

SOUTHEND-ON-SEA BOROUGH COUNCIL

**Digest of the Decisions of Cabinet
held on Tuesday, 2nd November, 2021
Place: Council Chamber - Civic Suite**

Present: Councillor I Gilbert (Chair)
Councillors R Woodley (Vice-Chair), L Burton, P Collins, A Jones,
C Mulrone, C Nevin and M Terry

In Attendance: Councillor K Evans
A Lewis, A Eastgate, M Marks, J Williams, J Chesterton, A Richards,
C Gamble, S Dolling, S Meah-Sims, C Victory, K Waters, A Roberts,
S Baker and A Keating.

Start/End Time: 2.00 pm - 3.38 pm

1 Apologies for Absence

There were no apologies for absence at this meeting.

2 Declarations of Interest

The following Councillors declared interests as indicated:

(a) Cllr Jones – Agenda Item 12 (Annual Safeguarding Report) – Non-pecuniary interest: Reference to schools in the report – has a child still in education in the Borough; Agenda Item 15 (Minutes of the Transport, Asset Management and Inward Investment Working Party held 23 September 2021) – Non-pecuniary interest: son is a transport assistant at the Council;

(b) Cllr Mulrone – Agenda Item 6 (Conservation Area Appraisals) – Non-pecuniary interest: Chair of Trustees of Leigh Heritage Centre in Leigh Old Town.

3 Resourcing Better Outcomes - Financial Performance Report for September (Period 6)

The Cabinet considered a report of the Executive Director (Finance and Resources) reviewing the Council's financial performance.

Recommended:

That, in respect of the 2021/22 Revenue Budget Performance as set out in appendix 1 to the submitted report:

1. That the forecast outturn for the General Fund and the Housing Revenue Account as at September 2021, be noted.

That, in respect of the 2021/22 Capital Budget Performance as set out in appendix 2 of the submitted report:

2. That the expenditure to date and the forecast outturn as at September 2021 and its financing, be noted.

3. That the requested changes to the capital investment programme for 2021/22 and future years, as set out in section 3 of appendix 2 to the report, be approved.

Reasons for decisions:

The regular reporting of Revenue and Capital Budget Monitoring information provides detailed financial information to Councillors, senior officers and other interested parties on the financial performance of the Council. It sets out the key variances being reported by budget holders and the associated management action being implemented to address any identified issues. It also informs decision making to ensure that the Council's priorities are delivered within the approved budget provision.

Other options:

The Council could choose to monitor its budgetary performance against an alternative timeframe but it is considered that the current reporting schedule provides the appropriate balance to allow strategic oversight of the budget by Councillors and to also formally manage the Council's exposure to financial risk.

Note: This is a Council Function

Eligible for call-in to: Policy and Resources Committee

Executive Members: Cllrs Gilbert and Collins

4 Seaway Leisure

The Cabinet considered a report of the Deputy Chief Executive and Executive Director (Finance and Resources) proposing a financial and commercial structure to enable the delivery of the Seaway Leisure development whilst also providing greater ownership and an improved, long-term sustainable commercial return for the Council.

Resolved:

1. That the significant economic benefits that the proposed Seaway Leisure development will bring as outlined in the approved 25 February 2020 Cabinet report and that the project is a clear Council commitment and a Southend 2050 Roadmap project, be noted.

2. That it be noted that the Council has commissioned CBRE to undertake a review of the development, specifically in relation to the elements at a) to c) below:

a) Undertake financial due diligence on Turnstone Estates Ltd (and its company structure, including Turnstone Southend Ltd, the subsidiary special purpose vehicle for Seaway Leisure) and to advise on their suitability as a partner for the Council;

b) Review the proposed Seaway development and its appropriateness including reviewing the anticipated economic benefits; and

c) Look at the most suitable and deliverable funding models for the development and consider the risks and benefits associated with them.

3. That officers proceed with the final negotiations of terms with Turnstone Southend Limited (TSL), and Turnstone Estates Ltd (as parent company guarantor as appropriate) to enable the proposition to be presented to the funding market on the basis set out in sections 7.12 to 7.15 of the submitted report and at the same time proceed to secure the necessary legal and financial advice on those terms to robustly protect the Council's position.

4. That it be noted that officers will update terms with Homes England in relation to the grant funding associated with the Rossi Factory, 1-3 and 29 Herbert Grove, having regard to the proposed revisions.

5. That it be noted that officers will look to identify grant funding opportunities which enable the Council's proposed equity investment to be reduced and/or replaced with grant funding.

