

## CABINET

28 February 2022

Minutes of the Cabinet meeting held at the Town Hall, Bexhill-on-Sea on Monday 28 February 2022 at 6:30pm.

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

Other Members present: Councillors J. Barnes, J.J. Carroll, Mrs V. Cook, S.J. Coleman, P.C. Courtel, B.J. Drayson, A.E. Ganly (remotely, in part), A.S. Mier, C.R. Maynard (remotely) and R.B. Thomas.

Advisory Officers present: Chief Executive, Deputy Chief Executive, Chief Finance Officer, Director – Place and Climate Change, Head of Neighbourhood Services (in part), Head of Environmental Services, Licensing and Community Safety (in part), Head of Housing and Communities, Operations Team Leader (in part) and Democratic Services Officer.

Also present: Chief Executive De La Warr Pavilion, Procurement Business Partnership Advisors x 2, East Sussex Procurement Hub and 31 members of the public via the live webcast.

---

Publication Date: 3 March 2022

The decisions made under PART II will come into force on 11 March 2022 unless they have been subject to the call-in procedure.

---

Prior to the commencement of the meeting, the Chairman, on behalf of the Cabinet, sent good wishes to the people of Ukraine.

### CB21/81. **MINUTES**

(1)

The Chairman was authorised to sign the Minutes of the meeting held on 7 February 2022 as a correct record of the proceedings.

### CB21/82. **APOLOGIES FOR ABSENCE**

(2)

Apologies for absence were received from Councillors Oliver, Leader of the Council and Osborne, Chairman of the Overview and Scrutiny Committee.

### CB21/83. **DISCLOSURE OF INTERESTS**

(5)

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

Barnes, J	Agenda Item 13 – Personal interest as Company Executive Director for the Council's Housing Company.
Drayson	Agenda Item 13 – Personal interest as Company Executive Director for the Council's Housing Company.
Field	Agenda Item 6 – Personal Interest as a Member of East Sussex County Council.
Maynard	Agenda Item 6 – Personal Interest as an Executive Member of East Sussex County Council.
Thomas	Agenda Item 13 – Personal interest as Company Executive Director and Chairman for the Council's Housing Company.

CB21/84.  
(12) **EXCLUSION OF PRESS AND PUBLIC (EXEMPT INFORMATION)**

**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 CB21/86 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.

CB21/85.  
(11) **TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY**

The Treasury Management Statement set out the Council's treasury issues and looked to ensure that the Council met its spending obligations. The Council was required to receive and approve at least three main reports each year to include:

- 1) Prudential and Treasury Indicators and the Treasury Strategy;
- 2) a Mid-Year Treasury Management Report; and
- 3) an Annual Treasury Report.

These reports incorporated a number of policies, estimates and actuals which were scrutinised by the Audit and Standards Committee prior to making recommendations to Cabinet and full Council.

The Treasury Management Strategy detailed the Council's capital issues and reviewed the position regarding investments, borrowing strategy, economic outlook and policies on the creditworthiness of counterparties.

The Annual Investment Strategy detailed the Council's investment priorities, promoting security, liquidity and investment return. In order

to minimise risks, the Council stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list.

The 2022/23 draft Revenue Budget reported to Cabinet on 7 February 2022 presumed an income of £342,000 from treasury activities, which assumed a return of 0.64% from deposit type investments and 3.60% return from property fund investments. The forecast for the next five years continued to see low returns, based on the forecast use of cash reserves to support the Revenue Budget.

On the 20 December 2021, CIPFA published its updated Treasury Management and Prudential Borrowing codes. Local authorities were not required to embed the changes in their 2022/23 Treasury Management and Annual Investment Strategies, but full implementation would be required from 2023/24.

It was noted that the Department for Levelling Up, Housing and Communities (DLUHC) was proposing to tighten regulations around local authorities financing capital expenditure on investments in commercial projects for yield and had already closed access to all Public Works Loan Board borrowing if such schemes were included in an authority's capital programme. The Council had taken legal advice and it had been confirmed that all schemes in the Property Investment Strategy had been classed as regeneration schemes.

