

Cabinet

5 December 2018



Time and venue:

2.30 pm in the Ditchling Room at Southover House, Southover Road, Lewes, BN7 1AB

Membership:

Councillor Andy Smith (Chair); Councillors Elayne Merry (Deputy-Chair) Paul Franklin, Bill Giles, Tom Jones, Isabelle Linington, Ron Maskell and Tony Nicholson

Quorum: 4

Published: Tuesday, 27 November 2018

Agenda

1 **Minutes of the meeting held on 29 October 2018** (Pages 1 - 6)

2 **Apologies for absence**

3 **Declarations of interest**

Disclosure by councillors of personal interests in matters on the agenda, the nature of any interest and whether the councillor regards the interest as prejudicial under the terms of the Code of Conduct.

4 **Urgent items**

Items not on the agenda which the Chair of the meeting is of the opinion should be considered as a matter of urgency by reason of special circumstances as defined in Section 100B(4)(b) of the Local Government Act 1972. A supplementary report will be circulated at the meeting to update the main reports with any late information.

5 **Public question time**

To deal with any questions received from members of the public in accordance with Council Procedure Rule 11 (if any).

6 **Written question from councillors**

To deal with written questions which councillors may wish to put to the Chair of the Cabinet in accordance with Council Procedure Rule 12 (if any).

7 Matters referred to the Cabinet

Matters referred to the Cabinet (whether by the Scrutiny Committee or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in part 4 of the Council's Constitution.

None.

8 Finance update - performance quarter 2 - 2018-2019 (Pages 7 - 26)

Report of Chief Finance Officer
Lead Cabinet member: Councillor Bill Giles

9 Draft budget proposals 2019/20 (Pages 27 - 50)

Report of Chief Finance Officer
Lead Cabinet member: Councillor Bill Giles

10 Council tax base and non-domestic rates income for 2019/20 (Pages 51 - 62)

Report of Chief Finance Officer
Lead Cabinet member: Councillor Bill Giles

11 Portfolio progress and performance report quarter 2 - 2018-2019 (Pages 63 - 86)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Elayne Merry

12 Community safety partnership annual report (Pages 87 - 92)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Tony Nicholson

13 Sustainability policy (Pages 93 - 98)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Isabelle Linington

14 Sustainable energy investment feasibility (Pages 99 - 104)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Isabelle Linington

15 Economic development (Pages 105 - 116)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Andy Smith

16 Housing delivery programme (Pages 117 - 126)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Ron Maskell

17 Fees and charges (Pages 127 - 150)

Report of Chief Finance Officer
Lead Cabinet member: Councillor Bill Giles

Information for the public

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Information for councillors

Disclosure of interests: Members should declare their interest in a matter at the beginning of the meeting.

In the case of a disclosable pecuniary interest (DPI), if the interest is not registered (nor the subject of a pending notification) details of the nature of the interest must be reported to the meeting by the member and subsequently notified in writing to the Monitoring Officer within 28 days.

If a member has a DPI or other prejudicial interest he/she must leave the room when the matter is being considered (unless he/she has obtained a dispensation).

Councillor right of address: A member of the Council may ask the Leader, a Cabinet Member or the Chair of a committee or sub-committee any question without notice upon an item of the report of the Cabinet or a committee or subcommittee when that item is being received or under consideration by the Council.

A member of the Council may ask the Chair of a committee or sub-committee a question on any matter in relation to which the Council has powers or duties or which affect the District and which falls within the terms of reference of that committee or subcommittee.

A member must give notice of the question to the Head of Democratic Services in writing or by electronic mail no later than close of business on the fourth working day before the meeting at which the question is to be asked.

Democratic Services

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Cabinet

Minutes of meeting held in Ditchling Room at Southover House, Southover Road, Lewes, BN7 1AB on 29 October 2018 at 2.30 pm

Present:

Councillor Andy Smith (Chair)

Councillors Elayne Merry (Deputy-Chair), Paul Franklin, Bill Giles, Tom Jones, Isabelle Linington, Ron Maskell and Tony Nicholson

Officers in attendance:

Homira Javadi (Chief Finance Officer), Ian Fitzpatrick (Director of Regeneration and Planning), Tim Whelan (Director of Service Delivery), Becky Cooke (Assistant Director for Human Resources and Transformation) and Catherine Knight (Assistant Director of Legal and Democratic Services) and Simon Russell (Committee and Civic Services Manager)

Also in attendance:

Councillors Stephen Catlin (Leader of Independent Group), Mike Chartier (Chair of Audit and Standards), Johnny Denis (Vice-Chair of the Council), Peter Gardiner (Chair of Scrutiny Committee) and Sarah Osborne (Leader of Liberal Democrat Group)

32 Chief Finance Officer

Homira Javadi, Chief Finance Officer was welcomed to her first meeting of the Cabinet.

33 Minutes

The minutes of the meeting held on 17 September 2018 were submitted and approved, subject to an amendment to the first paragraph of minute 28 (Lewes District Local Plan Part 2: Pre submission document) to read as follows:

“The Cabinet considered the report of the Director of Regeneration and Planning, seeking a recommendation to Full Council that would progress the Local Plan Part 2 through to its formal submission to the Secretary of State for consideration at the Examination in Public.”

Subject to the amendment, the chair was authorised to sign them as a correct record.

34 Apologies for absence

None were reported.

35 Declarations of interest

None were declared.

36 Urgent items

The Chair was of the opinion that the following matter (Scrutiny Committee recommendations from 13 September 2018) should be considered as a matter of urgency by reason of special circumstances as defined in section 100B(4)(b) of the Local Government Act 1972.

The Cabinet unanimously supported the recommendations of the Scrutiny Committee on affordable housing, detailed in the supplementary report.

Resolved (non-key decision):

(1) That the Council write to the companies that were causing a delay in the delivery of affordable housing and asked for development projects to be expedited.

(2) That the Council write to central government to point out that the shortage of affordable housing was not due to any fault of local government, but because of developers causing delays.

Reason for decisions:

The Cabinet supported the recommendations made by the Scrutiny Committee at its meeting on the 13 September 2018.

37 Scrutiny annual work programme 2018/19

The Cabinet received the Scrutiny annual programme for 2018/19, before it is considered by Full Council at its meeting on the 26 November 2018.

Resolved (Non-key decision):

That the Scrutiny annual programme for 2018/19 be noted and recommended to Full Council on the 26 November 2018 for approval.

Reason for decision:

To discharge scrutiny procedure rule 7 to submit the annual work programme to Full Council.

38 Statement of accounts 2017/18

The Cabinet considered the recommendations made by the Audit and Standards Committee at its meeting on the 24 September 2018.

Councillor Giles commented that despite the concerns raised by the Audit and Standards Committee, the external auditors were satisfied that the council's finances were sustainable moving forward. Measures were in place to rectify the delay in receiving valuation data, with officers currently considering alternative suppliers and asset management software. The Chief Finance Officer gave an overview of the statement of accounts process.

Visiting member, Councillor Chartier, Chair of Audit and Standards Committee addressed the Cabinet and detailed the discussions at the meeting on the 24 September 2018.

Resolved (non-key decision):

To note the Audit and Standards Committee's concerns regarding the Council's late receipt of valuation data from the external valuation office in relation to the Statement of Accounts 2017/18.

Reason for decision:

To support the Audit and Standards Committee's concerns raised at its meeting on the 24 September 2018.

39 Review of safeguarding children and vulnerable adults policy

The Cabinet considered the report of the Director of Service Delivery seeking their agreement to the proposed joint safeguarding children and vulnerable adults policy.

The Cabinet and visiting members agreed on the importance of the report and expressed their thanks to officers for their work on the policy.

Section 12 (1.17) detailed that induction for new staff and councillors on safeguarding must be completed within 3 months of the start of their employment/placement/term of office. It was discussed and unanimously agreed to add an additional resolution, detailed below, to require newly elected councillors to complete mandatory training, within three months of being elected. Any refresher training for councillors and staff would run parallel with each other

The Director of Service Delivery added that the Pan Sussex Child Protection and Safeguarding Procedures Manual was updated every 6 months to take account of new legislation and guidance and learning from Serious Case Reviews. Cabinet and visiting members agreed that any future updates to the policy should be conspicuous.

Resolved (key decision):

(1) To note the review of Lewes District Council's and Eastbourne Borough Council's Safeguarding Children and Vulnerable Adult policies and procedures carried out in 2018.

(2) To approve the new Safeguarding Policy appended to the report.

(3) To delegate authority to the Director of Service Delivery, in consultation with the Lead Member for People and Performance to make any minor amendments required following consultation.

(4) To require newly elected councillors to complete mandatory training, within three months of being elected.

Reason for decisions:

To update the previous policy bringing into line with recommended practice and with current pan-Sussex policies and procedures.

40 Joint transformation programme update

The Cabinet considered the report of the Assistant Director for Human Resources and Transformation, updating them on the progress of the joint transformation programme through March and October 2018 and to seek their approval for the phase 3 business case.

Although titled as an update to the programme, the report primarily focused on the next steps of the transitional journey and future opportunities, through the final part of the programme, phase 3.

The joint transformation programme phases 1 and 2 had delivered £2.8 million of savings and efficiencies. Phase 3 of the programme would target recurring savings of £400,000. The business case for phase 3 was detailed at appendix 1 to the report.

The Assistant Director for Human Resources and Transformation clarified that phase 3 was smaller in scope and would largely consist of structural reconfigurations and generate more income, as opposed to savings, in comparison to the previous two phases.

Support for staff during phase three was detailed at 2.17 of the business case. The Cabinet conveyed thanks to staff for the work undertaken during the programme and their positive response to the challenges faced.

Visiting member, Councillor Gardiner, Chair of Scrutiny Committee commented on the challenges faced during phase 2, including benefits, communication and resourcing of planning enforcement. The Director of Service Delivery gave updated statistics for communications from the last week regarding abandoned calls (less than 12%), calls answered within 60 seconds (60%) and average speed of answer (102 seconds) which were significant improvements since additional resources had been added to the call centre. Additional work had also taken place to shift calls online. Councillor Smith detailed the work undertaken, including the complexities of script creation and case management to deliver the current performance with communications.

In response to a question from visiting member, Councillor Chartier, Chair of Audit and Standards Committee, officers confirmed that the phase 3 proposals, outlined in the report would not compromise the integrity of the audit unit.

Resolved (key decision):

- (1) To note the progress of the joint transformation programme.
- (2) To approve the business case for the joint transformation programme phase 3, which includes recommendations to approve:
 - a) The total savings/income target of £400,000 for phase 3.
 - b) The approach for delivering the phase 3 transformation and savings/income.
 - c) The phase 3 governance arrangements.
 - d) The phase 3 costs and allocate an additional £1.4m to the programme (£700,000 from Lewes District Council).
 - e) The revised costs and benefits realisation ratio of 50:50 between Lewes District and Eastbourne Borough Councils.

Reason for decisions:

To enable Cabinet members to consider the progress of the joint transformation programme and to determine the next steps in the transformational journey.

41 New housing for short term letting

The Cabinet considered the report of the Director of Regeneration and Planning, seeking approval for the development of a Council owned site, to

provide housing to meet the Council's need for access to short term lettings for temporary accommodation.

Councillor Smith referenced that the report came to fruition, as a result of cross party work and motions submitted by Councillor Osborne to the February 2017 and 2018 Council meetings.

Resolved (non-key decision):

(1) To approve the construction of new affordable housing for short term letting to provide temporary accommodation (TA), upon Lewes District Council (LDC) land in Newhaven.

(2) To give delegated authority to the Director of Regeneration and Planning, in consultation with the Lead Member of Housing, to approve the use of up to £2.2m from the General Fund Capital Fund Capital Programme by LDC to deliver a TA scheme, using an appropriate LDC entity or building and lease-back agreement.

(3) To approve a waiver to the Contract Procurement Rules (CPR), as set out in paragraph 2.4.1(a) of the CPR to allow the direct selection of a main contractor, due to the bespoke nature of the product required and time restrictions. Full grounds laid out in paragraph 3 of the report.

Reasons for decisions:

At the February 2018 Full Council meeting, approval was given for a budget amendment to the 2018/19 General Fund Capital Programme to allocate £2.2m for the development of new TA scheme. Although the purpose of the new housing proposed in the report will be to meet access to short term letting the homes themselves are expected to have long term use much like traditional construction.

A model of developing TA schemes in other areas has been successfully delivered so that the design and construction is for only a limited number of years, allowing for the future relocation of the residential units to another site(s). The motion at Full Council in February 2018 was for a similar relocatable scheme that cannot be easily procured in a traditional way.

Due to the potential need to relocate units in the future, it may be that LDC can reduce its risk long-term risk by agreeing a building and lease-back agreement to fund the construction of the scheme. The decision on the contract will need to be made once a contractor is appointed.

