

**CABINET**

17 August 2020

Minutes of the Cabinet meeting held remotely on Monday 17 August 2020 at 6:30pm.

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

Other Members present: Councillors R.K. Bird, S.J. Coleman, Mrs V. Cook, P.C. Courtel, G.C. Curtis, B.J. Drayson, Mrs D.C. Earl-Williams, A.E. Ganly, P.J. Gray, K.M. Harmer, J.M. Johnson, C.A. Madeley, C.R. Maynard, A.S. Mier, P.N. Osborne and G.F. Stevens.

Advisory Officers present: Executive Director (MJ), Executive Director (TL), Assistant Director Resources, Head of Acquisitions, Transformation and Regeneration, Human Resources Manager (in part), Democratic Services Manager and Democratic Services Officer.

Also present: Professor Andrew Lerner Innovation, Incremental and Inventing Public Services and 42 members of the public via the YouTube live broadcast.

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CB20/29. **MINUTES**  
(2)

The Chairman was authorised to sign the minutes of the meeting held on 27 July 2020 at a later date as a correct record of the proceedings.

CB20/30. **APOLOGIES FOR ABSENCE**  
(1)

There were no apologies for absence.

CB20/31. **DISCLOSURE OF INTERESTS**  
(5)

Declarations of interest were made by Councillors and Officers in the Minutes as indicated below:

Cllr Bayliss                      Agenda Item 10 – Personal and Prejudicial Interest as a family member was employed by the Business.

Cllr Courtel                      Agenda Item 8 – Personal Interest as Ward Member and an active campaigner to support affordable nursery provision in Bexhill.

Cllr Dixon	Agenda Item 10 – Personal Interest as the Council’s appointed representative to an interested party.
Cllr Maynard	Agenda Item 8 – Personal Interest as an Executive Member of East Sussex County Council.
Cllr Oliver	Agenda Item 6 – Personal Interest as a frequent visitor to the promenade businesses.
Cllr Timpe	Agenda Item 6 – Personal Interest as a frequent visitor to the promenade businesses.
Mr Johnston	Agenda Item 7 – Personal and Prejudicial Interest as an Executive Director affected by the senior staff restructuring proposals.
Dr Leonard	Agenda Item 7 – Personal and Prejudicial Interest as an Executive Director affected by the senior staff restructuring proposals.

CB20/32.  
( )

**EXCLUSION OF PRESS AND PUBLIC**

**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 and relating to Minute CB20/33 was under consideration. The report and papers submitted in connection with this item and which contained information exempt from publication by virtue of Part 1 of Schedule 12A to the Act shall remain confidential until a further resolution of the Council.

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

CB20/33.  
(10)

**COMMERCIAL DEVELOPMENT OPPORTUNITY**

Members considered the confidential report of the Executive Director that gave details of a potential commercial property opportunity. The Property Investment Panel (PIP) had met on 28 July 2020 to consider the outcome of a competitive process to keep a private sector business in Rother. It was confirmed that the Council had secured retaining the business in the District of Rother dependent on Rother District Council (RDC) acting as the funder to a relocation scheme and eventual landlord. Appendix A to the confidential report set out the papers considered by the PIP.

The report gave details of the total expected spend on developing an alternative business location and the expected gross rental income. On completion, the scheme would see an increase in overall income for RDC and improve the long-term sustainability of RDC. RDC were only required to provide funding for the project, as part of a development funding agreement and would not need to procure, or

commission any contracts or services beyond advisory services required to protect RDC's interests throughout the development.

The business was seeking to complete the relocation by June 2023 and therefore required RDC's commitment to the project as a matter of urgency.

**RECOMMENDED:** That

- 1) a budget of £46m for the development of a new location for the business, be funded through borrowing; and
- 2) the project be added to the Council's Capital Programme and be published once commercial contracts between the parties had been agreed.

AND

**\*RESOLVED:** That delegated authority be granted to the Executive Director to:

- 1) acquire the necessary land at the new location, as indicated in Confidential Appendix A;
- 2) agree a development funding agreement with the appropriate companies for the construction of the new business premises, at this site;
- 3) agree the terms of a lease with the business;
- 4) appoint consultant advisors for specific services, such as legal, project management, and commercial advice; and
- 5) agree and enter into other contracts as necessary to ensure the completion of the project.