The DLUHC had also conducted a consultation on amending Minimum Revenue Provision (MRP) rules for English local authorities. The proposals would come into effect from the 1 April 2023 and would not be applied retrospectively. They were not expected to have any impact on the Council's proposed MRP policy however, could have implications for any borrowing that the Council provided to a third party, such as its own housing company. The impact of the changes would be reviewed during 2022/23 and reported to Members.

The expectation was that 2022/23 would see a return to some sort of stability in the investment environment but uncertainty around the pandemic would undoubtedly remain. The strategies proposed in the report, together with the interest rates forecast, were in line with the assumptions made when preparing the 2022/23 Revenue Budget. The costs of treasury operations were contained within the 2022/23 draft Revenue Budget.

**RECOMMENDED:** That the:

- 1) Treasury Management Strategy as set out at Appendix A to the report be approved and adopted;
- 2) Annual Investment Strategy as set out at Appendix B to the report be approved and adopted;
- 3) Minimum Revenue Provision Policy Statement 2022/23 be approved;

- 4) Prudential and Treasury Indicators as set out in Appendix A to the report be approved; and
- 5) authorised limits in the report be approved.

CB21/86. **HOUSING COMPANY BUSINESS PLAN (PARAGRAPH 3)**  
(13)

Consideration was given to the confidential report of the Chief Executive regarding the annual business plan proposal of the Council's Housing Company for the period 2022-25 and to meet the terms of the Shareholder Agreement between the Housing Company and the Council.

The Head of Housing and Communities (Chief Operating Officer Housing Company) updated Members on the Housing Company's annual business plan, which was attached at Appendix 1 to the report. The importance of maintaining the confidentiality of this matter was reiterated to Members.

The ambitions of the Company had not changed since the last plan was adopted. Therefore, it was not proposed to significantly alter the Business Plan 2022-25. The principle aim of the Company remained the same: to seek to accelerate the delivery of quality housing throughout the district.

**RECOMMENDED:** That the Council's Housing Company business plan 2022-2025 be approved.

(Councillors Barnes, Drayson and Thomas each declared a Personal Interest in this matter as Company Executive Directors for the Council's Housing Company and in accordance with the Members' Code of Conduct remained in the meeting 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 10 March 2022.

CB21/87. **ANNUAL PROCUREMENT REPORT**  
(7)

Members considered the report of the Chief Finance Officer detailing the annual review of the Council's Procurement Strategy. The Strategy was approved by Cabinet in December 2020.

In 2020/21 the Council spent £22.56m on goods, works and services. The Council used the services of the East Sussex Procurement Hub (ESPH) which was hosted by Wealden District Council. It was a three-way partnership including Hastings Borough Council, although the Hub did undertake wider joint procurements across East Sussex and beyond where there was an economic/market advantage in procuring together.

The Procurement Strategy had been developed using the Procurement Strategy for Local Government in England 2018 toolkit as its basis. It explained how the Council would continue to develop and benefit from

the professional expertise of the ESPH and the systems employed to make sure that the Council delivered value for money.

Attached at Appendix A to the report was a review of the performance in 2021 against 18 key measures identified and detailed actions for the following 12 months against each target and an advisor from the ESPH led Members through these measures, highlighting the salient points. Members acknowledged that progress in some areas had been restricted due to the pandemic and this was reflected in the targets of the action plan outlined for 2022.

The key areas for development over the coming year were to be the production of the Council's Social Value Policy, which would focus the procurement approaches to Climate Change and social wellbeing. The Government had also confirmed that their Transform Public Procurement agenda would see changes to legislation early in 2023 and was likely to contain more stringent transparency reporting requirements.

A Contract Management Training model was being developed to ensure Contract Management was a core competency for Rother staff. Training was to form part of the induction and appraisal process and refresher programmes would be available to staff involved with contracts in the spring.

Member involvement was crucial if delivering the aims of the strategy were to be achieved in the future and Cabinet was therefore requested to nominate a Lead Member with responsibility for Procurement and Social Value Policy.