The meeting ended at 3.18 pm

Councillor Andy Smith (Chair)

Agenda Item 8

Body:	Cabinet
Date:	5th December 2018
Subject:	Finance update – Performance Quarter 2 2018/19
Report of:	Chief Finance Officer
Cabinet member:	Councillor Bill Giles
Ward(s):	All
Purpose of the report:	To update members on the Council’s financial performance in Quarter 2 2018/19
Decision type:	Non Key
Recommendation:	Cabinet is recommended to <ol style="list-style-type: none">1. Agree the General Fund, HRA and Collection Fund financial performance for the quarter ended Sept 2018.2. Agree the amended capital programme as set out in Appendix 33. Agreed the Treasury Management performance.
Reasons for recommendations:	To enable Cabinet members to consider specific aspects of the Council’s financial performance.
Contact:	Pauline Adams, Head of Finance Tel: 01323 415979 or email Pauline.Adams@lewes-eastbourne.gov.uk

1.0 Introduction

- 1.1** It is essential to ensure that the Council has a sound financial base from which to respond to changing activity levels and demand for statutory services and to ensure that, when appropriate, its finances are adjusted in response to reducing income levels and inflationary pressures on expenditure.
- 1.2** A report on the financial performance following the end of each quarter is made to Cabinet to ensure that the financial health of the General Fund(GF), Housing Revenue Account (HRA), Capital Programme and Treasury Management activities are kept under continual review.

2.0 General Fund

At the time producing this quarterly monitoring report, as part of the annual Service and Financial process a comprehensive review of the Council's services was also underway. The early indications are that whilst the quarter two outturn projection is currently indicative of a £353k additional expenditure, the final outturn is expected to be a balanced position.

2.1 General Fund performance of the quarter is shown in the table below:

Department	Full Year Budget	Profiled Budget	Actual to 30th Sept 2018	Variance to date	Projected Outturn
	£'000	£'000	£'000	£'000	£'000
SUMMARY					
Corporate Services	5,239	2,665	2,601	(64)	(32)
Service Delivery	8,538	4,229	4,221	(8)	(1)
Regeneration, Planning & Assets	877	327	656	329	408
Tourism & Enterprise Services	713	165	164	(1)	-
Recharges to the Housing Revenue Account	(3,312)	(1,656)	(1,656)	-	-
Total Service Expenditure	12,055	5,730	5,986	256	375
Contingencies, etc	(996)	(350)	(350)	-	-
Capital Financing and Interest	11	(51)	(32)	19	-22
Contributions to/(from) Reserves	1,082	-	-	-	-
Net Expenditure	12,152	5,329	5,604	275	353

Service Details are shown in **Appendix 1**

2.2 The position at the end of September shows a variance of £275k on net expenditure. The significant items to note at this stage of the financial year are the additional expenditure on:

- unlet commercial property of £69k,
- a consequent income is shortfall of £42k, and
- the additional expenditure of £166k on property being held pending redevelopment (largely because of business rates payable on empty property).

2.3 The projected outturn shows a variance of £353k. This is within 3% of the net budget and is within an acceptable tolerance level This position is being closely monitored and the final outturn position is expected to be within approved budget.

2.4 The amount held in the General Fund Uncommitted Reserve, which acts as a buffer against negative movements in the budget, is projected to be £2.1m at 31 March. The following table shows the projected movements in each Reserve in 2018/19 and the balance at the end of the year.

General Fund Reserves	Actual Balance at 1 April 2018	Contributions from General Fund Revenue Budget	Use for Capital and Revenue	Estimated Balance at 31 March 2019
	£'000	£'000	£'000	£'000
Earmarked				
Asset Management	(3,020)	(283)	1,644	(1,659)
Economic Regeneration	(300)	(373)	50	(623)
Revenue Grants and Contributions	(396)	0	0	(396)
Strategic Change	(3,350)	(874)	2,767	(1,457)
Vehicle and Equipment Replacement	(1,445)	(320)	577	(1,188)
Unallocated	(226)	0	0	(226)
Total Earmarked Reserves	(8,737)	(1,850)	5,038	(5,549)
General Fund Working Balance	(2,093)	0	0	(2,093)
Total General Fund Reserves	(10,830)	(1,850)	5,038	(7,642)

3.0 Housing Revenue Account

3.1 HRA performance for the quarter is as follows:

	Current Budget	Profiled Budget	Actual to 30th Sept 2018	Variance to date
	£'000	£'000	£'000	£'000
HRA				
Income	(16,413)	(8,207)	(8,207)	-
Expenditure	13,446	5,343	5,113	230
Capital Financing & Interest	2,967	1,484	1,490	(6)
Contribution to Reserves				-
Total HRA	-	(1,380)	(1,604)	224

A further breakdown is shown at **Appendix 2**.

3.2 The position at the end of September shows a variance of (£224K). Items to note are:

- The void repairs expenditure was underspent at Q2 and is expected achieve budget by year end.
- Rent arrears have increased in 2018, action is being taken to address the problem and new arrears recovery software is being procured.
- The Tenant Transfer Incentive Scheme uptake is down compared to last year

4.0 Capital Expenditure

4.1 The detailed capital programme at Appendix 3, provides a summary of spend for quarter 2 compared to the allocation for 2018/19. The 2018/19 allocation has been revised to allow re-profiling of schemes from 2017/18. Brief comments are provided for each scheme and more detailed comments are provided below for larger schemes.

4.2 The Capital Programme for 2018/19 totals £71,596m compared to the original Capital Programme approved by Council 5 February 2018 of £32,407m. The changes to the Capital Programme are shown in the table below.

Capital Programme Summary 2018/19 - 2020/21	2018/19 £'000	2019/20 £'000	2020/21 £'000
Original Approved Budget 5 February 2018	32,407	12,515	11,418
Re-profiled from 2017/2018	16,203	-	-
Variations previously approved by Cabinet			
Improvements to Stock	(1,176)	-	-
Temporary Accommodation	2,200	-	-
Commercial Property Acquisition & Development	(2,700)	-	-
North Street Quarter	93	-	-
NSQ Temporary Car Park	700	-	-
Asset Development Newhaven	500	-	-
Sutton Road - Seaford	17,200	-	-
Robinson Road Enabling Works	170	-	-
Avis Way Depot Facility, Newhaven	4,100	-	-
Asset Management	9	-	-
Community Infrastructure	286	-	-
Vehicle & Plant Replacement Programme	630	-	-
Coastal Defence Works	58	-	-
Parks, Pavilions etc. - Remedial works	89	-	-
JTP	700	-	-
Variations requiring approval			
Community Infrastructure	36	-	-
North Street Quarter	92	-	-
IT Block Allocation	3	-	-
Current Programme	71,600	12,515	11,418

4.3 Detailed comments on larger schemes:

As part of the Council's programme of acquiring commercial property, Caburn House, Lewes was acquired for £2.788m (including expenses). A transfer of £2.2m from the programme to the general fund temporary accommodation project has resulted in a shortfall of resources of £255k. The acquisition is funded from borrowing.

Expenditure on the Lewes North Street Quarter is temporarily funded from borrowing, until such time as resources become available from external stakeholders. In 2018/19 Q2 expenditure is £185k.

The IT Block Allocation is increased by £3k, to enable the purchase of tablets for housing officers to assist tenants in completing benefit claims. The tablets will be funded by the Housing Revenue Account.

5.0 Treasury Management

5.1 The Annual Treasury Management and Prudential Indicators were approved by Cabinet and Council in February 2018.

5.2 Economic Background

The Chancellor presented his Autumn budget on Monday 29 October; he announced that public finance has reached a turning point and that since 2009-2010 the deficit has fallen by four-fifths, from 9.9% to 1.9%. Public debt peaked in 2016-17 and is now falling. Next year the deficit is expected to be below 1.4% of GDP and there is a buoyant outlook for employment which in turn, will have a positive effect on the underlying fiscal position. Amongst various funding announcements for local authorities it is the lifting of the debt cap for the Housing Revenue Account which potentially will have an impact for Treasury Management activities.

UK quarter 3 GDP seems set to maintain quarterly growth of 0.4%, however there are possibilities for greater strength as official data indicates that the rolling three month GDP growth to July was 0.6% which was 17 month high. The CBI suggests that retail sales did indeed remain healthy in September, but this has not been reflected in the high street, where many retailers are now struggling

5.3 Interest Rate Forecast

On 2nd August the MPC increased Bank Rate by 0.25% to 0.75%

Interest rates are at 0.75% and it is not anticipated that they would rise prior to March 29th for obvious reasons in relation to Brexit. However, it is widely assumed that the gradual projection is upwards. Interest rates on short-term debt in the local government market are now around 0.7-0.9% for 6 month to 1 year debt. It was widely assumed until recently that interest rate increases would be limited to 0.5% per year. However, it is important to note that the Bank of England has referred to the new natural interest rate level as being between 2% and 3%. Uncertainty regarding Brexit has both delayed investment in the UK and the raising of interest rates. However, if pay inflation was to take off, this might cause a rethink.

5.4 Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2018/19 which included the Annual Investment strategy was approved by Council on 19 February 2018. It sets out the Council's investment priorities as being:

- Security of Capital;
- Liquidity;
- Yield.

The following table shows the fixed term deposits and tradeable investments held at 30 September 2018.

Ref	Counterparty	Date From	Date To	Days	Principal £	Int Rate %
FIXED TERM DEPOSITS						
TL239518	Thurrock BC	14 May 18	14 Nov 18	184	£3,000,000	0.630
TL239518	South Heighton PC	29 May 18	29 Nov 18	184	£24,000	0.630
TL239518	Surrey Heath PC	12 Jun 18	12 Dec 18	183	£1,000,000	0.600
TL239518	Thurrock BC	02 Jul 18	02 Oct 18	92	£2,000,000	0.500
TRADEABLE INVESTMENT						
GB00BDXJ9B8 5	UK Treasury Bill	03 Sep 18	01 Oct 18	28	£1,000,000	0.727
TRADEABLE INVESTMENT						
XS0739933421	BMW Finance NV	19 Dec 17	14 Dec 18	360	£1,000,000	0.691
					£8,024,000	

In addition to the fixed term deposits, the Council has made use of the following Deposit accounts and Money Market Funds:

Instant Access	Balance at 30 Sep 18 £'000	Average balance £'000	Current interest rate %
Santander Business Reserve Account	£1,000	£1,380	0.65
Lloyds Bank Corporate Account	£2,000	£1,275	0.65
Goldman Sachs Sterling Liquid Reserves Fund	£0	£1,505	0.80
Deutsche Managed Sterling Fund	£2,000	£1,978	0.81

Approved limits within the Annual Investment Strategy were not breached during the quarter ending 30 September 2018.

5.5 Investment performance

Treasury Management investment performance at the end of Quarter 2 is shown in the table below, along with the average 7-day London Interbank Bid (LIBID) Rate. All activity was consistent with the Council's approved Treasury and Investment Strategy for 2018/2019.

Type of Investment	Average return Qtr1 18/19 %	Average return Qtr2 18/19 %
Fixed Term Deposits	0.59	0.58
Treasury Bills	n/a	0.65
Bonds & Certificates of Deposit	0.65	0.69
Money Market Funds	0.56	0.68
Interest Bearing Account	0.40	0.65
Total Investments	0.53	0.65
7 day LIBID Benchmark	0.36	0.54

5.6 Borrowing

The current account with Lloyds Bank remained in credit throughout the period. No temporary borrowing for cash-flow management purposes took place.

There has been no change in the total value of the Council's long term borrowing in the reporting period, which remains at £56.673m.

5.7 Compliance with Treasury and Prudential Limits

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved TMSS.

During the quarter to 30 September 2018 the Council has operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

6.0 Collection Fund

6.1 The Collection Fund records all the income from Council Tax and Non-Domestic Rates and its allocation to precepting authorities

6.2 The Collection fund for the year is as follows:

	Council Tax £'000	Business Rates £'000
Balance B/fwd 1.4.18	(781)	1,949
(Deficit recovery)/Surplus distributed	839	(780)
Debit due for year	(72,425)	(25,479)
Payments to preceptors	72,003	24,213
Designated area payment		101
Allowance for cost of collection		135
Transitional Relief		(527)
Allowance for appeals		361
Write offs and provision for bad debts	(27)	147
Estimated balance 31.3.18	(391)	120
Allocated to:		
CLG	-	60
East Sussex County Council	(280)	11
Eastbourne Borough Council	(59)	48
Sussex Police	(33)	-
East Sussex Fire & Rescue	(18)	1
	(391)	120

6.3 The allocation to preceptors reflects the operation of the Collection Fund for Council Tax and Business Rates which are distributed on different bases under regulations. The distributions for the estimated balance calculated at quarter 3 will be made in 2018/19. Any changes in quarter 4 will be made in 2019/20.

6.4 Council Tax performance is predicted to be a £391k surplus for the year. As the aim of the collection fund is to break even the surplus represents an overachievement of £449k for the year. This is due to the result of a combination of factors including better performance against the collection allowance forecast within the Council Tax base. The estimated balance as at 31.3.18 represents 0.54% of the gross debit.

6.5 The predicted Business Rate deficit of £120k for the year represents an in year underachievement from business rate income of £1.0m. This is as a result of a number of business rate backdated appeals settled. The total number of appeals outstanding against the 2010 rating list as at 30.9.18 was 53 with a total rateable value of £5.5m.

With the introduction of the new 2017 rating list the procedure for making appeals has been changed, which is intended to speed up the process, reduce the number of appeals and provide some certainty on the financial implications to local authorities. The valuation office is yet to publish any data relating to these appeals, therefore an estimate has had to be calculated based on experience from the previous appeals system.

The estimated deficit balance as at 31.3.18 represents 0.47% of the total debit for the year.

7.0 Financial appraisal

7.1 All the financial implicates are contained within the body of the report.

8.0 Legal implications

8.1 There are not legal implications arising from this report.

9.0 Equality analysis

9.1 This Finance update is a routine report for which detailed Equality Analysis is not required to be undertaken. The equality implications of individual decisions relating to the projects/services covered in this report are addressed within other relevant Council reports.

