Minutes of the Cabinet meeting held at the Town Hall, Bexhill-on-Sea on Monday 23 January 2012 at 11:00 am.

Cabinet Members present: Councillors C.R. Maynard (Leader), A.E. Ganly, Mrs B.A. George, I.G.F. Jenkins, M.J. Kenward, R.H. Patten and R. White.


Advisory Officers present: Chief Executive, Director of Resources, Director of Services, Head of Regeneration and Democratic Services Manager.

Publication Date: 25 January 2012
The decision made under PART II will come into force immediately, as it has already been subject to the call-in procedure.

At the commencement of the meeting, on behalf of the Council, the Leader extended his best wishes and condolences to Councillor Wood on his recent bereavement.

The Leader welcomed back Councillor Mrs Hughes who was recovering from a recent operation.

CB11/79. APOLOGIES

Apologies for absence had been received from Executive Member Councillor J. Johnson and non-Executive Members Councillor Lord Ampthill, Chairman of the Council, A.E. Davies and J.A. Lee.

CB11/80. 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, as amended and relating to Minute CB11/81, 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 the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART II – EXECUTIVE DECISION – the following decision is not subject to the call-in procedure under Rule 16 of the Overview and Scrutiny Procedure Rules as it has already been subject to the call-in procedure.
CALL-IN - THE COLONNADE, BEXHILL – LETTING

At its last meeting held in December, Cabinet had agreed the proposed lease arrangements for the refurbished restaurant / café property at the Colonnade.

The Council had instructed Fleurets, a national agency specialising in the marketing of restaurants and licensed premises, to market the Colonnade. Following the marketing campaign, a Panel comprising of Councillor Patten, senior Council officers and the letting agent, had carefully considered the submitted proposals and made its recommendation to Cabinet that was duly supported.

In accordance with the Council’s Overview and Scrutiny Procedure Rules, this decision was subsequently called-in by the Chairman of the Services Overview and Scrutiny Committee (SOSC) following representation by Councillor Lee. In accordance with the procedure, the SOSC met within 5 working days of the call-in and following a full and thorough debate the following concerns were set out and referred back to Cabinet for reconsideration:

- the Committee had not been persuaded that this was the correct option for the site
- the proposed lessee had not fulfilled the regeneration aspirations of the Council
- that further consideration should be given to other formats, and
- there were concerns with the lack of response to the marketing and length of the lease, i.e. 25 years.

Cabinet gave careful consideration to the concerns that had been expressed by the SOSC and heard further representation from Members present at the meeting both for and against the proposed lease arrangements. During the debate the following points were noted:

- the proposed 25 year lease was subject to a rent review every 5 years; should the lessee not pay the rent the Council would take the necessary legal steps to repossess the property;
- the 25 year lease gave the necessary assurance for potential lessees to recoup their investment as the amount of private finance required to fit out the Colonnade and make the space fit for purpose was substantial;
- the proposed lessee was investing a large amount of his own personal finance and was therefore committed to ensure the success of the business;
- the proposed business plan had been considered viable and the proposed lessee knew the local market well, was a competent business man and had a proven track record of successful local businesses in both Hastings and Bexhill;
- the proposed lessee did fulfil the Council’s regeneration aspirations for the Colonnade – a food destination, with a quality, but affordable offer within the whole space;
- there was no advantage to using more than one letting agency as this would have increased costs; Fleurets were a national
letting agency specialising in the field, and other agencies were likely to have the same contacts;

- the proposed operating hours for the business was subject to the licensing regime and was not a matter for Cabinet;
- a number of the concerns raised by Scrutiny could be mitigated within the terms of the lease agreement.

Cabinet was satisfied that the original decision was sound and was best for the Council, residents and visitors alike; it was essential to get a business up and running within the Colonnade as soon as possible. This was an important year for the Council, not least of which as it was the first full season for the newly developed sea front and Bexhill would host part of the Olympic Torch procession in July.

The original recommendation considered by Cabinet on 21 December was therefore moved, seconded and carried.

**RESOLVED:** That the restaurant / café property at the Colonnade, Bexhill be leased to the proposed lessee for 25 years with a stepped rent on the basis set out in the original report, reviewable every 5 years, subject to terms and conditions to the satisfaction of the Chief Executive.

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

**CHAIRMAN**
The meeting closed at 11.50am cb120123lija