The annual review of the Council's Procurement Strategy highlighted the developments that had been made in the first year after adoption and identified actions that needed to be undertaken in the coming year to meet policy and legislative requirements. The Procurement Strategy gave officers and Members a sound basis for procurement decisions.

**RESOLVED:** That:

- 1) the annual review of the Procurement Strategy in Appendix A to the report be noted; and
- 2) Councillor K.P. Dixon be appointed Lead Member for Procurement and Social Value Policy.

CB21/88.  
(8)

## **ENFORCEMENT OF ENVIRONMENTAL OFFENCES**

Members received and considered the report of the Head of Environmental Services, Licensing and Community Safety which sought approval to procure a concessionary agreement, as a closed quote with selected providers, to carry out the enforcement of environmental offences.

The Council could employ a private company, to carry out the enforcement of certain environmental offences, including dog fouling,

littering, fly-tipping (unauthorised disposal of waste) using a concession agreement. Other authorities used contractors, who employed uniformed staff to patrol their districts, identifying offences and issuing fixed penalty notices (FPNs). The service would include the prosecution of offenders who failed to pay an FPN, which was a statutory requirement. The company would also be required to carry out promotional work, for example issuing dog waste bags and portable ashtrays and organising litter picks. The Council would have some discretion over the requirements of the contractor to ensure that local priorities were targeted and not just the high earning common offences that would create more fee income.

It was intended that the contract would include the use of a private Solicitor to carry out prosecutions, if authorised by the Deputy Chief Executive or Head of Service. By using a concessionary agreement, there would be no costs to the Council, as these would be met from the income received by the company by issuing FPNs. However, there would be associated management costs associated with monitoring the contract. As the value of the concession agreement would be under the public procurement threshold, an exemption could be made to the open tender route and the procurement run as a closed quote with a select number of providers. Provision would be made to review the contract at 12-month intervals to determine whether to continue or procure a new contract for a longer period, with a 'break out' clause should it be necessary to end the contract sooner. Members were keen to ensure Member input to the process, both pre and post tender and that a comprehensive communication strategy was also put in place once the contract was let.

**RESOLVED:** That the Deputy Chief Executive be authorised to procure a concessionary agreement as a closed quote with selected providers, to carry out the enforcement of environmental offences.

CB21/89. **ENVIRONMENTAL OFFENCES - FIXED AND CIVIL PENALTY NOTICES**

(9)

Members considered the report of the Head of Environmental Services, Licensing and Community Safety which outlined the recommended increase to the maximum amount for Fixed Penalty Notices, with a discount to be given for early payment, attached at Appendix A to the report. Appendix B to the report listed the relevant civil penalties.

Education and communication to residents would be crucial and Cabinet agreed that Members should be involved. It was recommended and agreed that an informal Working Group be established to consider a communication strategy in connection with the contract for the enforcement of environmental offences to be awarded (See Minute CB21/88 above). The monitoring of the communication strategy would be through the Climate Change Steering Group.

Members were happy to agree to the maximum levels as outlined in the Appendix.

**RESOLVED:** That:

- 1) the fixed penalty notices and civil penalties be increased to the maximum level with a discount being given for payment within the stated period; and
- 2) an informal Working Group be established to consider the contract and communications strategy for the enforcement of environmental offences, with monitoring of the communications strategy to be undertaken by the Climate Change Steering Group.

CB21/90.  
(10)

**BEECHING ROAD STUDIOS, 18-40 BEECHING ROAD, BEXHILL**

Members received and considered the report of the Director - Place and Climate Change which outlined the necessary steps for the Council to manage the Beeching Road Studios in-house on an initial basis, whilst other options were under consideration.

In 2019, the Council had secured £960,000 grant funding from the South East Local Enterprise Partnership (SELEP) to refurbish 18-40 Beeching Road, in order to provide accommodation specifically aimed at cultural and creative business. The Council had worked closely with a steering group of stakeholders, including the De La Warr Pavilion (DLWP), Bexhill Contemporary Group, Bexhill College, Flatlands and others in bringing forward the project. During 2021, a wholesale refurbishment of the premises had taken place, supported by the SELEP grant, to reconfigure the premises to meet the project objectives. The work had substantially been completed.