10.0 Conclusion

10.1 The General Fund is currently predicting an adverse variance of £353k but it is expected to come within budget at the outturn. The variances are due to additional expenditure on unlet properties. The HRA budgets are on target. Capital expenditure is in line with expectations.

10.2 Treasury Management performance is on target and all activities were within the approved Treasury and Prudential Limits.

Appendices

- **Appendix 1 – General Fund detail analysis by service**
- **Appendix 2 – Housing Revenue Account**
- **Appendix 3 – Capital Programme**

Background papers

The background papers used in compiling this report were as follows:

- Budget monitoring 18/19 working papers

To inspect or obtain copies of background papers please refer to the contact officer listed above.

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General Fund Service Details

Appendix 1

Departments and Services	Full year budget £000	Profiled budget £000	Actual to 30 Sept £000	Variance £000
Corporate Management	524	244	209	(35)
Emergency Planning	24	0	3	3
Organisational Development Programme	254	218	218	0
Corporate Services	802	462	430	(32)
Legal Services	412	206	206	0
Democratic Services	364	182	182	0
Democratic Representation	283	142	125	(17)
District Council Elections	8	5	7	2
Registration of Electors	66	33	25	(8)
Local Land Charges	(77)	(41)	(42)	(1)
Legal and Democratic Services	1,056	527	503	(24)
Audit and Counter Fraud	257	128	128	0
Financial Services	647	324	324	0
Pension Costs	569	285	282	(3)
Treasury Management and Bank Charges	55	13	8	(5)
Finance	1,528	750	742	(8)
Human Resources	321	160	160	0
Staff Recruitment, Training and Welfare	115	57	57	0
Human Resources	436	217	217	0
Information Technology	1,417	709	709	0
Corporate Services Total	5,239	2,665	2,601	(64)
Case and Specialist Services	1,233	617	617	0
Customer and Neighbourhood Services	1,230	615	615	0
Building Control	(317)	(158)	(132)	26
Town and Parish Council Grants	141	141	141	0
Travellers Sites	17	17	17	0
Animal and Pest Control	31	16	13	(3)
Cemeteries	(18)	(9)	(18)	(9)
Coast Protection	18	6	15	9
Environmental Protection	21	14	10	(4)
Flood Defences and Land Drainage	145	5	1	(4)
Food Safety	3	1	0	(1)
Health and Safety	21	2	(3)	(5)
Licensing	(186)	(93)	(106)	(13)
Port Health	2	1	1	0
Public Health	40	22	21	(1)
Council Tax Collection	(57)	(29)	(30)	(1)

Departments and Services	Full year budget £000	Profiled budget £000	Actual to 30 Sept £000	Variance £000
Council Tax Reduction Scheme Admin.	32	33	31	(2)
Non-Domestic Rates Collection	(104)	13	9	(4)
Parks and Open Spaces	382	174	173	(1)
Sports and Playing Fields	244	122	116	(6)
Customer First	2,878	1,510	1,491	(19)
Homes First	2,561	1,280	1,280	0
Contribution to Housing Revenue Account	180	90	90	0
Homelessness	87	(130)	(113)	17
Housing Benefit Administration	78	51	48	(3)
Housing Benefit Payments and Subsidy	(356)	(328)	(328)	0
Housing Strategy	43	0	0	0
Private Sector Housing Renewal	1	1	(2)	(3)
Homes First	2,594	964	975	11
Waste and Recycling Management	367	183	183	0
Recycling	1,062	639	639	0
Waste Collection	705	406	406	0
Street Cleansing	519	333	333	0
Vehicle Workshop	383	194	194	0
Waste and Recycling	2,669	1,572	1,572	0
Service Delivery Total	8,141	4,046	4,038	(8)
Assets and Property	423	51	51	0
Car Parking	(490)	(195)	(179)	17
Depots	97	39	52	13
Industrial Estates	(668)	(214)	(160)	54
Investment Property	(910)	(466)	(313)	152
Office Accommodation	316	90	90	0
Public Conveniences	226	121	115	(6)
Surplus Assets	59	40	50	10
Parks and Cemeteries Buildings	52	18	18	0
Assets and Property	(895)	(516)	(276)	240
Business Planning and Performance	516	257	271	14
Voluntary Sector Support	257	128	128	0
Community Safety	20	(13)	(13)	0
Business Planning and Performance	793	372	386	14
Planning	1,134	567	567	0
Development Control	(780)	(305)	(323)	(18)
Planning Policy	166	18	20	2
Planning	520	280	264	(16)
Regeneration	229	115	115	0

Departments and Services	Full year budget £000	Profiled budget £000	Actual to 30 Sept £000	Variance £000
Business Support	201	75	75	0
Economic Development	192	84	196	112
Newhaven Enterprise Centre	(168)	(86)	(100)	(14)
Street Naming, Numbering and Closures	5	3	(4)	(7)
Regeneration	459	191	282	91
Strategy, Planning and Regeneration Total	877	327	656	329
Arts Development	7	12	12	0
Tourism	228	50	50	0
Tourism	235	62	62	0
Leisure Centres and Swimming Pools	374	80	80	0
Newhaven Fort	104	23	23	0
Wave Leisure	478	103	103	0
Tourism and Enterprise Services Total	713	165	165	0
Recharge to the Housing Revenue Account	(3,312)	0	0	0
TOTAL SERVICE EXPENDITURE	11,658	7,203	7,460	257
Corporate Efficiency Savings	(300)	0	0	0
Service Priorities	4	0	0	0
JTP Efficiency Savings Target	(700)	(500)	(500)	0
Contingencies	(996)	(500)	(500)	0
Capital Financing Costs	205	0	0	0
Interest and Investment Income	(200)	(51)	(32)	19
Capital Financing and Interest	5	(51)	(32)	19
Contributions to Reserves	1,850	925	925	0
Use of Reserves for non-recurring expenditure	(732)	(384)	(384)	0
Contributions to/(from) Reserves	1,118	541	541	0
NET EXPENDITURE	11,785	7,193	7,469	276

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HOUSING REVENUE ACCOUNT - BUDGET SUMMARY	BUDGET £'000
Income	
Dwelling Rents	(14,520)
Non-Dwelling Rents	(452)
Charges for Services and Facilities	(1,237)
Contributions towards Expenditure	(204)
Total Income	(16,413)
Expenditure	
Repairs and Maintenance	4,400
Supervision and Management	1,702
Special Services	1,313
Rents, Rates, Taxes and Other Charges	173
Increase in Impairment of Debtors	50
Depreciation of Fixed Assets	
- Dwellings	4,794
- Other Assets	685
Amortisation of Intangible Assets	6
Debt Management Costs	47
Joint Transformation Programme (JTP) Efficiency Savings	(300)
Estimated Central Service Costs	
Total Expenditure	12,870
Net Cost of HRA Services	(3,543)
HRA share of Corporate and Democratic Core	576
Net Operating Cost of HRA Services	(2,967)
Capital Financing and Interest Charges	
Interest Payable	1,866
Interest Receivable	(45)
Amortised Premiums and (Discounts)	-
Reversal of Depreciation and Amortisation	(5,485)
Transfer to Major Repairs Reserve	5,485
Repayment of Internal Borrowing	1,146
Total Capital Financing and Interest Charges	2,967
(Surplus)/Deficit for the year	0
Working Balance at 1 April	(2,945)
(Surplus) or Deficit for the year	0
Working Balance at 31 March	(2,945)
Allocation of Working Balance:	

- General Working Balance	(1,500)
- Special Projects	(1,170)
- Self Insurance	(275)
Working Balance at 31 March	(2,945)

2018/19		
BUDGET Q2 £'000	Actual Q2 £'000	Forecast £'000
(7,260)	(7,260)	-
(226)	(226)	-
(619)	(619)	-
(102)	(102)	-
(8,207)	(8,207)	-
2,200	1,512	(688)
851	127	(724)
657	420	(237)
87	23	(64)
25	70	45
-	-	-
2,397	2,397	-
343	343	-
3	3	-
24	24	-
(150)	(150)	-
	1,302	1,302
6,435	6,070	(366)
-		
(1,771)	(2,137)	(366)
-		
288	346	58
-		
(1,483)	(1,791)	(308)
-		
-		
933	939	6
(23)	(23)	
-	-	
(2,743)	(2,743)	
2,743	2,743	
573	573	
1,484	1,490	6
-		
0	(301)	(302)
(1,939)	(1,939)	
0	(301)	
	(2,240)	

	-	

THE CAPITAL PROGRAMME 2018/2019

APPENDIX 3

Line	SUMMARY	Approved Programme 2018/19	Brought Forward 2017/18	Approved Variations	Variations Requiring Approval	Proposed Programme 2018/19	Quarter 2 2018/19 Spend	Remaining allocation
1	HRA HOUSING INVESTMENT CAPITAL PROGRAMME	£	£	£	£	£	£	£
2	Construction of New Dwellings	-	1,341,150	-	-	1,341,150	(11,246)	1,352,396
3	Buy-back of Properties sold Through Right to Buy	200,000	-	-	-	200,000	-	200,000
4	Saxonbury Redevelopment	-	1,485,490	-	-	1,485,490	5,510	1,479,980
5	Improvements to Stock	5,079,000	1,522,380	(1,175,618)	-	5,425,762	1,367,331	4,058,431
6	Recreation & Play Areas	50,000	44,240	-	-	94,240	-	94,240
7	Conversions & Additional Rooms in Roof	165,000	366,940	-	-	531,940	-	531,940
8	TOTAL HRA HOUSING INVESTMENT CAPITAL PROGRAMME	5,494,000	4,760,200	(1,175,618)	-	9,078,582	1,361,595	7,716,987
9	GENERAL FUND HOUSING INVESTMENT CAPITAL PROGRAMME							
10	Private Sector Housing Support	135,000	109,900	-	-	244,900	40,099	204,801
11	Mandatory Disabled Facilities Grants Temporary Accommodation	920,000	614,410	-	-	1,534,410	281,093	1,253,317
				2,200,000	-	2,200,000	-	2,200,000
12	TOTAL GENERAL FUND HOUSING INVESTMENT CAPITAL PROGRAMME	1,055,000	724,310	2,200,000	-	3,979,310	321,192	3,658,118
13	GENERAL FUND CAPITAL PROGRAMME							
14	LHIC/Aspiration Homes - loans to facilitate delivery of new homes	15,000,000	5,000,000	-	-	20,000,000	5,000	19,995,000
15	Joint Transformation Programme (JTP)	-	212,500	700,000	-	912,500	284,748	627,752
16	Regeneration							
17	Commercial Property Acquisition & Development	4,000,000	1,233,320	(2,700,000)	-	2,533,320	2,788,148	(254,828)
18	North Street Quarter	-	-	92,500	92,735	185,235	185,235	0
19	NSQ Temporary Car Park	-	-	700,000	-	700,000	-	700,000
20	Blue Light Hub	3,400,000	-	-	-	3,400,000	34,085	3,365,915
21	Asset Development Newhaven	1,000,000	98,260	500,000	-	1,598,260	124,050	1,474,210
22	Sutton Road - Seaford	1,300,000	183,100	17,200,000	-	18,683,100	18,512	18,664,588
23	Turkish Baths, Lewes (Refurbishment)	-	171,810	-	-	171,810	12,415	159,396
24	19-21 Cradle Hill, Seaford	-	73,990	-	-	73,990	-	73,990
25	Denton Island Commercial Development	-	530,000	-	-	530,000	-	530,000
26	Springman House	-	99,000	-	-	99,000	15,255	83,745
27	North Street Commercial Property Acquisition/ Development	-	289,230	-	-	289,230	-	289,230
28	Robinson Road Enabling Works	55,000	24,990	170,000	-	249,990	27,084	222,906
29	Construction of Avis Way Depot, Newhaven	-	-	4,100,000	-	4,100,000	16,912	4,083,088

Line	SUMMARY	Approved Programme 2018/19	Brought Forward 2017/18	Approved Variations	Variations Requiring Approval	Proposed Programme 2018/19	Quarter 2 2018/19 Spend	Remaining allocation
1	HRA HOUSING INVESTMENT CAPITAL PROGRAMME	£	£	£	£	£	£	£
30	Newhaven Enterprise Centre (Boiler Works)	-	9,500	-		9,500	-	9,500
31	Asset Management	450,000	904,890	8,612		1,363,502	399,216	964,286
32	Community Infrastructure	-	-	285,500	36,519	322,019	322,019	(0)
33	Service Delivery					-		
34	Vehicle & Plant Replacement Programme	156,000	200,120	630,000		986,120	872,442	113,678
35	Waste	71,000	907,490	-		978,490	223,180	755,310
36	Specialist					-		
37	Tree survey Works	10,000	-	-		10,000	-	10,000
38	Air Quality Monitoring Station Newhaven	80,000	-	-		80,000	-	80,000
39	Flood Protection Measures	136,000	51,800	-		187,800	7,200	180,600
40	Coastal Defence Works	-	107,810	58,000		165,810	106,476	59,334
41	Parks, Pavilions etc. - Remedial works	50,000	620,660	89,420		760,080	15,927	744,153
42	Information Technology (IT)	150,000	-	-	3,200	153,200	101,974	51,226
43	TOTAL GENERAL FUND CAPITAL PROGRAMME	25,858,000	10,718,470	21,834,032	132,454	58,542,956	5,559,878	52,983,078
	TOTAL OVERALL CAPITAL PROGRAMME	32,407,000	16,202,980	22,858,414	132,454	71,600,848	7,242,665	64,358,183
	CAPITAL PROGRAMME FUNDING							
44	Borrowing					56,189,665		
45	Capital Receipts					1,720,190		
46	Reserves					10,649,864		
47	Capital Grants					1,836,720		
48	Section 106 Contributions					351,490		
49	Other Capital Contributions					123,300		
50	Capital Expenditure Financed from Revenue (General Fund)					192,800		
51	Capital Expenditure Financed from Revenue (Housing Revenue Account)					164,800		
52	CIL Contributions					372,019		
	TOTAL CAPITAL PROGRAMME					71,600,848		

