

CABINET

7 November 2016

Minutes of the Cabinet meeting held at the Town Hall, Bexhill-on-Sea on Monday 7 November 2016 at 11:00am.

Cabinet Members present: Councillors C.R. Maynard (Leader), Lord Ampthill, A.E. Ganly, Mrs S. Hart, I.R. Hollidge, Mrs J.M. Hughes, G.P. Johnson, J.M. Johnson, M.J. Kenward (Deputy Leader) and Mrs E.M. Kirby-Green.

Other Members present: Councillors J.J. Carroll, G.C. Curtis, A.J.L. Barnes, Mrs M.L. Barnes, R.V. Elliston, Mrs B.A. George, I.G.F. Jenkins, B. Kentfield, C.J. Saint and M.R. Watson.

Advisory Officers present: Executive Director of Resources, Executive Director of Business Operations, Service Manager – Finance and Welfare, Service Manager – Community and Economy, Service Manager – Corporate and Human Resources, Service Manager – Strategy and Planning, Planning Policy Manager, Housing and Asset Development Officer and Democratic Services Officer.

Publication Date: 9 November 2016

The decisions made under PART II will come into force on 17 November 2016 unless they have been subject to the call-in procedure.

CB16/39. **MINUTES**

The Chairman was authorised to sign the minutes of the meeting held on 3 October as a correct record of the proceedings.

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

CB16/40. **MEDIUM TERM FINANCIAL STRATEGY 2017/18 TO 2021/22**
(6.3)

Members received and considered Minute OSC16/27 arising from the Overview and Scrutiny Committee (OSC) meeting held on 17 October 2016. The report on the Medium Term Financial Strategy (MTFS) 2017/18 to 2021/22 had recently been updated to reset the financial framework for the next five years to reflect changes in the Council's finances which affected the Council's Revenue Budget, Capital Programme and Reserves. It was important that the MTFS supported the delivery of the Council's aims and objectives set out in the Corporate Plan.

In terms of Government funding, immediate concern for the Council was the withdrawal of the Revenue Support Grant, as well as the potential to reduce or cease altogether the New Homes Bonus Grant by 2019/20. Therefore it was essential that the Council looked to planning for the future to ensure funding gaps were met.

The proposed 100% retention of business rates would not mean a substantial increase in Council income, as there would still be a system of redistribution to other Councils. The 2017 revaluation of business rates had been received, analysed by officers and it was anticipated that a number of appeals could be received.

Members were advised that the MTFs assumed that any Council Tax rises would be within referendum limits. If the Council Tax was increased by £5 per annum every year for five years then an additional accumulative income of £920,000 would be achieved based on the 2016/17 tax base in 2021/22.

The Council had developed its response to the latest funding cuts and other financial challenges through the development of the Rother 2020 Plan. The Plan forms the basis of the Sustainability and Efficiency Plan and described how the Council would be operating by 2020. The Plan mirrored the Government funding settlement and was a requirement to secure a grant, therefore it did not cover the whole period of the MTFs and would seek to meet the forecast funding gap of £1.8m by 2019/20. Its principles would continue to be applied into 2020/21 and further savings or increased income would need to be identified.

The Capital Programme was relatively small and not reflective of the ambitions for investment expressed through the Corporate Plan (CP) or the investment requirements of the Rother 2020 Plan. £17m would be invested in the CP over the next five years with the largest project being the development of the new Leisure Centre at Bexhill. Future funding would need to focus on a multitude of different sources including grants, community infrastructure levy, internal and external borrowing. The Council had £11.4m of Reserves and £2.5m of Capital Reserves in April 2016, which was expected to reduce by a further £5.8m by 2019/20 if savings were not achieved.

Members noted that the Strategy would be revised as and when necessary over the next five years to reflect the Council's financial situation. The MTFs highlighted the challenges the Council continued to face due to the reduction in central Government support. The Rother 2020 Plan was designed to meet this challenge and see the Council achieve financial sustainability. The level of Council reserves was an enabler to ensure the MTFs was delivered over the next five years despite the uncertainty beyond 2019/20.

RECOMMENDED: That the Medium Term Financial Strategy 2017/18 to 2021/22 be approved and adopted.