6. That authority be delegated to the Executive Director (Finance and Resources), in consultation with the Leader of the Council and the Cabinet Member for Corporate Services and Performance Delivery, to:

a) approach the market for funding at the relevant time;

b) finalise and agree (with independent advice as required) any final terms following responses to the proposition from the funding market; and

c) authorise any relevant actions including the execution of all necessary documentation including that arising from the decisions in 2 to 5 above and recommendation 8 below.

7. That it be noted that the Executive Director (Finance and Resources) will report the exercise of the above specific delegations to a relevant Cabinet meeting.

Recommended:

8. That the use of up to a maximum of £10m (Ten Million Pounds) of the Council's capital reserves as equity in the proposed development to enable the different and significantly improved commercial terms as illustrated in the Financial Implications section of the report, and thereby significantly reduce the Council's financial risk and an improved annual income stream, be approved.

Reasons for decisions:

1. The benefits of the proposed development have been clearly stated in preceding papers to Cabinet. Cabinet has clearly articulated its wish to see more leisure, culture, and tourism in the Town and to actively support the economic recovery of the Town, particularly the town centre.

2. The approach set out in the report enables the Council to apply a small proportion of its capital reserves to de-risk this major development and give it the required support to enable delivery of the project with a fully balanced risk and reward approach.

Other options:

As set out in the submitted report.

Note: This is an Executive Function save that the recommendation in 8 above constitutes a Council Function.

Eligible for call-in to: Policy and Resources Scrutiny Committee

Cabinet Members: Cllr Gilbert and Cllr Collins

5 Highways Safety Improvements

The Cabinet considered a report of the Executive Director (Neighbourhoods and Environment) requesting that consideration be given to the new Highways Improvement Policy for the prioritisation and implementation of Highways Improvement Schemes.

Resolved:

1. That the new Highway Improvements Policy for the prioritisation and implementation of Highways Improvement Schemes, be approved.

2. That authority be delegated to the Director of Highways to deliver the policy in accordance with the agreed implementation plans for the various service area assets/issues.

Reasons for decision:

To adopt a new Highway Improvements Policy that provides a programme based on the highest scoring priorities boroughwide, within the resources available. All requests would be assessed against the scoring matrix and the resulting priority score used as a basis for setting an annual forward programme.

Other options:

The Council could allocate each Ward an equitable budget (excluding any available s106 funds within their area) so that each Ward has the opportunity to select a maximum number of proposals each year, to this value, subject to scoring the proposals using the agreed priority scoring matrix. This option would result in long lists of schemes that are progressed irrespective of the estimated cost, making resource plans and forward programmes difficult.

Note: This is an Executive Function

Eligible for call-in to: Place Scrutiny Committee

Cabinet Member: Cllr Woodley

6 Conservation Area Appraisals

The Cabinet considered a report of the Interim Executive Director (Growth and Housing) presenting the Conservation Area Appraisals produced by independent heritage experts, Purcell, for seven of the Borough's fourteen existing Conservation Areas, following recent public consultation.

Resolved:

That the updated and new Conservation Area Appraisal documents, set out at Appendices 1 to 7 of the submitted report, for the established Conservation Areas at Chapmanslord, Eastern Esplanade, Leigh Old Town, Prittlewell, Shorefields, The Kursaal and Warrior Square, be adopted.

Reason for decision:

The Conservation Area Appraisals produced provide up to date evidence on each Conservation Area and provide a new management plan to help guide appropriate and sympathetic change within the area and highlight opportunities to enhance the character and appearance of these important heritage areas.

Other options:

Not to adopt the Conservation Area Appraisals for Chapmanslord, Eastern Esplanade, Leigh Old Town, Prittlewell, Shorefields, The Kursaal and Warrior Square. However, this would mean that each of these Conservation Areas does not have an up-to-date Appraisal and Management Plan in place.

Note: This is an Executive Function
Eligible for call-in to: Place Scrutiny Committee
Cabinet Member: Cllr Mulrone

7 Electric Vehicle Charging Supplementary Planning Document

The Cabinet considered a report of the Interim Executive Director (Growth and Housing) presenting the feedback from the public consultation on a draft Supplementary Planning Document (SPD) for Electric Vehicles Charging Infrastructure Requirements in New Developments.