Body:	Cabinet
Date:	5th December 2018
Subject:	Draft Budget Proposals 2019/20
Report of:	Chief Finance Officer
Ward(s):	All
Purpose:	To summarise the main elements of the emerging 2019/20 revenue budget that has arisen from the corporate and service financial planning process to date.
Contact:	Homira Javadi, Chief Finance Officer Homira.Javadi@lewes-eastbourne.gov.uk
Recommendations:	Members are asked to: <ul style="list-style-type: none">i) Agree the draft budget proposals for consultation.ii) Agree the approach to dealing with changes in the expected resources available for the 2019/20 budget as detailed in 3.3.iii) Agree that subject to there being no material change in the government settlement that Cabinet is minded to propose a council tax rise of 1.99% for 2019/20 to make a Band D charge £187.08 for General Expenses, in line with the current cap.v) Agree the strategy to close the gap as shown in 3.2vi) Note the updated MTFS

1.0 Introduction

- 1.1 Each year the Council consults with a range of stakeholders on its detailed draft budget proposals for the following financial year. This follows consultation on the corporate plan and Medium Term Financial Strategy (MTFS), which is carried out over the summer and autumn. The results of the corporate plan consultation are reported elsewhere on this agenda.
- 1.2 The Cabinet will consider initial responses to the consultations at this meeting and finally on 11th February 2019 in order to recommend a final budget for 2019/20 and revised capital programme to the Council on 25th February 2019. The process of service and financial planning is an integral part of the corporate planning cycle that looks over a medium term horizon. The corporate change programmes principally the Joint transformation programme (JTP) is also considered a key component of the

MTFS.

1.3 Government funding is projected to fall a further 30% to 40% in real terms to 2023/24 based on current trends but there is no certainty as the 4-year local government settlement ends after the next financial year.

1.4 The new Fair Funding Review will have a major impact on all assumptions, savings targets and resources available to the authority for 2020/21 and beyond. However, the indicative signs from central government are not positive for local government, especially those without social care, as we are lower down the list of central government priorities with NHS and Brexit being far higher up. Therefore, any assumptions beyond this financial year, should be viewed as potentially subject to significant revision, likely in downwards direction in terms of resources.

2.0 Integrated corporate planning process

2.1 The MTFS set out the principles for the budget of the following five years and models the financial impact of the strategy. The Service and financial planning process looks to deliver on the MTFS 5-year savings target of £3.4m. The main backdrop to the MTFS is the requirement to set a balanced budget and dealing with the effects on the Councils finances of the current economic downturn. More details are in the accompanying appendices.

2.2 Lewes has a successful track record of delivering efficient services in the past and is committed to transforming the way it delivers its services but clearly the path is becoming more challenging. Commercialisation and greater efficiencies from integration with Eastbourne will form the majority of the savings strategies going forward.

2.3 Whilst at the time of writing the settlement has not been finalised but the following items are assumed in the draft budget. It is important to note that the level of income is broadly similar to that in 2018/19, which one takes into account inflation, means there has been a significant reduction in resources available to the authority.

Year	2019/20
	£'m
RSG	(0)
Retained Rates/section 31 grants	(2.8)
Other grants	(0.3)
New Homes Bonus	(0.6)
Council Tax	(7.6)
TOTAL	(11.4)

3 The Draft Budget Proposals 2019/20

3.1 The service and financial planning process started in July and has culminated in the four service areas presenting their plans to the Cabinet and shadow cabinet in November.

3.2 In response the challenge set out in the MTFs, the service and financial planning process has identified proposed savings of £0.4m (4% of net spend) shown in **(appendix 1)**

These are categorised as:

	£'m
Efficiency savings	(0.2)
Increases in income	(0.2)
Total	(0.4)

3.3 A total of £0.9m of growth is proposed categorised as follows (and detailed in Appendix 2):

	£'m
Corporate inflation	0.2
Other Growth	0.4
Total	0.6

3.4 The draft budget assumes a rise in Council Tax of 1.99% for 2019/20 consistent with the MTFs. The requirement to hold a referendum may apply if any proposed tax rise were 3% or greater (The Government may announce cap on Council Tax rises as part of settlement).

3.5 The proposal also includes £0.5m of non-recurring service investment to be financed directly from general reserves.

4.0 Summary of Revenue Proposals

4.1 The following is a summary of the effect of the proposed changes.

4.2

	Proposal
	£'m
Base Budget 2018/19	11.2
Growth (outlined in 4.3)	0.6
Savings (outlined in 4.2)	(0.4)
Net budget requirement	11.4
Funded By:	
Government Grants/Retained Rates	(3.8)
Council tax	(7.6)
Total Resources	(11.4)

5.0 Capital Programme 2018/19-2023/24

- 5.1 The Council currently finances its capital programme from capital receipts and grants and contributions. Borrowing is permitted on a business case basis where savings or new income generated from a scheme can repay the capital costs. However, the Council does not have spare reserves that have not already been committed to fund capital schemes.
- 5.2 It should also be noted that unlike the Council Tax, the capital programme can be varied at any time and that there are duties under certain schemes to consult with those affected before schemes are commenced. As well as schemes financed from internal resources, the corporate plan will include schemes financed from external resources.

6.0 Consultation

Consultation on the financial plans is underway and includes Scrutiny, union and staff as well as partner organisations and the public.

7.0 Conclusions

- 7.1 Faced with the lasting effects of the recent economic climate and subsequent reduction in core funding by the Government, the Council has identified opportunities for efficiencies, innovative working and seeking commercial opportunities.
- 7.2 Should the budget proposals remain materially intact following consultation and further announcements, The Council will have continued to move its financial position towards longer term sustainability as outlined in the MTFS.

Homira Javadi (FCCA, ACCA, CPFA)
Chief Finance Officer

Background Papers:

The Background Papers used in compiling this report were as follows:

Budget 2018/19

*Cabinet Reports: – Finance Matters Each Cabinet Meeting
- Budget Setting & MTFS February 2018.*

Audit Committee- Draft Accounts- May 2018.

To inspect or obtain copies of background papers please refer to the contact officer listed above.



Lewes District Council

MEDIUM TERM FINANCIAL STRATEGY

2018/19 – 2023/24

1 INTRODUCTION

- 1.1 The **Medium Term Financial Strategy (MTFS)** sets the strategic financial direction for the Council and is regularly updated as it evolves and develops throughout the year to form the framework for the Council's financial planning. As is the first year of the incoming Section 151 Officer, continuity was viewed as more important and the assumptions are not materially different to last year's report bar minor changes due to improved data.
- 1.2 To ensure Members have a sound basis for planning and decision making, the MTFS in the future will be reviewed and updated at key points in the year these are:
- Midyear – as a series of principles and as a framework for initial detailed budget discussions for the forthcoming financial year;
 - December/January – an update to include additional information received at a national level and corporate issues identified through service planning, and the detailed budget build; and
 - February – with the final Budget for the new financial year.
- 1.3 The purpose of the MTFS is to set out the key financial management principles, budget assumptions and service issues. It is then used as the framework for the detailed budget setting process to ensure that resources are managed effectively and are able to deliver the aspirations of the Council as set out in the Corporate Plan, over the medium term.
- 1.4 The vision of the Lewes business plan is to *“committed to providing value for money for our residents and keeping Council Tax levels as low as possible, despite the challenging financial climate.”*
- 1.5 The key underlying principles of the MTFS are:
- securing a balanced budget and setting modest increases in Council tax when appropriate; and
 - delivering service efficiencies and generating additional income where there are opportunities to do so.
 - ensuring that the council maintains sufficient reserves and contingencies to be resilient to manage the increased level of risks associated with a more commercial agenda.
- 1.6 In setting annual budgets the Council has a policy of meeting its ongoing budget requirement from ongoing resources in each year. The policy applies to the cycle of the MTFS, as it is reasonable to use reserves to smooth out the budget requirement as savings accrue over the cycle. By not using reserves in this manner it means that reserves over the minimum level are available for one off investments in services decided via the service and financial planning process.
- 1.7 The Council, as a registered social landlord is obliged to run a Housing Revenue Account (HRA) that is statutorily ring-fenced from its general fund. A 30 year rolling business plan has been adopted for the HRA. The Council is working in partnership with Lewes to

deliver efficiency savings in partnership using shared services. All savings accruing to the HRA are reinvested in housing services.

- 1.8 As with all Councils, the effect of inflation is felt on gross expenditure, whilst any increase in council tax or grant is based on a net position. This “gearing effect” means that there is a natural gap of at least £250k per annum that needs to be met from efficiencies (approximately 2-3% of net spend) if services are to be protected. This is on top of the Government reductions. Given the current reduction in grant and the inability to raise council tax in real terms due to capping criteria, the Council has to look to longer term measures to maintain sustainable finances. Therefore, it is looking to a combination of at the very least self-financing investments to locally regenerate the area and commercialising existing services.
- 1.9 Part of the process of delivering a robust MTFS to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. A MTFS risk analysis together with mitigating actions is provided in Appendix B1.

2 ECONOMIC PICTURE & PUBLIC FINANCES

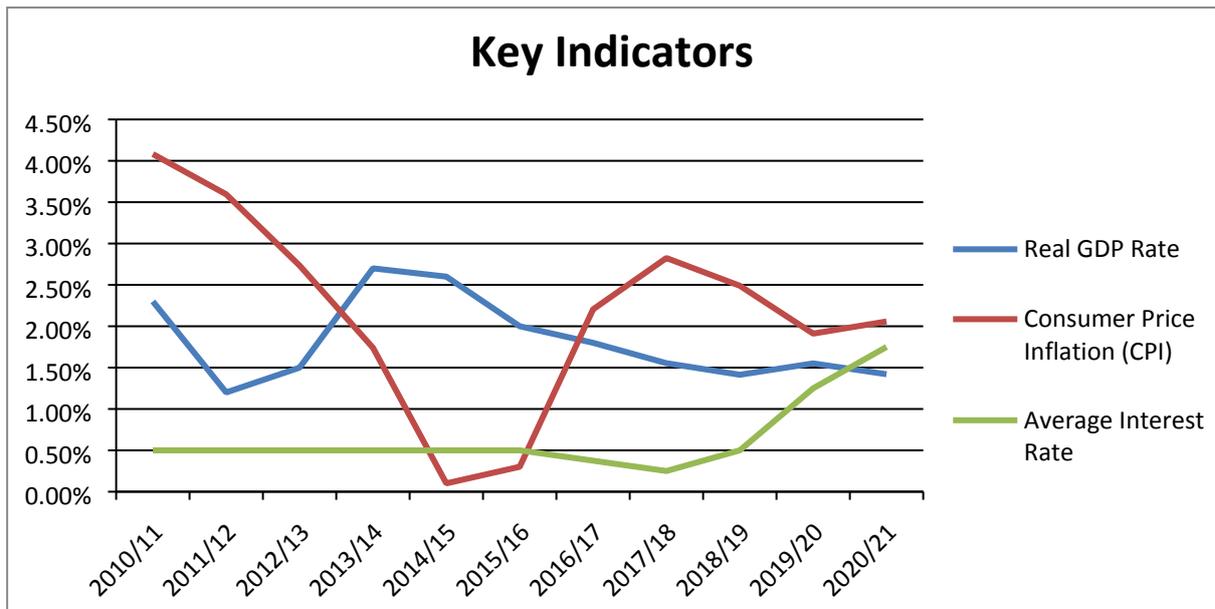
- 2.1 The national economic background affects the costs the Council incurs, the funding it receives, and contributes to the demand for services as residents are affected by economic circumstances. The inflation rate impacts on the cost of services the Council procures, as the Council delivers much of its service provision through contractual arrangements where inflationary pressures have to be negotiated and managed. Specific contractual inflation has been incorporated into the Council’s financial position, where appropriate, based on the actual contractual indices.
- 2.2 The wider economic picture is challenging for local government. The Chancellor’s budget delivered on 29th October was not regarded by the Institute for Fiscal Studies as a ‘bonanza’, with its director, Paul Johnson, stating that “many public services are going to feel squeezed for some time.” Even upper tier authorities see £650m additional social care monies as not covering the planned cuts for 2019/20.

Gross Domestic Product (GDP)

- 2.3 Growth is estimated to be weak for the new future at 1.6% for 2019 after an estimated 1.3% in 2018. Therefore, with Brexit on the horizon, currently anticipated to take place on March 29th 2019, it is unlikely that the Council will see an improvement in its funding from central government, particularly as there is still one year to go on its current 4-year financial settlement. The only possible exception is if the Chancellor is required to release his fiscal firepower to prevent a major recession. District councils are also likely to be lower down the priorities of any government with the NHS, tax cuts and highways utilising the majority of additional incoming public resources (tax growth).

Consumer Price Index (CPI)

- 2.4 Inflation as measured by CPI, was 2.4% for September 2018, down from 2.7% in August. The Bank of England latest forecast (as at November 2018 is set out below. The BoE target rate for inflation is 2%.