CB16/41.
(8.3)

THE MALTINGS, PEASMARSH AFFORDING HOUSING SCHEME

Consideration was given to the report of the Executive Director of Business Operations that sought the approval of a housing grant for the registered provider Amicus Horizon Ltd (AH) to secure the delivery of an affordable housing scheme at the Maltings, Peasmarsh. The Maltings provided 25 homes for older people, including bungalows and a sheltered housing scheme available for social rent. AH had assessed the properties as part of a stock review in 2011 and had concluded that the homes were of poor quality and failed to meet current space and design standards.

The scheme secured planning consent in June 2016, subject to satisfactory design amendments and completion of a Section 106 Agreement to secure the affordable housing provision. Details of the tenure and mix of dwellings was included within the report; overall there were 36 new homes being developed (11 more than the current scheme).

Since the original scheme was appraised in 2014, a number of factors had impacted negatively on the viability of the scheme in its current form, and as a result of this, the scheme has failed to meet the internal parameters set by AH, to satisfy the viability of each development project. The factors included changes which had come about by the Welfare Reform and Work Act 2016 - which reduced rental income, increases in construction costs, a need for the drainage system to be redesigned and costs associated with decanting residents.

AH had requested grant funding totalling £133,000 towards the projected deficit for the development and had confirmed that the scheme could not be delivered unless funding could be provided to meet the shortfall. AH would contribute the remainder of the deficit from internal investment funds. The grant funding of £133,000 would be used solely to offset the costs associated with delivering the 30 sheltered and affordable rented units, with a unit subsidy of £4,430.

It was noted that the Council's s106 funds currently stood at £166,000 and if this scheme was approved the balance remaining would be £33,000. The scheme had been successfully allocated grant funding by the Homes Community Agency under the 2015-2018 programme, supported by Rother District Council, for both affordable rent and shared ownership provision.

During their deliberations, Members expressed some concern over the engagement with local ward Members and parish councils over bringing forward affordable housing. They were also concerned about the length of time schemes were being left empty before any work started. It was noted that AH were due to attend a future Overview and Scrutiny Committee meeting where these concerns would be addressed.

Cabinet was supportive of the request that a Local Authority Social Housing Grant of £133,000 be agreed by the Council to secure the delivery of this scheme, from allocated s106 monies. The scheme provided 36 significantly needed affordable homes for applicants on the

housing register and Homebuy shared ownership waiting list. Without the grant, the scheme was at risk and AH would need to consider alternative options, which could potentially jeopardise the sheltered or affordable rented provision on the site.

RECOMMENDED: That:

- 1) a housing grant of £133,000 be allocated to Amicus Horizon, towards the redevelopment of the Maltings scheme in Peasmarsh, payable during the first phase of construction; and
- 2) the Capital Programme be increased by £133,000 to be funded from Section 106 commuted sums.

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 16 November 2016.

CB16/42.
(6.1) **THE PUBLIC REALM IN ROTHER: RECOMMENDATIONS OF THE PUBLIC REALM WORKING GROUP**

Members received and considered Minute OSC16/25 arising from a recent meeting of the Overview and Scrutiny Committee (OSC) that had considered a report on recommendations of the Public Realm Working Group (PRWG).

Cabinet agreed that good public realm management was important in terms of economic growth, health and social wellbeing across the district and that the retail trade commerce, tourism, community life and day to day living depended on it.

Cabinet echoed the concerns of the PRWG and OSC over the lack of participation of some of the larger agencies but noted the extensive research and evidence gathering which had been carried out with a variety of other agencies including East Sussex County Council, in order to arrive at the recommendations. After discussion, Cabinet agreed to the proposals made by the PRWG and OSC, these were considered key to effective public realm management and the positive impacts that more efficient management would bring.

RESOLVED: That:

- 1) a Public Realm Strategic Framework for Rother be commissioned, with investment costs to be met from reserves and partner contributions where possible;
- 2) a set of principles for routine and responsive maintenance of Rother District Council's public realm assets be drawn up;
- 3) a public realm volunteer involvement scheme for the upkeep of RDC public realm assets be implemented with costs to be met from existing budgets;

- 4) a public engagement plan for enhancing civic pride through awareness raising and self-help be drawn up and implemented;
- 5) civic societies in Rother be encouraged to work together;
- 6) targeted approach to the use of amenity enforcement powers at key localities be developed;
- 7) findings on traffic issues be conveyed to Hastings and Rother Safer Road Partnership; and
- 8) a programme of major public realm works schemes be sought to be developed, in conjunction with the highways authorities and subject to funding opportunities.

