

CABINET

29 March 2021

Minutes of the Cabinet meeting held remotely on Monday 29 March 2021 at 6:30pm.

Cabinet Members present: Councillors D.B. Oliver (Leader), C.A. Bayliss, J.H.F. Brewerton, T.J.C. Byrne, K.P. Dixon, K.M. Field, S.M. Prochak (MBE) (Deputy Leader), H.L. Timpe and J. Vine-Hall.

Other Members present: Councillors J. Barnes, Mrs M.L. Barnes, J.J. Carroll, Mrs V. Cook, P.C. Courtel, G.C. Curtis, B.J. Drayson, A.E. Ganly, P.J. Gray, K.M. Harmer, Mrs. E.M. Kirby-Green, L.M. Langlands, C.A. Madeley, C.R. Maynard, A.S. Mier, P.N. Osborne, G.F. Stevens and R.B. Thomas.

Advisory Officers in attendance: Assistant Director Resources, Head of Acquisitions, Transformation and Regeneration, Head of Housing and Community and Democratic Services Officer.

Also Present: 27 members of the public via the YouTube live broadcast.

CB20/115. **MINUTES**

(1)

The Chairman was authorised to sign the Minutes of the meeting held on 1 March 2021 at a later date as a correct record of the proceedings.

CB20/116. **APOLOGIES FOR ABSENCE**

(2)

An apology for absence was received from Malcolm Johnston, Chief Executive.

CB20/117. **DISCLOSURE OF INTERESTS**

(5)

There were no declarations of interest made.

CB20/118. **EXCLUSION OF PRESS AND PUBLIC (EXEMPT INFORMATION)**

(10)

RESOLVED: That the press and public be excluded whilst matters containing exempt information, as prescribed by Part 1 of Schedule 12A of the Local Government Act 1972, as amended and relating to Minute CB20/123 was under consideration. The report submitted in connection with this item and which contains information exempt from publication by virtue of Part 1 of Schedule 12A to the Act shall remain confidential if and so long as, in all the circumstances of each case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART I – RECOMMENDATIONS TO COUNCIL – not subject to call-in procedure under Rule 16 of the Overview and Scrutiny Procedure Rules.

CB20/119. THE PURCHASE OF ACCOMMODATION FOR TEMPORARY USE BY HOMELESS HOUSEHOLDS

(6)

In September 2019, Cabinet approved the allocation of £3m to purchase accommodation for temporary use by homeless households. To date, the Council had 81 households in temporary accommodation (TA) which was funded from the Revenue Budget, as well as nine households funded by the Rough Sleeping Initiative (RSI). Grant funding had been received to contribute towards additional costs however, it was anticipated that the amount received would not meet the Council's costs. A deficit of £25,500 was expected by the end of 2020/21 and there was no indication that additional funding would be forthcoming. The budget for 2020/21 was £1.1m offset by £508,000 from housing benefit leaving a net cost of £592,000.

Cabinet was apprised of the properties owned by the Council and offers accepted on properties across the District to accommodate homeless people and families. The Council would also continue to use approximately 30 privately owned and well-managed TA establishments. Appendix A to the report illustrated the number and types of households the Council had placed in TA between April 2020 and February 2021. As a result of COVID-19, the Council was unable to predict the future demand for TA and it was possible that the levels of homelessness might reduce in the short to medium term. Members noted that the Council was not duty bound to provide single people with self-contained accommodation; the Council would commission proper management and support services to assist with this cohort.

Appendix B to the report illustrated the average net cost of TA through private providers, per size of household. The average stay was 51 days for single people/childless couples at a cost of £1,700 (£12,000 annually) and 66 days for families at a cost of £2,500 (£14,000 annually).

A financial assessment of income and costs associated with the Council purchasing TA had been completed. Projections had been verified in consultation with neighbouring local authorities delivering similar schemes. It was estimated that £5.7m would be required to purchase 35 different properties (combination of houses and flats) with an overall net cost avoidance of just under £160,000 per annum.