* 2010/11 to 2016/17 based on ONS Data. 2017/18 and forecasts based on Office for Budgetary Responsibility data. It is important to note that 2018/19 to 2020/21 are forecasts and should be treated as such. Interest rate projects are assumed to be 0.5% per year as the Governor originally suggested would be likely. Impact of Brexit is unknown.

Bank Interest Rate

- 2.5 Interest rates are at 0.75% and it is not anticipated that they would rise prior to Brexit on March 29th. However, it is widely assumed that the gradual projection is upwards. Interest rates on short-term debt in the local government market are now around 0.7-0.9% for 6 months to 1 year debt. It was widely assumed until recently that interest rate increases would be limited to 0.5% per year. However, it is important to note that the Bank of England has referred to the new natural interest rate level as being between 2% and 3%.

Public Sector Pay

- 2.6 From April the National Living Wage will rise again, by 4.9%, from £7.83 to £8.21. This demonstrates that while pay is going up at 2% for those on NJPC scales and 2% for those on the Chief Officer pay rates, that at the bottom there will be a bigger impact, more significantly affecting the bottom line of the council.

3 CORE FUNDING

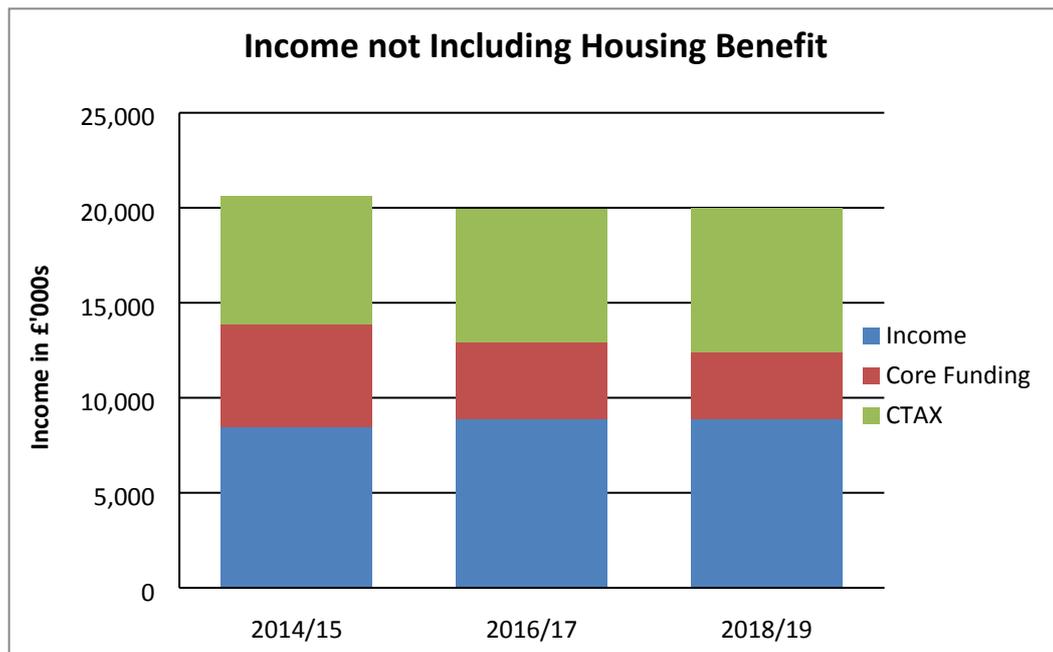
- 3.1 The 2016/17 Settlement offered councils a four-year settlement, giving greater certainty of funding until the end of the spending period (2019/20). The 2019 Spending Review will confirm overall local government resourcing from 2020/21, and the Government is working towards significant reform in the local government finance system in 2020/21. This includes an update to the baseline funding levels and resetting business rates baseline.

Revenue Support Grant (RSG)

- 3.2 RSG has substantially reduced in recent years and is now zero. The funding settlement for Lewes has become tougher over the years, as the central government grants are now limited to cover the cost of housing benefit and one-off matters of Government interest. Negative RSG, which occurs when the Council pays the government a central government grant rather than the other way around, has been eliminated recently but

in practice this means that Government will reduce Councils' business rate entitlement instead of asking Lewes to give it an RSG payment.

3.3 In the long run, despite cuts now going back almost a decade, there is no end in sight to austerity for local government, even if it ends in the rest of the public sector. Even county councils, which have received some limited extra social care funding, expect to continue to need to go beyond efficiency measures. Ultimately, uncertainty, limited funding for social care and the scale of the reduction of government funding has put county council finances in a difficult position. Lewes Council cannot avoid the fallout from such a situation as services that deal with vulnerable residents are already facing greater pressures, such as Housing.



3.4 The Chart above shows the change in the income profile with a high level estimate for 2022/23 based on existing trends, subject to the caveat that central government has the right to significantly reduce our funding further and faster. However, the overall trend is clear that Core Funding (NNDR +RSG) is declining while income from fees, charges and commercial income is growing as a percentage of total funding and in real terms.

3.5 On 24 July 2018 the Ministry of Housing, Communities & Local Government (MHCLG) issued a technical consultation on the 2019/20 Local Government Finance Settlement. The consultation closed on 18 September 2018. The document set out the Government's proposed approach to the 2019/20 Settlement and outlined the following:

- The fourth year of the multi-year settlement
- The Government's position on the New Homes Bonus threshold
- The Government's proposal for Council Tax referendum principles for 2019/20
- The Government's proposal for dealing with the issue of 'Negative Revenue Support Grant'

3.6 In April 2018 the former Secretary of State commissioned a review of the MHCLG oversight of the business rates system. On 24 October 2018 the report of an

independent review of the governance and processes of the system was published. The terms of reference for the review were set out under five themes: complexity; governance and management; capacity and capability; openness; and culture. In general, the review found that MHCLG and local authorities have managed the growing complexity of the system well, however noted that the Department's processes can be strengthened to ensure future challenges can be managed effectively.

- 3.7 In addition to focus on the MHCLG's own processes, the report also considered the overall approach to annual decisions on the local government finance system. The report recommended that the Provision Settlement should be released around 5 December and the Final Settlement no later than the 5 January. Having a clear settlement timetable in place will help ensure that local authorities can take a more planned approach. In light of this recommendation, the MHCLG has announced that it will aim to publish the Provisional Settlement for 2019/20 on 6 December 2018.

Business Rate Pool

- 3.8 This year, the Council re-entered into the existing pooled arrangement across East Sussex to retain the benefits of growth locally. It is anticipated that this will generate £200k of additional resources. Due to a change in government policy, the new pilot arrangements will in the future only keep 75% of the share in growth, whereas previously Central Government had a clear intent to achieve 100% localised funding as quick as possible.

75% Business Rate Pilot

- 3.9 In July of this year, The Government invited local authorities in England to apply for a 75% business rate retention pilot scheme for 2019/20. Lewes District Council jointly with its East Sussex Business Rate pooling partners submitted their bid to become BR Pilot on 25 September. The successful bids are expected to be announced prior or at the time of the provisional local government financial settlement in early December. Based on the work undertaken by LG Futures, the Council could see additional retained income of about £200k.

Business Rate Growth

- 3.10 Nationally, business rate is growing by inflation but many internet-based businesses are able to avoid the tax impact and there are national concerns that this has on the high street. The Government offered £1.5bn of reductions to business rates to smaller businesses which it will fund back to authorities via section 31 grants.
- 3.11 It is also important to recognise that second tier councils' share of business rates could be at risk of being reduced in the future. This is to allow redistribution of the resources to higher priority services and economically disadvantageous authorities. This will lead to the Council becoming ever more reliant on council tax, fees and charges and commercial income sources.

Fair Funding

- 3.12 The Fair Funding review will affect how funding is allocated and redistributed between local authorities from 2020. How this will be done is the subject of further consultation between now and mid-2019. The Government is continuing to work with the Local Government Association (LGA) and local authority representatives to develop the new

system. Indicative numbers for funding allocations to individual councils are expected to be available by spring-summer 2019, and the review is to be implemented in April 2020 via the Local Government Finance Settlement process.

Council Tax

- 3.13 The Chart below demonstrates the change in Council Tax over the years. The 2019/20 position assumes 1.99% in Council Tax Growth and that existing preceptor demand follows existing patterns. From 2020/21 onwards, it will only be assumed that there is 0.3% growth in the Council Tax base. It is important to note that these numbers include the average of special expenses, which exist to ensure no parish is charged for Council Tax for services that they do not receive.

Year	2015/16	2016/17	2017/18	2018/19	2019/20
Band D Equivalent	£189.61	£ 190.61	£195.05	£200.84	£204.84
Precept	£6,632,448	£6,823,300	£7,089,200	£7,438,000	£7,609,000

New Homes Bonus (NHB)

- 3.14 Following the reduction from 6 years to 4 years of allocation, New Homes Bonus allocation is expected to drop significantly again. This is because Councils are now required to achieve a net baseline growth of 0.4% in Band D equivalent homes before they can receive any NHB income.
- 3.15 Self-sufficiency and resilience are key concepts to the path for all southern district councils but particularly for Lewes with its desire to regenerate the local economy and transform deprivation.

4 RESOURCES AVAILABLE TO LEWES & LOCAL CHALLENGES

- 4.1 As can be seen in the above Chart of Income (Section 3), Lewes has become ever more reliant on internally generated resources and local taxation. This has a positive benefit in that we are more locally focussed and respond directly to local needs. However, it also means that we are less resilient if there is a downturn in the local economy. Furthermore, it necessitates the need to have healthy reserves and a strong balance sheet.
- 4.2 The Council has been prudent in assumptions and has successfully delivered on the Joint Transformation Plan and will inevitably generate further efficiencies. However, these will now form a smaller part of the future savings than new or additional income growth, as efficiencies have their limits. This necessitates a more structured approach to understanding our fees and charges and identifying areas where income can be most easily grown.
- 4.3 It is important to recognise that such income sources can take years to generate. Large projects will not necessarily deliver in their entirety from year 1, as there is inevitably a lead-in time and therefore prudently the Council is careful not to rely overly heavily on one project. More importantly, Lewes cannot rely too heavily on immediate savings as most income growth going forward will be slower to ramp up and the Council will need

to programme in the potential for significant delays. Once again the need for significant reserves becomes clear.

Housing Revenue Account (HRA)

- 4.4 The scrapping of the HRA borrowing cap has given Lewes flexibility and the opportunity to borrow in a more efficient fashion. The Government is also consulting on relaxing its RtB formulae, to encourage shared ownership products and to allow us to use up to 50% of RtB funding on affordable housing, rather than the current 30%. The Council will ensure that it finances capital activities in the most efficient way possible to minimize unnecessary borrowing.

Capital Investment

- 4.5 The Capital Investment Programme also has an effect on the Councils revenue finances as any investments that cannot be met from grants, contributions, capital receipts or revenue funding need to be met from borrowing. This has to be repaid with interest from revenue and/or capital receipts over time. The General Fund policy is to use borrowing only on a business case basis.

- 4.6 Any such borrowing is fully financed by way of interest charges and the Minimum Revenue Provision (MRP) which is the capital repayment. As new schemes that require borrowing are approved, the Council has to make provision for repayment via the capital financing budget. In order to keep this sustainable a stability mechanism that pools the following budgets is maintained.

- Interest earned
- Interest payable on debt
- Minimum Revenue Provision
- Revenue contributions to the capital programme (to balance)

- 4.7 It is up to Councils to set their own MRP and balances of Capital Receipts and Contributions can be offset to reduce this liability in the short term, although this only provides for short-term relief against the cost of capital. Any budget surplus from interest and MRP is recycled into the capital programme by way of a transfer to the “capital programme reserve”. This system creates a stabiliser mechanism between interrelated budgets.

- 4.8 Capital investment can be used as “invest to save” therefore borrowing is an important tool in the overall financial strategy where savings on schemes exceed the cost of capital. More recently it has been necessary to look for investments that have a yield over and above the borrowing costs to make a net contribution to the general fund. The Council has also taken advantage of schemes that give a return by providing a guarantee to a third party rather than incurring debt, contingent liabilities and corresponding assets are shown on the Council’s balance sheet to reflect this.

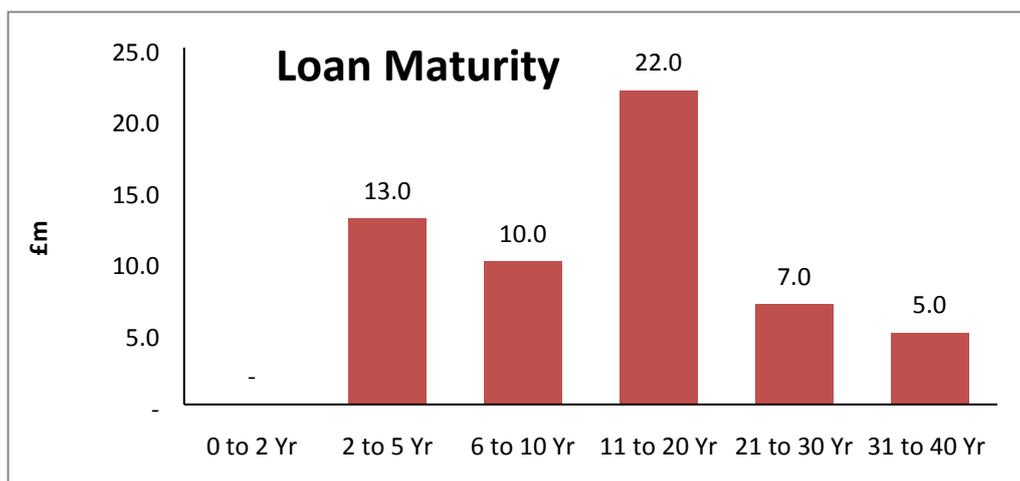
- 4.9 The Capital Programme has a significant focus on return on investment, and the borough’s focus on commercial opportunities must be understood through the lens of economic development and regeneration. Lewes is aware of CIPFA’s position that it

should not borrow for commercial investment purposes and that is why its investment

Capital Programme	£'000s	Funded by:	£'000s
HRA Housing Investment	9,079	Capital Receipts	1,720
GF Housing Investment	3,979	Reserves	10,650
LHIC/Aspiration Homes	20,000	Capital Grants	2,684
Joint Transformation Plan	913	Capital Expenditure Financed from Revenue	358
Regeneration	34,305		15,412
Special Delivery/Specialist/IT	3,321		
	<u>71,597</u>	Gap that will be covered by Borrowing	<u>56,185</u>

focus is on locally beneficial investments.