CB16/43.
(6.2)

BEACH HUTS: FINDINGS AND RECOMMENDATIONS OF THE BEACH HUT WORKING GROUP

Members received and considered Minute OSC16/26 arising from a recent meeting of the Overview and Scrutiny Committee (OSC) that had considered the findings and recommendations of the Beach Hut Working Group (BHWG).

The BHWG had carried out a review of the current beach hut provision in Bexhill and Cooden Beach and made a number of recommendations to the OSC. The recommendations included proposals for a number of additional beach huts, market testing to establish the value of future charges in respect of commercial lease and licence arrangements, an amended transfer fee and the removal of the current waiting list arrangement for beach huts enabling the transfer of licences to take place on the open market. The OSC had given consideration to the recommendations and agreed all save the proposal to explore the citing of 12 to 25 beach huts in Beaulieu Road, Bexhill. Cabinet noted that in making the recommendations, the BHWG had taken into account the reputational risks to the Council in relation to the removal of the waiting list for the beach huts and the risk of overdevelopment through additional beach hut sites.

Cabinet was supportive of the proposals but considered that a review should be carried out in two years time to assess the progress of the beach hut provision. It was further considered, that when the progress review was carried out, the feasibility of beach hut provision at Beaulieu Road should also be reconsidered.

RESOLVED: That:

- 1) the following recommendations of the Beach Hut Working Group be approved:
 - a. the transfer of licences be permitted on the open market and the current waiting list arrangement terminated;

- b. the transfer fee for a beach hut site licence be amended to three times the annual fee or 10% of the sale price, whichever is higher;
 - c. the commercial lease and licence arrangement be retained but market tested to establish the value for future charges, the results of which to be reported to the Executive Director of Resources who has delegated powers to set lease and licence fees;
 - d. the current commercial licence that expired on the 30 September 2016 to be renewed with the current licensee to the 30 September 2017 to allow for market testing to be undertaken;
 - e. to apply for planning permission for the reinstatement of 30 beach huts at Glyne Gap to produce an additional £15,000 income per annum based on current licence fees;
 - f. the suitability of the area behind the sea wall at the foot of Galley Hill be investigated and, subject to investigations, the Executive Director of Business Operations submit a planning application for 16-24 beach huts. This area might produce an additional income of between £8,000 to £12,000 income per year based on current licence fees;
 - g. the 12 vacant plots at East Parade be licensed, at an estimated additional £6,000 additional income per year based on current licence fees;
 - h. subject to further investigation of historical planning consent refusal, the feasibility of obtaining planning permission for additional beach hut sites along West Parade be investigated and reported back to Committee;
 - i. the feasibility of obtaining planning permission for between 12 and 25 beach huts at the Beaulieu Road site not be approved at the present time; and
 - j. designs and costs of beach huts be investigated with a view to placing beach huts on vacant beach hut sites and selling on to new lease holders. This recommendation could provide a one-off income of approximately £5,000 per new site.
- 2) the Executive Director of Business Operations be authorised to submit the recommended planning applications on behalf of the Council.
 - 3) the Overview and Scrutiny Committee be requested to review the progress of the recommendations in two years time when Beaulieu Road would be considered again.

CB16/44.
(7.1)

PARLIAMENTARY REVIEW

The Boundary Commission for England (BCE) was currently conducting a parliamentary review to reduce the number of constituencies from 533 to 501 (in England); and that every constituency (apart from the two covering the Isle of Wight) must have an electorate that was no smaller than 71,031 and no larger than 78,507.

The report detailed the proposals for the South East region which had been allocated 83 constituencies, a reduction of one from the current number. The proposal also meant that some constituencies would cross county or unitary boundary borders. This change would affect Rother with the introduction of the High Weald constituency which would contain electors from both Kent and East Sussex; there would be three proposed constituencies that would cover the Rother District – Bexhill and Battle, High Weald and Hastings and Rye. Whilst there were no changes to Hastings and Rye, there were significant changes to the current Bexhill and Battle constituency. The changes added Hailsham (Central and North, East, South & West), Heathfield (East, North & Central) to the Bexhill and Battle Constituency and removed Darwell, Ewhurst & Sedlescombe, Rother Levels, Salehurst, Ticehurst & Etchingham) from the current Bexhill and Battle constituency placing them in the newly proposed High Weald constituency.