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

(This matter was considered exempt from publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended).

(Councillor Bayliss declared personal and prejudicial interest in this matter as a family member was employed by the business and in accordance with the Members' Code of Conduct left the remote meeting room during the consideration thereof).

(Councillor Dixon declared a personal interest in this matter as the Council's appointed representative to an interested party and in accordance with the Members' Code of Conduct remained in the remote meeting room during the consideration thereof).

**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 27 August 2020.

CB20/34. **BEXHILL PROMENADE TRADING**  
(6)

Following the resumption of trading under social distancing guidelines, some of the Council's tenants at the Promenade, Bexhill-on-Sea had taken the opportunity to increase their trading capacity by placing tables and chairs on the Promenade. In order to regularise this position and help support and retain local businesses during the current crisis, Cabinet was asked to grant temporary licences to existing restaurants and cafes to extend their seating arrangements up to an including 31 October 2020, free of charge, provided that this could be accommodated with regard to public safety and COVID-19 guidelines. A list of the premises was attached at Appendix A to the report.

The extent of the arrangements would be agreed with each tenant and thereafter monitored by the Coastal Officers to ensure that any conditions were adhered to.

In addition and in order to further support the Council's tenants at Bexhill Promenade, it was recommended and agreed that all rents and licence fees from food and drink tenants on the Promenade, including the Colonnade, be written off for the period 1 April – 30 September 2020. This would cost the Council in the order of £27,700 in lost income and would add to the overall deficit the Council was expecting as a result of the COVID-19 pandemic.

**RESOLVED:** That:

- 1) temporary spill-out seating licences be granted to the following food and drink tenants at Bexhill Promenade until 31 October 2020: Sovereign Light Café, West Parade; The Kiosk, West Parade; Colonnade Restaurant; Kiosks 3 & 4 at the Colonnade and Bathing Station Kiosk, East Parade; subject to meeting safe working criteria; and officers be authorised to take the necessary steps to prevent unauthorised spill-outs, including termination of tenancies where the problem persists; and
- 2) rent relief be granted to the following food and drink tenants at the Promenade: Sovereign Light Café, West Parade; The Kiosk, West Parade; Colonnade Restaurant; Kiosks 3 & 4 at the Colonnade and Bathing Station Kiosk, East Parade for the period from 1 April 2020 – 30 September 2020.

(Councillors Oliver and Timpe each declared a personal interest in this matter as frequent visitors to the promenade businesses and in accordance with the Members' Code of Conduct remained in the remote meeting room during the consideration thereof).

## **SENIOR STAFF RESTRUCTURING**

In March 2020, Cabinet had considered a confidential report on Council Transformation: Stage 1 which had proposed a senior staff restructuring as the first step to transforming the Council.

Since that time, due to the impact of COVID-19, future national uncertainty surrounding the structure of local government and the need to retain senior staff skills and knowledge, it was felt appropriate to withdraw the original recommendations and replace with a revised structure.

The report provided the background to the proposals which included the following factors:

- the COVID-19 pandemic and the additional consequential financial expenditure that may or may not be covered by Government funding;
- the development of a new Corporate Plan (CP) for the Council;
- the increased financial challenges facing the Council (predicted shortfall of £2-£3 million in 2020/21) and the savings this restructure would achieve;
- the prospect of organisational turbulence as a consequence of Government proposals to expand unitary local government across England; and
- the need for the officer/departmental structure to reflect the priorities of the Council, particularly the climate and environmental challenges and housing delivery programme.

Having considered the future needs and direction of the Council along with the customer journey/requirements for services, Cabinet proposed that both Executive Directors posts be deleted, and a new post of strategic Chief Executive (CE) and Head of Paid Service be created; the proposed Job Description and Person Specification was attached to the report. It was noted that this post would be ringfenced to the existing two Executive Directors, in accordance with the Council's redundancy and restructuring policies.

This would enable Members to work urgently with the newly appointed CE with minimum disruption and time loss, to deliver the Council's response to the post pandemic situation and its evolving new CP.