The TA Investment Strategy and Risk Register at Appendices C and D respectively to the report outlined the types of properties the Council intended to purchase and associated risks. In-house and external specialist expertise would be required to oversee property management, repair and refurbishment functions. External consultancy would be monitored in consultation with the Cabinet Portfolio Holders for Housing and Finance and Performance Management. Currently, the Council did not have the resources, expertise or tools to manage all aspects of properties directly; this

would be kept under review as the portfolio of properties grew. A service specification was being established to commission a property management service to manage existing and future purchases.

During the discussion, it was clarified that improved energy efficiency measures were a primary focus for the Council when purchasing and retrofitting properties for TA. Environmental innovation funding initiatives / grants were actively being sourced to assist with the installation of energy efficiency measures in all Council properties.

Cabinet was supportive of the recommendations proposed and agreed that purchasing property would provide the Council with more control over the quality of TA and ensure greater control of revenue costs. It would also allow the Council to develop the skills and expertise required to grow a larger portfolio of properties for the future.

RECOMMENDED: That the:

- 1) amended Temporary Accommodation Purchase Strategy be approved;
- 2) Head of Housing and Community be given authority to purchase property for the use as temporary accommodation for homeless households up to a total value of up to £6 million to be funded from borrowing, in consultation with the Portfolio Holders for Housing and Finance and Performance Management; and
- 3) Capital Programme be amended accordingly.

CB20/120. **FINANCIAL STABILITY PROGRAMME**
(7)

Achieving financial stability for the Council was one of the key objectives within the draft Corporate Plan which was currently out for consultation. To support the objective of financial stability and ensure organisational focus was maintained, it was proposed that a Financial Stability Programme (FSP) be established to manage the programme of work, in turn this would be overseen by a Board of key Members and officers.

The report provided an overview of the key areas required to deliver savings and income over the next five years and how progress would be managed. In preparation for the creation of the FSP, Heads of Service met with relevant Cabinet Members to review budgets and discuss services. Four themes had been identified to achieve reduced revenue spend and increased income:

- Devolvement: To devolve discretionary services to the Parish and Town Councils. It would be essential to create a dedicated team to undertake this work which was anticipated could take a minimum of two years to complete.
- Invest to Save: To invest in digitalisation (including artificial intelligence technology) and business processes of which some key projects were underway or ongoing.

- Service Prioritisation: It was proposed that a combined target for Invest to Save and Service Prioritisation be set for each service area. This was allocated on an arbitrary 10% discretionary spend. Set targets would drive the Council to identify projects and income generating ideas in order to minimise the amount of service reductions required.
- Income Generation: A number of income streams had been identified and required investigation. It was proposed that a small team be established to support service areas with this work.

The Assistant Director Resources advised that it would be sensible to establish an Invest to Save fund to meet any one-off costs required to secure an ongoing revenue saving/income. It was proposed that delegated authority for spend approval of up to £750,000 be granted to the Chief Executive in consultation with the Cabinet Portfolio Holder for Finance and Performance Management. Members would be kept abreast of approved expenditure.

Appendix A to the report identified the proposed timetable for the first year of the FSP and key activities. It was proposed that between April 2021 and August 2021, each service area supported by the finance team conducted its own initial review based on work streams identified in Appendix B to the report and produced a proposal report for the Financial Stability Board (FSB) to consider. Quarterly progress reports would be reported to the FSB and Cabinet. As a result of income generation opportunities and the redirection of staff into priority areas, Cabinet was reassured that compulsory redundancies were not envisaged.

RECOMMENDED: That up to £750,000 be earmarked from releasing existing reserves for Invest to Save projects and that the Chief Executive be given delegated authority to authorise expenditure against this reserve in consultation with the Cabinet Portfolio Holder for Finance and Performance Management.

AND

***RESOLVED:** That:

- 1) a Financial Stability Programme be established, supported by a Financial Stability Board of key Members and officers;
- 2) the approach and process to achieving financial stability as set out in this report be approved; and
- 3) two dedicated officer teams to deliver the work themes for devolvement and income generation be established.

*The **RESOLVED** parts of this minute are subject to the call-in procedure under Rule 16 of the Overview and Scrutiny Procedure Rules.

PART II – EXECUTIVE DECISIONS – subject to the call-in procedure under Rule 16 of the Overview and Scrutiny Procedure Rules by no later than 4:00pm on 12 April 2021.

