

CABINET**Tuesday, 4th February, 2020**

Present:-

Councillor P Gilby (Chair)

Councillors Serjeant
Blank
T Gilby
Holmes

Councillors J Innes
Mannion-Brunt
Sarvent

*Matters dealt with under the Delegation Scheme

**93 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS
RELATING TO ITEMS ON THE AGENDA**

Councillor P Gilby declared an interest in Minute No. 99 (Acquisition of commercial office at Chesterfield Waterside) as she was a Board Director for Chesterfield Waterside Limited and she left the meeting during the consideration of this item.

94 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Ludlow.

95 MINUTES**RESOLVED –**

That the minutes of the meeting of Cabinet held on 14 January, 2020 be approved as a correct record and signed by the Chair.

96 FORWARD PLAN

The Forward Plan for the four month period 1 March to 30 June, 2020 was reported for information.

***RESOLVED –**

That the Forward Plan be noted.

97

AMENDED TENANTS INCENTIVE SCHEME POLICY

The Assistant Director – Housing submitted a report recommending for approval a revised Tenants Incentive Scheme and accompanying policy documentation.

The current Tenants Incentive Scheme was approved in 2012, however significant legislative and social policy changes had since come into effect which had impacted on the ability of some tenants to maintain rental payments on their homes. Furthermore, the current scheme was not providing sufficient incentives to encourage tenants to consider moving to homes that were more affordable and suitable for their needs.

The revised Scheme was intended to support tenants to create stable tenancies through moving into homes where they were at less risk of accumulating rent arrears. Benchmarking had been undertaken with other Local Authority Schemes and a communications and marketing plan had been developed to actively promote the revised scheme and maximise its take up.

***RESOLVED –**

1. That the revised Tenants Incentive Scheme be approved and implemented from 1 March, 2020.
2. That the revised Tenants Incentive Scheme Policy, attached at Appendix A of the officer's report, be approved and implemented, superseding all previous arrangements.
3. That the Communications and Marketing Plan, attached at Appendix B of the officer's report, be approved.
4. That the Tenants Incentive Scheme be reviewed every two years or as required, subject to significant legislative change.

REASONS FOR DECISIONS

1. To encourage mobility within our housing stock and ensure tenants occupy properties that meet their housing need and are affordable to them.

2. To reduce rent arrears and maximise rental income.
3. To prevent homelessness and increase tenancy sustainment.

98 EXCLUSION OF THE PUBLIC

RESOLVED –

That under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 – as they contained information relating to information relating to financial and business affairs.

Councillor P Gilby had declared an interest in the next item and left the meeting at this point.

Councillor Serjeant took the Chair.

99 ACQUISITION OF COMMERCIAL OFFICE AT CHESTERFIELD WATERSIDE

The Assistant Director – Economic Growth submitted a report seeking approval for the Council to purchase land at Chesterfield Waterside and enter into a development agreement to fund the construction of a commercial office building and associated public realm works.

The Council's Growth Strategy (2019-2023) had identified Chesterfield Waterside as a key regeneration project for the town and borough. The Council had helped Chesterfield Waterside Limited to secure funding from the Sheffield City Region Infrastructure Fund (SCRIF), which had enabled the delivery of site infrastructure ahead of the planned development of Phase 1 which would include a Grade A office building. The SCRIF funding agreement mandated that the office building must be completed by no later than 31 March, 2021, making progression of the office development a high priority in order to avoid Sheffield City Region Local Enterprise Partnership seeking to claw-back the funding.

Chesterfield Waterside Limited had actively marketed the office building to end users and had received strong interest with two pre-lets already agreed. The Council had appointed a consultant to provide advice on options for the delivery of the office building with a particular emphasis on providing an investment opportunity for the Council to support its revenue position in future years. The consultants had identified that the best option for the Council was to forward purchase the land and enter into a development agreement with Chesterfield Waterside for the construction of the office building and associated public realm works; this would generate income for the Council with the added control of the Council being the freehold owner.

The report outlined the financial considerations and recommended an additional allocation of £7.76m to the Council's capital programme. A cost appraisal was included in the report which projected that the office building would generate a revenue surplus from year two even allowing for the office building remaining only 50% let.

Details of legal, governance and information assurance considerations were included in the report along with details of measures proposed to ensure the office development supports the Council's emerging climate change action plan.

***RESOLVED –**

1. That the Chief Executive, in consultation with the Cabinet Member for Economic Growth, be granted delegated authority to purchase the relevant land at Chesterfield Waterside and to simultaneously enter into a development agreement with Chesterfield Waterside Ltd. to fund the construction of a commercial office building to an agreed programme and specification, and to deliver the public realm works.
2. That the purchase be subject to the completion of satisfactory due diligence and in line with the proposed Heads of Terms, as attached at Appendix 1 of the officer's report.
3. That £7.76m of capital spend, to be funded from borrowing, be included in the Council's capital programme for 2020/21.

REASON FOR DECISIONS

To ensure that this element of the Chesterfield Waterside scheme can progress to a timescale that mitigates the risk of Sheffield City Region Infrastructure Investment Fund claw-back of grant. The Council forward purchasing the office building also delivers on one of the Council's key objectives to promote and enable Chesterfield Waterside. In addition, the proposals represent a positive commercial opportunity for the Council.