The consultation on the proposal was 12 weeks long, running from 13 September until 5 December 2016 and Cabinet agreed that the Overview and Scrutiny Committee be tasked with formulating the Council's response to the consultation at its meeting scheduled for 28 November. Their findings would be presented to Cabinet on 5 December for submission to the Commission.

RESOLVED: That the Overview and Scrutiny Committee be tasked with formulating this Council's response to the Boundary Commission for England's consultation on the initial proposals for new parliamentary constituency boundaries in the South East Region at its meeting on 28 November and present the proposed response back to Cabinet at its meeting on 5 December for submission to the Commission.

CB16/45.
(7.2)

2017/18 REVENUE BUDGET AND COUNCIL TAX CONSULTATION

Cabinet gave consideration to the report of the Executive Director of Resources regarding the Council's 2017/18 Revenue Budget and Council Tax Consultation.

Members were advised that consultation normally commenced in late December/early January, following receipt of the Government grant settlement and approval of the draft Revenue Budget at Cabinet's pre-Christmas meeting. To avoid confusion and ensure sufficient staffing capacity with the consultation of the future governance of Bexhill, also due to commence in January 2017, it was therefore proposed that the Revenue Budget and Council Tax consultation be brought forward to November.

Appended to the report was a copy of the draft consultation which supported the work of the Rother 2020 programme and the recently adopted Sustainability and Efficiency Plan.

The Medium Term Financial Strategy (MTFS) set out the Council's financial plans for the next five years and included estimated Council Tax charges; this information would form the basis for the financial data included within the consultation. Of particular concern would be the expectation on any increase in Council Tax. Due to the loss of £1.8m Government grant by 2019/20, the MTFS assumed that some of this would be met locally through increased Council Tax charges. If Council Tax was increased by £5 per annum (maximum below the referendum rate) then an additional £920,000 of income would be achieved on the 2016/17 tax base.

The consultation would commence on 11 November 2016 for an eight week period and conclude on 6 January 2017. It would be promoted on the website, through all social media platforms, the Rother Citizens Panel, as well as the Chambers of Commerce and Federation of Small Businesses. An interim update would be reported to Cabinet in December and the final position report to the Overview and Scrutiny Committee on 30 January 2017. Members agreed that the Executive Director of Resources be authorised to finalise the wording, in consultation with the Cabinet Portfolio holder for Finance, Resources and Value for Money.

RESOLVED: That the Executive Director of Resources be authorised to finalise the wording of the draft 2017/18 Revenue Budget and Council Tax Consultation shown at Appendix A to the report, in consultation with the Cabinet Portfolio Holder for Finance, Resources and Value for Money.

CB16/46.
(8.1)

DEVELOPMENT AND SITE ALLOCATIONS LOCAL PLAN – OPTIONS AND PREFERRED OPTIONS

Cabinet received and considered the report of the Executive Director of Business Operations on the Development and Site Allocations (DaSA) Local Plan. The aim of the DaSA was to supplement the Rother Core Strategy Local Plan, which had been adopted in September 2014, by identifying the sites required to meet the development provisions of the Core Strategy.

It was noted that the need to identify potential site allocations across the district was a priority. This was due to the existing development boundaries not providing adequate opportunity to meet the current housing targets and a shortfall of supply of deliverable housing sites.

The aim of the DaSA was to deliver preferred sites needed to meet the Core Strategy development targets for those areas which neighbourhood plans were not being prepared for. It was prepared as an 'Options and Preferred Options' version to enable local residents, business and other stakeholders the opportunity to comment on the options before the final Plan was put forward.

The three part document for consultation was appended to the report for Members' consideration. Part A presented the overall context of the DaSA, Parts B and C detailed 'Development Policies' and 'Site Allocations' respectively.

Part B provided key policy choices that had been considered when determining the preferred policy approach and included policies relating to resource management, communities, housing, economy, environment and implementation.

