="mailto:chris.watchman@rother.gov.uk">chris.watchman@rother.gov.uk</a>
Appendices:	None.
Relevant Previous Minutes:	C19/75 OED06 – Executive Decision
Background Papers:	None.
Reference Documents:	None.

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**Rother District Council**

<b>Report to:</b>	Cabinet
<b>Date:</b>	27 July 2020
<b>Title:</b>	Children's Nursery Provision in Bexhill
<b>Report of:</b>	Councillor Christine Bayliss
<b>Cabinet Member:</b>	Councillor Christine Bayliss
<b>Ward(s):</b>	Bexhill Central and Bexhill Sidley
<b>Purpose of Report:</b>	To update Members on the current position with regard to East Sussex County Council's provision of children's nursery services in Bexhill.
<b>Decision Type:</b>	Non-key
<b>Recommendation(s):</b>	It be <b>RESOLVED:</b> That: <ol style="list-style-type: none"> <li>1) the current position with regard to East Sussex County Council's provision of children's nursery services in Bexhill be noted; and</li> <li>2) the Overview and Scrutiny Committee be tasked with urgently reviewing this matter, requesting a report and attendance by East Sussex County Council at an OSC meeting and report its findings and implications of the decision to a future meeting of Cabinet.</li> </ol>

**Introduction**

1. At its meeting of 8 July 2019 (minute reference C19/33 refers) full Council passed a resolution relating to the proposed closure of East Sussex County Council's consultation on Children's Services Early Help Draft Strategy 2020-2023 and objects to the proposals to:
  - a. withdraw the subsidy and to no longer provide the Cygnets (Egerton Park) and Rainbow (Sidley) nurseries in Bexhill;
  - b. encourage expressions of interest from other nursery providers to operate in these children's centres (privatise); and
  - c. relocate children's services currently delivered from the Children's Centre in Egerton Park, Bexhill to Sidley Children's and Youth Centre.
2. Rother District Council (RDC) objected on the basis that these services support the Council's core aim to provide 'Stronger, Safer Communities'; and the broad outline 'addressing deprivation and welfare needs', and in particular, that the proposal to withdraw subsidised nursery places, places a barrier to work for families in the most deprived wards in East Sussex.
3. As part of their Early Help Review, ESCC aimed "to secure sufficient availability, as far as is reasonably practicable, of nursery provision in Bexhill. Nurseries in Bexhill would no longer be operated by the Council, which would instead work

with other providers to secure, so far as is reasonably practicable, sufficient nursery places in the area, as it does in the rest of the county. This process may include sub-leasing the spaces for Rainbow and Cygnets nurseries to other nursery providers, but would not incur ongoing financial or other direct responsibilities for nursery services. If development of sufficient alternative provision in Bexhill proves impossible, it may be necessary to review closure of the nurseries”.

4. The decision to close the two nurseries from 31 December 2020 with the potential loss of 18 jobs has been confirmed in the last few days
5. There are some aspects of this decision that require further consideration:
  - a. 164 children will have to find alternative nursery provision in Bexhill.
  - b. There is uncertainty over the continuing status of some of the existing nurseries, therefore leading to a question mark over whether there are sufficient spaces available with other providers.
  - c. The impact of the closures of the local job market in Bexhill and the implications for employers.
  - d. How RDC could support the creation and launch of alternative provision including a community run solution (e.g. a Community Interest Company); and
  - e. The future use of the buildings, both owned by RDC.

## Conclusion

6. As the decision has only just been confirmed there is insufficient time to address all the issues and questions this raises. Cabinet are therefore asked to note the current position and refer the matter for urgent review to the Overview and Scrutiny Committee, who can request a report and attendance by ESCC at an OSC meeting and report its findings and implications of the decision to a future meeting of Cabinet.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	Consultation	No
Sustainability	No	Access to Information	No
Risk Management	No	Exempt from publication	No

Executive Director:	NA
Proper Officer:	
Report Contact Officer:	Councillor Christine Bayliss
Appendices:	None
Relevant Previous Minutes:	Minutes of Council meeting 8 July 2019, minute reference C19/33
Background Papers:	None
Reference Documents:	None