- 4.10 Lewes is a net borrower due to the HRA self-financing settlement but it has not needed to borrow for years and so invests up to £20m with other local authorities, money market funds and the Debt Management Office. However, there is a future need to borrow. Going forward those rates are unlikely to be favourable, as the UK appears to be on a gradual path to normalisation, subject the standard caveat of Brexit.
- 4.11 The Council's borrowing requirements are expected to be over £50m but the timing of this relates to capital delivery and interest rate predictions. The timing of Brexit and whether to borrow slightly ahead of need to ensure a favourable rate bears heavily on the borrowing decision. It also needs to take into account of internal borrowing. This is another reason as to why every year, the Council prudently reviews its capital programme to ensure that its priorities remain the same and that the Council makes the most efficient use of its resources.



- 4.12 For 2019/20, the Council will be producing a capital investment strategy for the budget to comply with new statutory regulations. Therefore, it is not intended that the MTFS should cover Lewes's approach to capital investment in excessive detail.

5 REVENUE STRATEGY – EFFICIENCIES

- 5.1 Lewes and Eastbourne Councils' shared Joint Transformation Plan has delivered £2.8m savings and is anticipated to deliver a further £0.4m in 2019/20. By sharing services and

business process re-engineering the way it operates, it has been successful in transforming its services. This places a heavy reliance on systems and careful implementation and re-training of existing employees.

5.2 The Council will continue on this path of transformation of core services but ultimately the organisation cannot produce enough savings by this process alone and so it will also need to find new ways to generate income, as discussed in section 7.

5.3 The priority in the immediate term is to produce a robust budget with confidence in the key assumptions.

6 REVENUE STRATEGY – INCOME GROWTH

6.1 The Council has assumed income inflation each year and £200k of new income sources in 2019/20.

6.2 Lewes is increasingly taking a more commercial approach to generating new income in the district, including property and housing development opportunities. Over the next 5 years, the council will examine the opportunities the case for commercialising existing services and examining instances where the cost of operations needs to be covered.

7 RISK ANALYSIS

Risks	Cost	Impact	Likelihood	Detail and Possible Mitigations
0.25% change in interest rates on our existing capital programme	£56m	£0.14m	High	The Bank of England has suggested 2 rises of 0.25% per year is probably for the next 3 years. Therefore, the Council could look to borrow earlier than when it needs it – upto to 2 years in the future. The main lesson learned is that all projects need to cover borrowing costs unless the Council chooses to increase its savings target.
1% change in pay	£8m	£0.08m	Low	This is set nationally and pay is growing slightly over 2% per year, except next year due to a review of payscales. A possible mitigation is that all services would need to cover pay inflation locally by holding vacancies.
1% change in average price inflation	£10m	£0.1m	Medium	Current inflation and Brexit means there is a significant likelihood of above average rises. However, the main contracts that are funded are only worth £3m so a £30k impact is possibly more likely.
1% change in pensions	£8m	£0.08m	Low	It is expected that Lewes will continue to see its lump sum increase by £50k per year to clear the existing deficits but this is already included in our assumptions. The risk is that the actuaries will adjust their assumptions requiring a higher contribution rate due to a more negative view on our investment returns. This is difficult to predict at present.
Unfunded business rate discounts by Government	£m?	£m?	Medium	This is a common strategy of Central Government when it can offer tax cuts at no cost to itself. The impact is unknown but so far has been containable.
9% Reduction in retained NNDR	£2.8m	£0.25m annually	High	This reduction has already been modelled as the 9% reduction in reduced core funding (NNDR+RSG) was the original approach of the Coalition Government. Any over-provision could offset other costs in future years.

- 7.1 Interest rate risk of £0.56m ($£0.14m \times 4$ interest rate rises) and the 1% change in average price inflation (£0.1m) are the two main probable risks that the MTFs does not mitigate beyond the use of reserves. The Council's General Fund unallocated reserves would cover the realisation of these risks for three years. This indicates why the MTFs always needs to be prudent and why reserves are a key part of the Council's risk strategy.

8 RESERVES

8.1 As can be seen below the Council has significant reserves. However, the majority of these reserves are related to the Housing Revenue Account or are earmarked for specific purposes. This means that in practice, the reserves available to cover one-off needs or unexpected overspends is more limited.

	Known			Forecast		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
General Fund (Working Capital & Emergency Funds)	(2,066)	(2,062)	(2,093)	(2,107)	(2,129)	(2,148)
Capital & Regeneration Earmarked/Grant Reserves	(5,770)	(5,802)	(4,765)	(4,352)	(3,775)	(3,361)
Total General Fund	(12,785)	(12,158)	(10,830)	(10,019)	(9,147)	(8,438)
HRA (incl. MRR)	(4,883)	(7,805)	(7,427)	(7,973)	(7,413)	(7,433)
Total	(17,668)	(19,963)	(18,257)	(17,992)	(16,560)	(15,871)

8.2 It is up to the Section 151 officer to set the appropriate level of reserves that they believe the authority should maintain. Currently, £2m or approximately 15% of the net general expenditure budget is considered to be within the range that is deemed appropriate. Further work will be undertaken to maximize on opportunities to create additional financial resilience to protect the Council against any new and additional risks which it may face.

5-YEAR MEDIUM TERM FINANCIAL PLAN PROJECTIONS

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Adjusted Base Budget	10,777	11,167	11,697	10,857	10,689	10,650
Pay and Price Inflation	202	223	257	253	253	253
Inflation on Contracts	23	23	100	100	100	100
Capital Financing Growth		491	30	25		
	11,002	11,904	12,084	11,235	11,042	11,003
External Funding						
RSG	(2)	0	0	0	0	0
Retained Business Rates	(2,907)	(2,619)	(2,383)	(2,169)	(1,974)	(1,796)
Business Rates Pool	0	(200)	0	0	0	0
Other Government Grants	(378)	(340)	(306)	(275)	(247)	(222)
New Homes Bonus	(649)	(556)	(323)	(220)	(220)	(220)
Total External Funding	(3,936)	(3,715)	(3,012)	(2,664)	(2,441)	(2,238)
Council Tax	(7,438)	(7,438)	(7,669)	(7,845)	(8,025)	(8,209)
Council Tax Growth		(231)	(176)	(180)	(184)	(188)
Council Tax Surplus	(130)	0	0	0	0	0
Total Sources of Funding	(11,504)	(11,384)	(10,857)	(10,689)	(10,650)	(10,635)
Gap	(502)	520	1,227	546	392	368
Fees and Charges		(191)				
Growth - one-off		464				
JTP - Shared Transformation	(700)	(200)				
Wave leisure service fee reduction	(104)					
Final Phasing out of LCTS Grant to Towns & Parishes	(30)	(30)	(30)	(30)	(30)	(20)
Income - Commercial	(200)					
HRA contribution to JTP		(250)				
Balance to/from Reserves	1,536	(313)	323	220	220	220
Cumulative Gap/ (Surplus)	0	0	1,520	2,256	2,838	3,406
Total General Reserves B/fwd	(10,830)	(10,019)	(9,456)	(8,009)	(5,723)	(2,855)
Non recurring service investments		250	250	250	250	250
Budget Balance from/(to) reserves	811	313	1,197	2,036	2,618	3,186
Total General Reserves C/fwd	(10,019)	(9,456)	(8,009)	(5,723)	(2,855)	581

9 PRIORITIES, AIMS AND OBJECTIVES

- 9.1 The Lewes Business Plan provides the overarching vision for Lewes. In fulfilment of the Plan, the Council makes use of significant resources to achieve its aims including money, people, property and technology. In order to allocate resources to competing demands, achieve effective and efficient use of its resources, best value and ultimately achieve its vision, the Council has several strategies and plans which give a clear sense of direction and underpin the deployment of those resources.

10 STRATEGY OBJECTIVES

- 10.1 The Council's MTFS aims to ensure the provision of the best quality services possible within the resources available. To do so it must maximise the use of its resources to ensure they are used efficiently and effectively to support the development of longer term sustainable objectives.
- 10.2 The specific objectives of the MTFS are to:
- a) ensure that the Council sets a balanced, sustainable budget year by year, so that forecast spending does not exceed forecast resources available to it;
 - b) plan for a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to ensure that it has the financial capacity to deliver the Council's policies and objectives;
 - c) redirect resources over time to adequately support and resource the priorities of the both the Council and the wider community; and
 - d) maintain sufficient reserves and balances to ensure that the Council's long term financial health remains sound.

11 STRATEGY PRINCIPLES

- 11.1 The principles set out below provide a framework within which the Council will develop its detailed financial plan over the medium term.

General

- 11.2 There are a number of overarching principles that will apply across the Council's detailed financial accounting, planning and monitoring:
- a) that the Council's budgets, financial records and accounts will be prepared and maintained in line with approved Accounting Standards, the CIPFA Code of Practice on Local Government Accounting, the CIPFA Prudential Code and the relevant sections of the Council's Constitution and Finance Procedure Rules;
 - b) prior to setting a budget, the Council will always analyse potential risks and ensure these are minimised in line with its Risk Management Strategy;

c) that the Council's Corporate Management Team will review the budget proposals for reasonableness and adherence to corporate policies and objectives prior to the budget being submitted to Cabinet;

d) the Council will monitor its revenue and capital budgets effectively. Monitoring will be undertaken monthly by Heads of Service together with their portfolio holders, and integrated quarterly monitoring reports will be reported to Cabinet. In cases where significant financial and service performance deviates from that planned, action plans setting out corrective action will be drawn up by Heads of Service / Portfolio Holders and reported to Cabinet as appropriate;

e) that the Council's Corporate Management Team will take appropriate steps to continue to maintain and improve the accuracy and quality of data that it uses throughout the Council thereby ensuring that budget and other decisions are taken on a sound basis; and

f) the Council will seek to maximise external contributions towards revenue and capital spending for example through bidding for specific grants, attracting levered funding, participating in new funding streams and engaging in further strategic partnering opportunities where appropriate.

General Fund (Revenue)

11.3 In relation to its revenue budgets the Council will:

a) set a balanced budget each year that will be constructed to reflect its objectives, priorities and commitments. In particular, the budget will influence and be influenced by the Business Plan, the Organisational and Development Strategy, Capital and Asset Management Strategies, the Risk Management Strategy, its Comprehensive Equality Scheme and its Consultation and Engagement Strategies;

b) within the constraints of the resources available to it, set a sustainable budget each year that meets on-going commitments from on-going resources. The Council will continue to aim to maintain its level of general balances when it sets its revenue budget each year now that a prudent level of balances has been achieved;

c) seek to identify annual efficiency savings through business process improvement, shared service initiatives, service best value reviews and benchmarking and strategic partnering opportunities within and across county borders;

d) review the appropriateness of service delivery between the Council, parishes and other partners;

e) increase existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate; and

f) within Government guidelines, set a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to deliver the Council's policies and objectives.

Capital

11.4 When considering its capital investment, the Council will:

- a) maximise the generation of capital receipts and grants to support its planned investment programmes;
- b) enhance its capital investment by applying specific grants and contributions, capital receipts, earmarked reserves and revenue contributions, with any balance being met by external borrowing;
- c) not recognise capital receipts until there is certainty that the receipt will materialise, and will not be earmarked against specific developments without express Cabinet approval;
- d) allocate its capital resources in line with its Capital Strategy and Asset Management Plan whilst recognising that other priorities may emerge that may require those plans to be amended and resources to be diverted;
- e) annually review and prioritise capital schemes in accordance with Council objectives having regard to:
 - the business case for any given project; asset management planning; and
 - affordability in line with the application of the Prudential Code.

Balances and Reserves

11.5 In relation to its balances and earmarked reserves, the Council will:

- each year, maintain the level of General Fund balances at around 15% of its budgeted net expenditure. This would lead the Council to maintain a General Fund balance around the £2m mark.
- have regard to the financial risks surrounding the budget planning process, including those associated with the structural deficit, inflationary pressures, interest rates, partnerships, the treatment of savings, new burdens and demand led expenditure.
- review its earmarked reserves, which have been established to meet known or predicted liabilities, to ensure that the level of those reserves are still appropriate; and
- return reserve balances no longer required to the General Fund as appropriate.