Whilst the salary for the new CE role was to be determined by Full Council on recommendation of the Licensing and General Purposes Committee (L&GP), for the purposes of considering the financial implications of the proposal, the anticipated saving, after costing the re-grade, would be around £111,000 per annum; this would initially cover the cost of severance of the departing Executive Director and thereafter be an ongoing revenue saving.

The Government had indicated that Regulations (Public Sector Exit Payment Cap Regulations 2019) were to be laid before Parliament soon restricting the total severance pay for any individual to £95,000, including any additional cost to the Pension Fund for early take up of

benefits. Full Council would need to approve whatever is offered, and it would be unclear until September at the earliest whether these Regulations were to be enacted before the date of Full Council and whether there would be any flexibility that Council could exercise over the value of the exit package.

Both Executive Directors and their representative body, ALACE had been appraised of this report; ALACE had made a number of points which would be reported to the L&GP, alongside a response received from the Staff Side (UNISON).

**RESOLVED:** That the following recommendations be made to a special meeting of Licensing and General Purposes Committee and thereafter to Council on 21 September 2020:

- 1) that both Executive Directors posts be deleted and that a post of Chief Executive be established;
- 2) that appointment to this new post be ringfenced to the two existing Executive Directors. If both Executive Directors wish to apply for the Chief Executive post then a Member Appointment Panel be formed. If only one applies then that Executive Director shall be appointed to the position;
- 3) in the first instance the appointment be made for one year only, with a Member Panel conducting regular performance reviews against set objectives and a behaviour framework. That Panel will submit a report to Full Council in one year's time;
- 4) that this report and its recommendations, including the appropriate salary scale, be considered and amended as deemed necessary by the Licensing and General Purposes Committee. The Licensing and General Purposes Committee will also consider any responses to consultation by Trade Unions and the officers concerned in addition to considering a report on proposed redundancy terms for the Executive Director who does not remain; and
- 5) that the Licensing and General Purposes Committee report and make recommendations direct to Full Council.

(Mr Johnston and Dr Leonard each declared a personal and prejudicial interest in this matter as Executive Directors affected by the senior staff restructuring proposals and left the remote meeting room during the consideration thereof).

CB20/36.  
(8)

#### **CHILDREN'S NURSERY PROVISION IN BEXHILL**

At the Cabinet meeting held on 27 July 2020, it was requested that a report be presented to this meeting exploring possible options for the future delivery of the nursery services operating from the buildings in Egerton Park and Sidley, both of which were owned by Rother District Council.

Since the last meeting, the lead Cabinet Member for Economic Development and Regeneration and the lead Cabinet Member Health, Well-being and Inclusion had been working with various stakeholders and a Bexhill Family Collective Community Interest Company (CIC) had been established to secure the continuation of high-quality nursery provision in Bexhill. The CIC was being supported by Rother Voluntary Action and hoped to run the nurseries from 1 January 2021. Members were pleased to endorse and assist with the continuation of these facilities that provided affordable, local nursery places, supporting working families and the local economy. This work was ongoing and a further report would be made in due course if any further support from the Council was required to ensure the continuation of services.

**RESOLVED:** That officers together with the lead Member for Economic Development and Regeneration, Spokesperson for Young Persons and lead Member for Health, Well-being and Inclusion can engage in constructive discussions with East Sussex County Council and the Bexhill Family Collective Community Interest Company to secure the continuation of high quality nursery provision in Bexhill and that officers bring back a report with recommendations in due course.

(Councillor Courtel declared a personal interest in this matter as local Ward Member and an active campaigner to support affordable nursery provision in Bexhill and in accordance with the Code of Conduct remained in the remote meeting room during the consideration thereof).

(When it first became apparent Councillor Field declared a personal interest in this matter as an elected Member of East Sussex County Council and Chair of Battle pre-school and in accordance with the Members' Code of Conduct remained in the room during the consideration thereof).

(Councillor Maynard declared a personal interest in this matter as an Executive Member of East Sussex County Council and in accordance with the Code of Conduct remained in the remote meeting room during the consideration thereof).

**CHAIRMAN**

The meeting closed at 7:30pm.