Resolved:

1. That the feedback from the public consultation set out in the submitted report and the summary table attached at appendix 1, be noted.
2. That the Electric Vehicles Charging Infrastructure Requirements in New Development Supplementary Planning Document (SPD) to guide the new developments and development management decisions (attached at Appendix 2 to the report), be adopted.
3. That the Interim Policy Guidance for Electric Vehicles Charging Infrastructure Requirements in New Developments, attached at Appendix 3 to the report, be deleted upon formal adoption of the Electric Vehicles Charging Infrastructure Requirements in the New Development Supplementary Planning Document (SPD).

Reasons for decision:

To ensure the timely roll out of EV charging infrastructure to keep pace with new development in the Borough. Future proofing new development through the provision of EV charging points and passive provision of cabling will avoid expensive retrofitting to adapt for the use of electric vehicles as EV use becomes more widespread as is expected.

Other Options:

The Council has set an ambitious target to be carbon zero by 2030. The SPD sets out a clear approach to boosting the provision of charging infrastructure for electric vehicles in the Borough as new development comes forward. A failure to act now would result in such infrastructure coming forward at a much slower pace. Not having an adopted SPD in place for electric charging points would also risk the Council incurring costs in attempting to defend refusals of planning permission based on an outdated policy framework and related evidence base.

Note: This is an Executive Function
Eligible for call-in to: Place Scrutiny Committee
Cabinet Member: Cllr Mulronev

8 Gambling Act Licensing Policy

The Cabinet considered a report of the Executive Director (Neighbourhoods and Environment) presenting the outcome of the formal consultation process in respect of the Gambling Licensing policy and a proposed final statement for the purposes of the Gambling Act 2005.

Recommended:

That the Statement of Gambling Licensing Policy, set out Appendix 1 to the submitted report, be approved. ||

Reasons for Recommendation:

To comply with the statutory duty under Section 349 of The Gambling Act 2005.

Other Options:

None.

Note: This is a Council Function
Eligible for call-in to: Place Scrutiny Committee
Cabinet Member: Cllr Terry

9 Southend Theatres Contract Review

The Cabinet considered a report of the Executive Director (Adults and Communities) drawing attention to the need for major capital investment in the Cliffs Pavilion and providing an update on the outcome of the recent successful Levelling Up Fund announcement, of which the Cliffs Pavillion was an element of that bid.

Resolved:

1. That the impact of the proposed project on the Council's Medium Term Financial Plan, be noted.
2. That it be noted that the capital investment will be financed by a mixture of a contribution from HQ Theatres, external funding via the Levelling Up Fund and borrowing.
3. That the change from service contract to land transaction (lease) between SBC and HQ Theatres with an appropriate redistribution of liabilities and returns, be approved.
4. That authority for the financial and contractual negotiations between SBC and HQ theatres be delegated to the Council's S.151 Officer (Executive Director Finance and Resources) in consultation with the Cabinet Member for Environment, Culture Tourism and Planning, ensuring that they deliver best value yet ensure timely approvals for project delivery.

Recommended:

5. That in the light of the financial position, the proposed investment of £8.3M into the Cliffs Pavilion be approved in principle, subject to a viable business case being agreed by the Council's Investment Board and a new lease agreement with HQ Theatres.

Reasons for decisions:

1. To maximise the venue's economic impact, increase jobs and spend and enhance the visitor's experience and dwell time in the Theatre.
2. The refurbishment and investment for the Theatre will help to ensure its future, protecting it from failure and reputational and financial damage to the Council.
3. The Theatre is the Council's asset, and a significant asset to the community. The Council would be liable for significant losses to HQ Theatres if the building were to close or fail to operate.
4. The Theatre is in need of substantial and continued capital investment and the option to do nothing would result in depreciation of a key Council asset.

Other Options:

The Council could continue to maintain capital works at the Theatre without making significant change to the offer. This is not recommended as consumer expectations have changed and whilst major maintenance has been done, the Cliffs has not had any major refurbishment/changes for c.28 years. The offer is very tired and could lead to failures and multiple lost opportunities.

Note: This is an Executive Function save that the recommendation in 5 above constitutes a Council Function.

Eligible for call-in to: Place Scrutiny Committee

Cabinet Member: Cllr Mulroney

10 Treasury Management Report - Mid Year 2021/22

The Cabinet considered a report of the Deputy Chief Executive and Executive Director (Finance and Resources) presenting the Mid-Year Treasury Management Report covering the treasury management activity and compliance with the treasury management strategy for both quarter two and the period from April to September 2021.