Part C was structured by settlement and identified the housing requirements for every town and village where further allocations were required as at 1 April 2016; these provided the basis made in the DaSA Local Plan and the Neighbourhood Plans. It was noted that the proposal would meet and potentially slightly exceed the minimum Core Strategy requirement; this relied on the forthcoming neighbourhood Plans meeting their minimum requirement.

Options and preferred options were detailed throughout the document and these had been tested through the Sustainability Appraisal which was also put forward for public consultation. In addition, new supporting evidence documents had been prepared, these included Strategic Gaps, Employment Sites Review, Affordable Housing Financial Contributions, Playing Pitch Strategy, Green Infrastructure Addendum, Renewable Energy and North Bexhill Development Options. Members noted that further work would be undertaken for the final submission document which would include viability appraisals, the Sustainability Access Strategy for the Dungeness Complex of international sites, a 'duty to cooperate statement' and an updated infrastructure Delivery Plan.

The consultation would be carried out over a 10 week period following the public engagement exercise the DaSA would be redrafted and prepared for submission with Cabinet and Council approval. Prior to submission, a six-week publicity period would follow and representations received would be collated and forwarded to the Secretary of State through the Planning Inspectorate, followed by a public examination by an independent Planning Inspector which would test the Plan against national tests of 'soundness' and determine whether the Council could proceed with the Plan.

Members expressed concern over the identification of Bramble Farm as a Preferred Option Site for two travellers' pitches. It was noted that applications for the siting of a mobile home on Bramble Farm had been dismissed by the Planning Inspectorate three times on appeal. Although it was recognised that the impacts on the Area of Outstanding Natural Beauty had changed, Members felt that too many gypsy and traveller sites were located in rural Rother and not within the Bexhill area, where half of the population of Rother lived. A number of Members were concerned about moving these allocations into the Bexhill area because all of the supply shortfall would be in Bexhill; however, it was considered appropriate to amend the consultation document to exclude the preferred site at Bramble Farm and to balance this by increasing the number of pitches at North Bexhill from 3 to 5.

Cabinet was supportive of the request for the DaSA, with amended appendix, and Sustainability Appraisal be published for public consultation for a 10 week period. The DaSA and supporting documents were key in the Council's planning decision making process supporting the Council's Local Plan - identifying site allocations in a locally acceptable way. Without the DaSA and supporting documents, the Council would continue to have a lack of five-year housing supply and out-of-date development boundaries which impacted on planning decisions.

RESOLVED: That:

- 1) the Options and Preferred Options version of the Development and Site Allocations Local Plan, as presented at Appendix 1, be amended by deleting Policy GYP2, by amending Policy BEX3 to refer to 5 rather than 3 pitches, and to make consequential amendments to the supporting text and Appendix 3 and the amended version be approved in accordance with Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012;
- 2) the document, together with the supporting Sustainability Appraisal, be published for public consultation, subject to any presentational and other non-substantive changes to be authorised by the Executive Director of Business Operations; and
- 3) public engagement be undertaken in accordance with the Council's Statement of Community Involvement and include a 10-week consultation period.

CB16/47.
(8.2)

BEXHILL SEA ANGLING CLUB

Consideration was given to the report of the Executive Director of Business Operations for a request by Bexhill Sea Angling Club (BSAC) to place a temporary building on Council-owned land adjacent to their existing clubhouse to accommodate a youth coaching and clubhouse facility.

On 13 October 2016, three year planning permission was granted to BSAC to erect a temporary porta-cabin to accommodate their junior members adjacent to the existing clubhouse which was currently used for car parking. Members were advised that there was sufficient land to the east of the Clubhouse to accommodate parking demand.

The present clubhouse was occupied under a 28 year lease from the Council for £585 per annum, which was due to expire in 2024. After discussion, Cabinet agreed that BSAC be granted a non-secure lease to place a porta-cabin on Council-owned land adjacent to their clubhouse for a period of three years only. Members agreed that the club provided excellent leisure and sporting facilities for the district.

RESOLVED: That the Bexhill Sea Angling Club be granted a non-secure lease to place a porta-cabin on Rother owned land adjacent to their clubhouse for a period of three years only.

CHAIRMAN

The meeting closed at 12.00pm

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