Treasury Management and Investment

11.6 The Council will:

- a) having regard to risk, maximise investment income and minimise borrowing costs within the overall framework set out in the Council's annual Treasury Management and Investment Strategy; and
- b) secure the stability of the Council's longer term financial position rather than seeking to make short-term one-off gains which may lead to higher costs in the long term.

c) having regard to risk, seek to diversify its investment portfolio; maximise investment income; and deliver economic development objectives through the Asset Investment Strategy (in development).

12 OTHER CONSIDERATIONS

12.1 The Council's spending will have regard to:

a) the base budget position for the current financial year, adjusted for in year grant changes;

b) the Council's medium term priorities;

c) the refocusing of service expenditure through transactional, shared services and other efficiencies to support the achievement of its medium term priorities and satisfy Government funding changes;

d) demographic and welfare changes;

e) consultation outcomes; and

f) fiscal matters including:

- price inflation
- the effect on the level of General Fund balances and reserves
- the impact of any changes to the capital programme on the potential costs of borrowing
- triennial revaluation of the pension fund
- ongoing commitments, arising in part, from initiatives that have previously been funded from specific grants
- achieving budgeted savings from outsourcing, shared services and service reviews
- the likely passporting of some Government departmental savings targets to councils

RISKS	LIKELIHOOD (HIGH), (MEDIUM), L)	H M (LOW)	LIKELIHOOD (HIGH), (MEDIUM),) (LOW)	H M L	MITIGATING ACTIONS
The absence of a robust Medium Term Financial Strategy could adversely affect the Council's budget and resource planning and projections.	L		H		Continually monitor and refine the strategy in line with changing influences. Update Corporate Management Team and Cabinet.
Failure to understand changing community needs and customer expectations can result in the Council providing levels of service which are not appropriately aligned to the needs of communities and customers.	L		H		Continuously engage with key stakeholders and take advantage of existing consultation methodologies. Continue to monitor and more closely align service levels to demand and need.
Government is continuously reducing its departmental spending budget. Failure to respond to these funding pressures may adversely impact on the Council's ability to service delivery.	H		H		Take advantage of the Council's growth opportunities to reduce dependency on government funding. Align service delivery to funding levels, improve exist strategy to minimise risk.
Budget pressures arising from housing and economic growth and other demographic changes.	H		H		Take advantage of technological advancements to understand and reduce unit costs, monitor demand for services and proactively manage resourcing requirements, invest in schemes to promote skills and developments.
Uncertain medium term sustainability of incentivised income areas subject to Government policy, economic factors, and revaluation e.g. Brexit, business rates and New Homes Bonus.	H		H		Constantly monitor information and update risk appraisals and financial projections. Provide timely briefings and updates to Members/ key stakeholders to facilitate decision making. Adopt prudent budgeting approach not placing undue reliance on uncertain funding sources.
Uncertainty surrounding the Government's change agenda including, business rates and welfare reform over the medium term.	H		H		Constantly monitor information from Government and update risk appraisals and financial projections. Provide timely briefings and updates to Members/

			key stakeholders to facilitate decision making. Lobby through the LGA as appropriate.
Budget pressures from demand led services and income variances reflecting the wider economy.	M	M	Monitor pressures throughout the budget process and take timely actions.
Costs arising from the triennial review of the Local Government Pension Scheme.	H	M	Review and monitor information from Government and actuaries. Update forecasts as necessary.
Interest rate exposure on investments and borrowing.	L	L	Review cash flows, ensuring the Council has a flexible and forward looking Treasury management policy.
The Council has entered into a number of strategic partnerships and contracts and is therefore susceptible to price changes.	M	H	Effective negotiation, sound governance arrangements and regular reviews of performance and partnership risks.
There is a potential risk to the Council if there is a financial failure of an external organisation, providing services to the public on behalf of the Council.	L	H	Ensure rigorous financial evaluations are carried out at tender stage. Consideration of processes to ensure annual review of the successful organisation, and review any external auditor comments.
Loss of key skills, resources and expertise.	M	M	Continue to invest in staff developments, service continuity measures. Monitor succession planning. Keep staff consulted and informed. Ensure employment terms and conditions are competitive and development needs identified through 'My Conversation' programme with staff are satisfied.
Changes of responsibility from Government can adversely impact on service priorities and objectives.	L	L	Sound system of service and financial planning in place. Lobby as appropriate.
Loss of reputation if unforeseen resource constraints result in unplanned service reductions.	L	H	Have in place strong governance and risk management discipline followed by identification and implementation of robust solutions in response to changes. Consult widely. Seek to achieve a prudent level of balances and reserves.

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Report to: Cabinet

Date: 5 December 2018

Title: Council Tax Base and Non-Domestic Rates income for 2019/20

Report of: Chief Finance Officer

Cabinet member: Councillor Bill Giles (Portfolio Holder for Finance)

Ward(s): All

Purpose of report: To approve the Council Tax Base and net yield from Business Rate Income for 2019/20 in accordance with the Local Government Finance Act 1992.

Decision type: Key Decision

Officer recommendation(s):

- i) Agree the provisional Council Tax Base of 36,760.40 for 2019/20 for the whole area and that the Council Tax Base for each of the Town and Parish areas of the District shall be as set out in Appendix 2 of this report
- ii) Agree that the Chief Finance Officer, in consultation with the Portfolio Holder for Finance, determine the final amounts for the Council Tax Base for 2019/20.
- iii) Agree that the Chief Finance Officer, in consultation with the Portfolio Holder for Finance, determine net yield from Business Rate income for 2019/20.

Reasons for recommendations: Cabinet is required to approve the Tax Base which will be used for the purposes of calculating the 2019/20 Council Tax

Contact Officer(s): Name: Pauline Adams
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Telephone number: 01323 415979 or 07932 665467

1. Introduction

- 1.1. The Council is required to set its Council Tax Base for the forthcoming year. This calculation is used as the basis for the amount of income the Council will precept from the Collection Fund.
- 1.2. The Local Authorities (Calculation of Council Tax Base) Regulations 1992 prescribe that the billing authority (this council) must supply the precepting authorities (the County, Police and Fire authorities) with the calculation of the Council Tax Base. This information must be supplied between 1 December and 31 January in the financial year preceeding the financial year for which the calculation is being made.
- 1.3. Non-Domestic Rating (Rates Retention) Regulations 2013 also sets out a timetable for informing the Government and precepting authorities of the business rate income calculation. This information is completed via a Government return (NNDR1) which must be submitted by 31 January in the financial year proceeding the financial year for which the calculation is being made.
- 1.4. In order to assist the precepting authorities with their financial planning it is helpful to provide the information during December rather than wait for the January deadline.

2. Council Tax Base 2019/20

- 2.1. The Council Tax Base is the estimated full year equivalent number of chargeable dwellings. This is expressed as the equivalent number of Band D dwelling with two or more liable adults.
- 2.2. In making this estimate, account must be taken of discounts, disabled relief and property exemptions. Movements on and off the valuation list during the year must also be taken into account – e.g. where new properties have been built or old ones converted or demolished.
- 2.3. The basic calculation as determined by primary legislation is that the Council arrives at it's Council Tax Base by multiplying its Relevant Amount by its estimated Collection Rate.

3. Relevant amount

- 3.1. The Relevant Amount for each Band is the estimated full year equivalent number of chargeable dwellings in the Band expressed as equivalent number of Band D dwellings. The Government's Valuation Office assesses the relative value of each property with the borough and places it in one of the eight bands. A conversion factor is then applied to each band in order to obtain the equivalent number of Band D property as set out below

Band	Valuation (at 1 April 1991)	Conversion Factor as
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		proportion of Band D
A	Less than £40,000	6/9
B	£40,001 - £52,000	7/9
C	£52,001 - £68,000	8/9
D	£68,001 - £88,000	9/9
E	£88,001 - £120,000	11/9
F	£120,001 - £160,000	13/9
G	£160,001 - £320,000	15/9
H	Over £320,001	16/9

3.2 Deductions are made to the aggregate number of properties in each band in respect of various discounts such as empty properties and single persons. An adjustment is also made to reflect the impact of the Council Tax Reduction Scheme.

3.3 The results for each Band are then added together to arrive at the overall Band D or Relevant Amount. For 2019/20 this totals 37,415.20 equivalent properties.

3.4 The Relevant Amount has decreased by 298 properties (0.79%) Band D equivalent dwellings from 2018/19. This reflects expected growth in the number of taxable properties of 366 less the effect of the changes to the Local Council Tax Reduction Scheme (LCTRS) agreed by the Council, and an increase in the number of discounts awarded. The effect of these changes has resulted in an decrease to the total number of chargeable dwellings of 328.

4. **Collection Rate**

4.1. The Collection Rate is the Council's estimate of the proportion of the overall Council Tax collectable for 2019/20 that will ultimately be collected.

4.2. The key elements in making this calculation are losses on collection, appeals against valuation, changes in circumstances (e.g. application for discounts in respect of single person's occupancy or disability) and other adjustments. These other adjustments to bills can arise for a variety of reasons including bankruptcy, death and exemptions, plus an allowance for uncollectable debts.

4.3. The current level of Council Tax collection is forecast to show an in-year surplus balance of £390,000 at the end of 2018/19, and this would indicate that the current collection rate of 98.2% should be adjusted upwards to 98.25% going forward.

5. Council Tax Base

- 5.1. Taking the Relevant Amount of 37,415.2 and applying the Collection Rate of 98.25% produces a Council Tax Base for 2019/20 of 36,760.40.
- 5.2. The Council Tax Base has decreased by 0.74% compared with 2018/189. This is equivalent to a decrease of 274 Band D dwellings. The detailed number of properties is shown at Appendix 1.
- 5.3. The Council's Medium Term Financial Strategy is updated annually to take account of movement in the Council Tax Base. The assumed tax base for the current MTFS was 37,574.0.

6. Town and Parish Council's Tax Base:

- 6.1. Cabinet is recommended to approve the constituent parts for the total tax base relating to Town and Parish Councils shown at Appendix 2. These will be used to calculate the Special Expenses Council Tax amounts for 2019/20, as well as the council tax requirement for each Town and Parish Council to meet their own budget (precept) requirements. The Towns and Parishes have been provisionally advised of these individual tax bases in order that each can assess the impact of the precept in its area.
- 6.2. In 2013/14 the Council introduced a system of grant payments to the local Town and Parish Councils to offset increases in their Council Tax amounts which would otherwise arise as a result of reduction in their tax bases following the introduction of the Council Tax Reduction Scheme. The Government had made funding available to district council for such grant schemes through the Revenue Support Grant and Business Rates Retention mechanism. In response to reductions in Government funding, the Council has reduced the grants that it pays to the Town and Parish Councils each year by £30,000 per year, this results in aggregate payments of £111,000 for 2019/20.

7. Business rate income

- 7.1. The Local Government Finance Act 2012 introduced a new system for the local retention of business rates. This means that the Council is required to formally approve the expected business rate income for the forthcoming year. The estimate for the 2019/20 financial year must be approved by 31 January 2019.
- 7.2. The Business Rate income is collated on the Government's National Non-Domestic Rates (NNDR1) form which shows the net rate income yield for the central and local shares of the business shares of the business rates. The actual NNDR1 form and guidance notes have not yet been received.
- 7.3. The net business rate yield is calculated using the total expected gross income by multiplying the Rateable value by the nationally set multipliers (for 2018/19 these are 49.3p standard and 48.0p for small businesses). These multipliers are uplifted annually by the September CPI rate which was 2.9%, but this increase is still to be confirmed by Government. This gross yield is then adjusted for mandatory and discretionary reliefs, an allowance for cost of collection, adjustment for changes in Rateable Value due to growth or

reduction in property numbers, estimated losses on collection and an allowance for appeals.

- 7.4. The resulting calculation is the net business rate yield which is shared as follows:

50% to Central Government
40% to Local Billing Authority (this council)
9% to the County
1% to the fire authority.

- 7.5. The local share is then payable to the Council's General Fund. All other adjustments to the overall level of Business rate income are then accounted for within the General Fund.

- 7.6. The final amount of business rates income retained by the Council is adjusted by deduction tariff and levy payments.

- 7.7. The system of tariff or top up is to redress the balance of Business Rate income nationally to ensure that no local authority is worse off as a result of business rate income at the outset of the rates retention scheme in 2013. This authority currently makes a tariff payment, and information on the level of tariff payment will be announced as part of the Government grant settlement figures.

- 7.8. Levy payments allow authorities to retain a proportion their growth. The levy has been set at 50% of the growth over the baseline allowance set by Government.

- 7.9. On 1 April 2017, an Enterprise Zone (EZ) was established for a defined area of Newhaven. Non-domestic properties within the EZ are eligible for business rates discounts, the cost of which will be reimbursed to the Council by government grant. The Council will retain the benefit of growth in the business rates base arising from businesses expanding within or relocating to the EZ for reinvestment in Newhaven, as agreed with the Local Economic Partnership (LEP) and the EZ's Strategic Board.

8. **Setting the Business Rate Income**

- 8.1. As the final figures required to set the Business Rates Income are not yet available, Cabinet is asked that delegated authority be given to the Chief Finance Officer, in consultation with the Portfolio Holder for Finance.

9. **Business Rate Pooling**

- 9.1. The Council is working within a Business Rate Pool with the other East Sussex Borough and District Councils, East Sussex County Council and East Sussex Fire Authority. Under this arrangement, 50% of any growth in business rate income which would otherwise be paid as level to the Government can be retained by the Pool to be redistributed to its participating authorities in accordance with an agreed memorandum of understanding. At the time of writing this report East Sussex bid for the 75% business rate retention pilot has been submitted and we are awaiting the outcome. Further details will be

provided as part of the Budget report in February.