Resolved:

1. That the Treasury Management Mid-Year Position report for 2021/22, be approved.
2. That the benchmark against which in-house investment performance is measured be changed from 7-day LIBID to SONIA, with effect from 1 January 2022.
3. That it be noted that the treasury management activities were carried out in accordance with the CIPFA (The Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management in the Public Sector during the period from April to September 2021.
4. That it be noted that the loan and investment portfolios were actively managed to minimise cost and maximise interest earned, whilst maintaining a low level of risk.
5. That it be noted that £0.759m of interest and income distributions for all investments were earned during this six-month period at an average rate of 0.99%. This is 1.07% over the average 7-day LIBID (London Interbank Bid Rate) and 0.89% over the average bank rate. Also, the value of the externally managed funds increased by a net of £1.685m due to changes in the unit price, giving a combined overall return of 3.17%.
6. That it be noted that the level of borrowing from the Public Works Loan Board (PWLB) (excluding debt relating to services transferred from Essex County Council on 1st April 1998) remained at £310.3m (Housing Revenue Account (HRA): £75.0m, General Fund: £235.3m) during the period from April to September 2021.
7. That it be noted that the level of financing for 'invest to save' schemes decreased from £8.53m to £8.46m during the period from April to September 2021.

Reasons for Decisions:

The CIPFA Code of Practice on Treasury Management recommends that Local Authorities should submit reports regularly. The Treasury Management Policy Statement for 2021/22 set out that reports would be submitted to Cabinet quarterly on the activities of the treasury management operation.

Other Options:

There are many options available for the operation of the Treasury Management function, with varying degrees of risk associated with them. The Treasury Management Policy aims to effectively control risk to within a prudent level, whilst providing optimum performance consistent with that level of risk.

Note: This is an Executive Function

Eligible for call-in to: Policy and Resources Scrutiny Committee

Cabinet Member: Cllr Collins

11 Annual Report - Comments, Complaints and Compliments 2020/21

The Cabinet considered a report of the Executive Director (Legal and Democratic Services) providing performance information about comments, complaints and compliments received across the Council for 2020/21.

Resolved:

1, That the Council's performance in respect of comments, complaints, and compliments and Ombudsman investigations for 2020/21, be noted.

2. That the matter be referred to all three Scrutiny Committees (Sections 4 and 5 of the submitted report referred to the People Scrutiny Committee only).

Reason for Decisions:

To ensure the Council continues to have transparent and effective complaint procedures.

Other Options:

None.

The reporting of general complaint performance is required by the Local Government and Social Care Ombudsman as demonstration of good practice. Reporting concerning social care complaints and Ombudsman decisions is required by law.

Note: This is an Executive Function

Referred direct to: All three Scrutiny Committees (save that Sections 4 and 5 of the report are matters only for People Scrutiny Committee).

Cabinet Members: Cllr Collins (overarching), Cllr Nevin (Section 4) and Cllr Burton (Section 5).

12 Annual Safeguarding Report

The Cabinet considered a joint report of the Executive Directors (Adult and Communities and Children and Public Health) presenting the Annual Report from the Southend Strategic Safeguarding Partnership (SSSP) on the annual assurance assessment for the Council in respect of its responsibilities for safeguarding children and adults in Southend.

Resolved:

That the Annual Report from the Southend Strategic Safeguarding Partnership (SSSP), be noted.

Reasons for decision:

To keep the Council informed of the position in respect of safeguarding children and adults in Southend. Section 43 of the Care Act 2014 and section 41 of the statutory guidance in Working Together to Safeguard Children 2018 (WT 2018) document, together require the Southend Safeguarding Partnership to produce and to publish an annual report.

Other Options:

None

Note: This is an Executive Function
Eligible for call-in to: People Scrutiny Committee
Cabinet Members: Cllr Burton and Cllr Nevin

13 Information, Advice and Guidance Procurement

The Cabinet considered a report of the Executive Director (Adults and Communities) presenting the procurement options for an Information, Advice and Guidance service that was not on the procurement plan for 2022/23.

Resolved:

That the procurement of an Information Advice and Guidance service for 1st April 2022 for £250,000 per annum, with a contract term of five years, with an option to extend the contract a further 5 years, be approved.

Reasons for decision:

The Council has a statutory duty to ensure effective Information, Advice and Guidance (IAG) is available to residents. The local authority must ensure that IAG services established cover more than just basic information about care and support and cover the wide range of care and support related areas including prevention of care and support needs, finances, health, housing, employment, what to do in cases of abuse or neglect of an adult and other areas where required.

Other Options:

None.