CB20/121. **BEXHILL TOWN CENTRE SECTION 106 FUNDS**

(8)

Consideration was given to the report of the Head of Acquisitions, Transformation and Regeneration regarding the allocation of Section 106 funding.

Members were advised that out of £100,000, £22,618 remained within the Section 106 budget, £10,000 of which had been ringfenced for town centre strategy work. However, as a result of COVID-19, the Bexhill Town Centre Steering Group (BTCSG) felt that this was no longer the best use for this funding. Therefore, Members were requested to grant authority to the Head of Acquisitions, Transformation and Regeneration to work with BTCSG to allocate the remaining funding (£22,618) to support relevant projects; all projects would be assessed by BTCSG. Consideration would also be given using some of the funding, along with a bid for Police and Crime Commissioner funding to support a town centre manager post.

The Cabinet Portfolio Holder Economic Development and Regeneration apprised Members of two projects that the Section 106 funding had already been ring-fenced to support namely a Vintage Fair in Western Road to be held over three weekends in the summer and a footbridge on the Heritage Trail. She also advised Members of the Council's "Re-opening Project" to promote / boost redevelopment of the District's local economy and re-opening of businesses post COVID-19 e.g. shops, pubs and restaurants. The project was being launched week commencing 12 April 2021 and all Members were encouraged to support and promote the scheme within their Wards.

Cabinet agreed that BTCSG was best placed to allocate the remaining funding to appropriate projects, especially as the town centre sought to recover from the COVID-19 pandemic. It was also agreed that consideration be given to consulting with the Bexhill Parish (Town) Council to spend any residue of the Section 106 funding in May 2022.

RESOLVED: That:

- 1) £10,000 of the Bexhill Town Centre Section 106 monies previously earmarked for strategy development work no longer be ringfenced;
- 2) the Bexhill Town Centre Steering Group be directed to promote and recommend projects for funding;
- 3) the Head of Acquisitions, Transformation and Regeneration be granted delegated authority to allocate all of the remaining Section 106 monies in liaison with the Chair of the Bexhill Town Centre Steering Group; and

- 4) consideration be given to consulting with the Bexhill Parish (Town) Council to spend any residue of the Section 106 funding in May 2022.

CB20/122. **SUPPORT OF SUSSEX MODERN**

(9)

Sussex Modern (SM) was a consortium of 22 cultural and viticulture businesses that came together to curate a high-end offer and maximised the impact of their offer in Sussex and redefined the identity of the county. Significant investment and public funding had been allocated to support SM's 2021-22 campaign. It was clarified that SM's campaign sought not to replace but to add another level of marketing to the existing support already delivered by the Council's Destination Management Organisation, 1066 Country Marketing. Cabinet was apprised of SM's background, recent projects that they had delivered in Sussex and shown a promotional video.

SM was seeking additional investment to enable them to deliver a phased marketing, communications and digital audience development campaign to develop and enhance perceptions of Sussex, grow target audience awareness and engagement and encourage a rediscovery of the region. The Council was keen to support SM's campaign and it was proposed that £15,000 be allocated from earmarked reserves.

Cabinet was supportive of the recommendation and agreed that the funding would support SM to deliver a valuable tourism marketing campaign for Sussex.

RESOLVED: That a £15,000 grant be funded from earmarked reserves, towards the continuation of the Sussex Modern campaign 2021-22.

CB20/123. **DEVELOPMENT OF LAND WITHIN THE NORTH EAST BEXHILL DEVELOPMENT ALLOCATION (PARAGRAPH 3)**

(11)

Consideration was given to the confidential report of the Head of Acquisitions, Transformation and Regeneration concerning development of land within the North East Bexhill Development. The Head of Acquisitions, Transformation and Regeneration outlined the planning history of the land and current position. The importance of maintaining the confidentiality of this matter was reiterated to Members.

After consideration, Cabinet agreed that by granting an option on the land, it would help the Council to underpin the business case to enable delivery of the project. It was therefore agreed that the Chief Executive be authorised to approve an option agreement with the Applicant to lease or dispose of land at the identified site, on terms to his satisfaction.

RESOLVED: That the Chief Executive be authorised to approve an option agreement with the Applicant to lease or sell land at the identified site, on terms to his satisfaction.

(This matter was considered exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended).

CHAIRMAN

The meeting closed at 7:45pm.