Bexhill College had been selected as the preferred Lead Partner to manage the Beeching Road Studios following a procurement process. However, Bexhill College had recently advised that, whilst they remained committed to engaging with the project, they no longer wished to manage the scheme. It was therefore proposed that the Council took on the management of the project in order to get the studios up and running and set the foundations to realise the project vision. The option to seek a third party organisation to step in and manage the scheme remained open to the Council if deemed desirable at a later date.

Details of the proposed management arrangements were set out in Appendix 1 to the report; the project was expected to break even and the budget forecast therefore adopted a 'net zero' approach.

While it was the intention and policy of the Council to operate the scheme as a Creative Arts Centre, it was acknowledged that the refurbished premises would still be suitable for alternative uses, and therefore represented little overall financial risk for the Council.

The Chief Executive Officer of the DLWP outlined support and advice given to the project. Cabinet acknowledged that the project had been delayed by the pandemic and was pleased to note the robust

management plan, which would be overseen by a Board and supported by the DLWP.

**RESOLVED:** That the Director – Place and Climate Change be authorised to enter into the necessary leases, licences and contracts to enable the Council to manage the creative studios at 18-40 Beeching Road, Bexhill.

**PART III – URGENT DECISIONS** – The Chairman of Council had agreed that the following decisions were urgent in accordance with Paragraph 17 of the Overview and Scrutiny Procedure Rules contained in Part 4 of the Council's Constitution. The call-in procedure does not therefore apply to these decisions.

CB21/91. **RECOMMENDATIONS OF THE OFF-STREET CAR PARKS TASK AND FINISH GROUP**

(6)

Cabinet received Minute OSC21/45 arising from the meeting of the Overview and Scrutiny Committee (OSC) held on 24 January 2022, that had considered the impact of the introduction of Civil Parking Enforcement (CPE) on the use of Rother District Council (RDC) car parks during the previous 12 months. The OSC had undertaken a thorough review through the establishment of the Off-Street Car Parks Task and Finish Group (OSCPT&FG) Chaired by Councillor Mrs Cook in preparation for the first annual review of CPE led by East Sussex County Council (ESCC), which closed on 30 September 2021. Rother's proposed formal response to ESCC to be considered as part of their annual review was attached at Appendix A to the report for Cabinet's consideration.

Since April 2021 when last reported to Cabinet, the OSCPT&FG had met on four occasions to review evidence gathered from stakeholders on the impact of CPE and to discuss the use of car parks since the three 'long stay' car parks were in place and the chargeable hours were brought in line across the district. Further work focused on cost and level of parking permits, impact on sports club parking and the introduction of a payment machine in Manor Gardens car park.

Councillor Mrs Cook addressed Cabinet and paid tribute to the officers and Members for their input into the work of the OSCPT&FG.

Cabinet acknowledged the work of the OSCPT&FG and considered the recommendations proposed. Cabinet agreed to an additional point to be added to Rother's response to ESCC, namely to extend the double yellow lines from Camber Sands village along Camber Road on both sides to the A259 and that Lionel Road, Bexhill be added to the list of roads with inappropriate and displacement parking. Cabinet were supportive of the OSC's recommendations and the Cabinet Portfolio Holder for Economic Development and Regeneration was particularly grateful for the work of the OSCPT&FG on the Wainwright Road car park.

**RESOLVED:** That:



- 1) the formal response to East Sussex County Council regarding the impact of Civil Parking Enforcement across the district and to inform their annual review, as amended, be approved;
- 2) car park charges be suspended in The Polegrove, Bexhill and Rye Salts for 12 months and then either reinstated or removed according to levels of use;
- 3) on-street directional signage for long stay car parks be reviewed on a continual basis as business as usual; and
- 4) recommendations on changes to car park charges remain within the annual 'fees and charges' report as part of the overall setting of the Council budget.

(Councillor Field declared a Personal Interest in this matter as a Member of East Sussex County Council and in accordance with the Members' Code of Conduct remained in the meeting 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 Members' Code of Conduct remained in the meeting during the consideration thereof).

**CHAIRMAN**

The meeting closed at 8:58pm