The Council would not be meeting its statutory obligations as a local authority without an effective Information, Advice and Guidance offer.

Note: This is an Executive Function
Eligible for call-in to: People Scrutiny Committee
Cabinet Member: Cllr Nevin

14 Minutes of the Environment, Culture, Tourism and Planning Working Party held Thursday 29th July 2021

The Cabinet considered the recommendations of the Environment, Culture, Tourism and Planning Working Party held on 29th July 2021 concerning requests for buildings/structures to be added to the local list.

Resolved:

That the recommendations of the Environment, Culture, Tourism and Planning Working Party concerning the requests for local listing set out below, be approved:

1. That the Parade of shops at 248-260 London Road, Westcliff-on-Sea be designated as a Locally Listed Building/Structure.
2. That the terrace of outbuildings/garages to the rear of 593-647 Southchurch Road and 555 London Road, not be designated as Locally Listed Buildings/Structures.

Reasons for decision:

To respond to the recommendations from the Environment, Culture, Tourism and Planning Working concerning the designation of buildings/structures for the local list.

Other options:

None

Note: This is an Executive Function
Eligible for call-in to: Place Scrutiny Committee
Cabinet Member: Cllr Mulroney

15 Minutes of the Transport, Asset Management and Inward Investment Working Party held Thursday 23 September 2021

The Cabinet considered the recommendations of the Transport, Asset Management and Inward Investment Working Party held on 23rd September 2021 concerning the Notices of Motion referred to the Working Party.

Resolved:

That the recommendations of the Transport, Asset Management and Inward Investment Working Party concerning the Notices of Motion set out below, be approved:

1. Kursaal Comeback

(a) That the Notice of Motion, be noted.

(b) That the lease not be reacquired until such time as the costs and liabilities associated with the Kursaal have been fully assessed and the options for intervention can be considered. This needs to be assessed against the Council's wider budget position recognizing the ambition to see the Kursaal reopen to the public, in a way that both preserves its rich heritage and delivers the best option for local taxpayers and maintains financial sustainability for the Council.

(c) That officers work with Concrete Culture to explore the ideas sourced from Southend residents and look at ways to evolve and realise Concrete Culture's vision for the Kursaal through a financially viable and self-sustaining operating model, which has been co-created and produced with Southend residents and with appropriate external funding input to create and operate any sustainable model.

(d) That officers explore potential funding options, for all interested parties, including the Levelling Up Fund (Round 2) and the Community Ownership Fund, which may help to secure a strong and lasting future for the Kursaal as an important part of Southend's identity.

(e) That officers continue the dialogue with the leaseholders, particularly in relation to their plans, potential occupiers, the condition of the building and compliance with the lease terms.

2. Wildflower Verges

(a) That the motion relating to the environmentally sound management of roadside verges, be noted.

(b) That the continued naturalisation of highways verges in locations identified by officers in consultation with relevant portfolio holders and ward councillors, that meet the requirements of both highways' operational maintenance and environmental considerations, be supported.

(c) That awareness raising and understanding of the benefits of naturalised grass areas be promoted.

(d) That alternative options around the use of glyphosate-based herbicides be developed and reported to Cabinet at a later date.

3. North South Public Transport Service

(a) That the Notice of Motion, be noted.

(b) That officers continue to establish a list of schemes suggested during the BSIP consultation and activities, and to then assess schemes to be brought forward for further analysis.

4. Government Levelling Up Fund

(a). That the Notice of Motion be noted.

(b). That it be noted that whilst the aspirations in the Notice of Motion are supported, alternative funding would be required.

5. Traffic Emissions Reduction in Southend

That it be noted that consideration of the Notice of Motion regarding traffic emissions was deferred to a future meeting of the Working Party, once the new Head of Sustainability was in post.

Reasons for decision:

To respond to the recommendations from the Working Party in relation to the Notices of Motion.

Other options:

None

Note: This is an Executive Function

Eligible for call-in to:

Place Scrutiny Committee (Item 2 – Wildflower Verges, Item 3 – North-South Public Transport Services and Item 5 – Traffic Emissions Reduction in Southend)

Policy and Resources Scrutiny Committee (Item 1 – Kursaal Comeback and Item 4 – Government Levelling Up Fund)

Cabinet Member: Cllr Woodley / Cllr Gilbert as appropriate to the item

16 SO46 Report

Resolved:

That the submitted report, be noted.

Note: This is an Executive Function

Eligible for call-in to: as appropriate to the item

Cabinet Member: as appropriate to the item