- 9.2. It is expected that for 2018/19 Lewes's share of the pool will be in the region of £260,000, this will be confirmed at the end of the financial year once the volume of growth for the year has been calculated. The figures for 2019/20 can not be estimated until the NNDR1 form is complete.

10. Collection Fund Performance

- 10.1. As at 31 March 2018 the Collection Fund showed a deficit of £1,167,339 (£781,314 Council Tax surplus and £1, 948,653 Business Rates deficit). A net £59,000 is being distributed Council Tax and Business Rates preceptors during 2018/19, leaving a balance of £1,226,339 to be recovered in 2019/20.
- 10.2. The Council has to estimate the overall surplus/deficit at 31 March 2019 and inform precepting authorities in January 2019 of this estimate in order that the amount is included in the 2019/20 precept figures.
- 10.3. Current monitoring figures indicate a surplus by 31 March 2019 of £390,000 for Council Tax; this will be revisited in January and the results reported to members as part of the budget report to the February Cabinet. Any surplus or deficit is allocated to preceptors in 2019/20 in proportion to the 2018/19 Band D Council Tax. For this council this represents a 15.13% share of the total.
- 10.4. The calculation on the Business Rate income element of the Collection Fund currently indicates a deficit balance of £120,900. Any surplus or deficit is allocated in 2019/20 in accordance with the proportions given at paragraph 7.4 above.

11. Outcome expected and Performance Management.

- 11.1. Once the Council Tax Base and the estimate balance on the Council Tax element of the Collection Fund has been determined, East Sussex County Council, Sussex Police and Crime Commissioner and East Sussex Fire Authority will be notified.
- 11.2. Once the NNDR1 2019/20 has been completed and the estimated balance on the Business Rate element of the Collection Fund has been determined, this will be submitted to Central Government and both East Sussex County Council and East Sussex Fire Authority will be notified.
- 11.3. Council Tax and Business Rates income and payments to precepts are accounted for in the Collection Fund which is regularly monitored and reported to members as part of the quarterly performance monitoring report.

12. Financial appraisal

- 12.1. The Council Tax Base will be used to calculate the level of Council Tax requirement that will be recommended to the Council on 25 February 2019.
- 12.2. The net yield from Business Rates income will be used to calculate the amount of retained Business Rates to be credited to the General Fund.

13. Legal implications

- 13.1. The Council Tax Base must be calculated in accordance with the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 2012. Under this legislation the billing authority (this council) is required to calculate its Council Tax base by 31 January for the next financial year and inform all its preceptors of this calculation.
- 13.2. Legislation further provides that, where a billing authority fails to notify each of the major precepting authorities of this calculation, it can be determined by those precepting authorities on the basis of all the information available and with reference to the preceding year's amount.
- 13.3. It is a requirement of the Non-Domestic Rating (Rates Retention) Regulations 2013 for the billing authority (this council) to notify MHCLG and precepting authorities of its calculation of expected rate income by 31 January preceding the commencement for the next financial year.

If the billing authority fails to comply with this requirement the Secretary of State may make the calculation instead and inform precepting authorities of the calculation.

14. Risk management implications

- 14.1. If the Council did not set a Council Tax Base this can be imposed by the precepting authorities with the potential that an incorrect Band D Council Tax could be set. This would have implications to the Council Tax income for the Preceptors, Parishes and Town Councils, this Council and the performance of the Collection Fund.

15. Equality analysis

- 15.1. There are no equality implications to this report.

16. Conclusion

- 16.1. The provisional Council Tax Base for 2019/20 has been calculated in accordance with the relevant legislation. Summary calculations are set out within the attached appendix.
- 16.2. The figures required to set the Business Rate Income are not yet available as the NNDR1 form and guidance notes have not yet been received from the MHCLG.
- 16.3. It is recommended that delegated authority be given to the Chief Finance Officer, in consultation with the Portfolio holder for Finance, to agree the final figures for both calculations.

17. Appendices

- Appendix 1 – Summary of property numbers and Council Base Calculation.
- Appendix 2 – Total tax base for Town and Parish Councils.

18. Background papers

The background papers used in compiling this report were as follows:

- Local Government Finance Act 1992
- The Local Authorities (Calculation of Council Tax Base) Regulations 2012
- The Non-Domestic Rating (Rates Retention) Regulation 2013
- Calculation of Council Tax Base – CTB (October 2018) form.

Tax Base Comparison between years			
	2017/18	2018/19	2019/20
NUBER OF DWELLINGS			
Valuation List as at November	43,672	44,150	44,251
Less discounts equated to property numbers	-3,948	-4,032	-4,306
Add Premiums equated to property numbers	37	43	47
Total equivalent property numbers	39,761	40,161	39,992
Estimated changes in year	150	317	366
Less Local Council Tax Reduction Scheme	-4,548	-3,921	-4,129
Total Number of Properties	35,363	36,557	36,229
% increase (decrease)		3.37%	-0.90%
TAXBASE CALCUATION			
Relevant Amount (Band D Equilavant)	36,527.7	37,712.8	37,415.2
Collection Rate	98.00%	98.20%	98.25%
Council Tax Base	35,797.1	37,034.0	36,760.4
% increase		3.46%	-0.74%

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Council Tax Base Calculation 2019/2020 - Band							
Town/Parish Area	DISA	Band A	Band B	Band C	Band D	Band E	Band F
Barcombe	0.0	10.9	25.7	91.5	94.6	108.2	133.6
Chailey	0.6	33.5	38.9	160.2	146.3	199.1	298.6
Ditchling	0.0	7.9	18.1	60.7	68.5	325.7	171.4
East Chiltington	0.0	0.9	4.5	52.1	40.4	8.9	19.7
Falmer	0.0	0.5	6.8	13.9	15.2	16.0	1.5
Firle	0.0	2.3	11.0	17.8	27.0	26.6	9.8
Glynde & Beddingham	0.0	3.5	9.5	61.6	14.5	24.8	23.7
Hamsey	0.0	12.8	19.7	50.5	47.1	42.5	40.4
Iford	0.0	0.7	3.4	3.1	12.3	33.7	16.6
Kingston	0.0	10.3	4.7	5.5	15.0	57.7	186.2
Lewes	0.4	194.9	659.8	1834.2	1273.7	894.3	662.6
Newhaven	0.8	313.1	890.6	1300.9	827.5	417.4	101.4
Newick	0.0	9.4	18.9	129.9	212.3	245.1	234.3
Peacehaven	0.4	357.3	465.5	1990.3	1384.0	484.3	151.8
Piddinghoe	0.0	1.3	0.6	20.0	8.5	23.5	43.7
Plumpton	0.0	7.7	9.8	91.9	144.7	113.8	101.5
Ringmer	0.0	13.8	54.9	317.1	595.7	424.9	304.9
Rodmell	0.0	4.4	9.2	25.5	11.4	21.7	35.8
St Ann Without	0.0	2.0	1.6	4.9	6.8	4.6	11.2
St John Without	0.0	1.0	0.0	5.8	2.8	2.1	1.5
Seaford	0.0	525.0	750.2	2142.5	2302.3	2280.2	1406.5
Southeast	0.0	0.5	0.8	1.8	1.8	4.3	4.3
South Heighton	0.0	19.9	22.6	170.5	23.2	17.1	7.9
Streat	0.0	1.8	0.0	7.7	14.3	5.5	9.8
Tarring Neville	0.0	1.8	1.6	2.6	0.5	1.2	0.0
Telscombe	0.0	87.9	215.0	849.2	966.4	368.2	61.4
Westmeston	0.0	4.9	2.4	7.3	15.8	28.9	25.0
Wivelsfield	0.0	15.6	32.1	150.0	220.0	261.2	229.7
TOTAL	2.2	1645.6	3277.9	9569.0	8492.6	6441.5	4294.8

D Equivalents			
Band G	Band H	Total	98.3%
163.8	16.0	644.3	633.0
402.0	47.5	1326.7	1303.5
429.4	70.0	1151.7	1131.5
52.9	18.0	197.4	193.9
11.7	2.0	67.6	66.4
23.8	7.5	125.8	123.6
32.5	20.0	190.1	186.8
50.8	14.0	277.8	272.9
17.5	6.0	93.3	91.7
144.2	17.0	440.6	432.9
716.2	31.5	6267.6	6157.9
41.1	2.0	3894.8	3826.6
264.2	12.0	1126.1	1106.4
27.9	2.0	4863.5	4778.4
32.1	0.0	129.7	127.4
187.5	23.0	679.9	668.0
187.0	24.0	1922.3	1888.7
86.2	19.5	213.7	210.0
10.0	0.0	41.1	40.4
12.5	2.0	27.7	27.2
435.5	4.0	9846.2	9673.9
8.3	2.0	23.8	23.4
11.3	2.0	274.5	269.7
38.4	6.0	83.5	82.0
1.7	0.0	9.4	9.2
28.8	5.0	2581.9	2536.7
50.4	23.0	157.7	154.9
206.7	27.0	1142.3	1122.3
3674.4	403.0	37801.0	37139.5

Report to:	Cabinet
Date:	5 December 2018
Title:	Portfolio Progress and Performance Report 2018/19 - Quarter 2 (July - Sep 2018)
Report of:	Ian Fitzpatrick, Director of Regeneration and Planning
Cabinet member:	Councillor Elayne Merry, Portfolio Holder
Ward(s):	All
Purpose of report:	To consider the Council's progress and performance in respect of key projects and targets for the second quarter of the year (July-September 2018 (Quarter 2)) as shown in Appendix 1.
Decision type:	Non-key
Officer recommendation(s):	Consider progress and performance for Quarter 2 and make any relevant recommendations to Council and consider any relevant recommendations made by the Scrutiny Committee.
Reasons for recommendations:	To enable Cabinet to consider specific aspects of the Council's progress and performance.
Contact Officer(s):	Name: Millie McDevitt Post title: Projects and Performance Lead E-mail: Millie.McDevitt@lewes-eastbourne.gov.uk Telephone number: 01273 085637 / 01323 415637

1 Introduction

- 1.1 The Council has an annual cycle for the preparation, implementation and monitoring of its business plans and budgets. This cycle enables us regularly to review the Council's work, and the targets it sets for performance, to ensure these continue to reflect customer needs and Council aspirations.
- 1.2 It is important to monitor and assess progress and performance on a regular basis, to ensure the Council continues to deliver priority outcomes and excellent services to its customers and communities.
- 1.3 This report sets out the Council's performance against its targets and projects for the second quarter of 2018/19 (the period running from 1st July to 30th September 2018).

2 Performance in the Second Quarter of 2018/19

- 2.1 Appendix 1 provides a high level summary of progress and performance arranged by Cabinet portfolio. The summary shows where performance and projects are 'on track/on target' and where there are areas of risk, concern or under-performance. Where performance or projects are 'off track/below target', an explanation of the management action being taken to address this is also provided.
- 2.2 Detailed project/performance tracking information is recorded in the Council's performance management information system (Pentana (formerly known as Covalent)). The system uses the following symbols to indicate the current status of projects and performance targets:

-  = Performance that is at or above target;
-  = Project is on track;
-  = Performance that is slightly below target but is within an acceptable tolerance/projects where there are issues causing significant delay or change to planned activities;
-  = Performance that is below target/projects that are not expected to be completed in time or within requirements;
-  = Project has changed or been discontinued;
-  = Data with no performance target.

3 Portfolio Progress and Performance – Quarter 2

- 3.1 **The Good News for Quarter 1** –  Notable project milestones or service performance achieved include:
- a) Newhaven Enterprise Zone: Successful launch of the EZ community fund;
 - b) Vote 100: Well received events in Seaford and Peacehaven;
 - c) Sickness absence: remains on track, however, we are mindful that Q3 and 4 historically have an increased absence rate, due to the winter months. HR has been promoting Influenza Vaccination to try and mitigate this.
 - d) Welfare reform: Universal credit went live at the end of Q2. The service area have put in place a number of support mechanisms with partners to manage the implications of this.
 - e) Waste: Kerbside collection was successfully introduced and recycling rates were above target.

4. Issues

:

4.1 In Q2, areas of the Council's work which missed their targets including planning, housing, benefits and calls. Focussed intervention work has been taking place and latest performance figures (Oct 2018) show that the situation is improving. That said external pressures (such as the national housing crisis and Universal credit pressures continue to affect the authority). Further details on some of these areas is provided below.

4.2 **a) Housing:** Numbers in emergency accommodation have increased to 28. This is despite excellent work done by the teams which has resulted in more clients leaving emergency accommodation. The homelessness pressures project, which kicked off earlier this year, achieved the following in Q2:

The landlord's reward scheme is slowly gaining momentum and interest, having secured its first tenancy, with several lined up to start over the coming months.

There are seven new trainees all ready to start the trainee programme on 12th November, so this will support with demand/resourcing.

4.3 **b) Benefits processing:** Processing times were over target times in Q2, however through systematic management support of training and coaching, performance was above target in Oct.

4.4 **c)Calls:** As previously reported, a number of interventions are taking place. As a result, the call handling times and abandonment figures have both significantly improved.

5 Financial Appraisal

5.1 Project and performance monitoring and reporting arrangements are contained within existing estimates. Corporate performance information should also be considered alongside the Council's financial update reports (also reported to Cabinet each quarter) as there is a clear link between performance and budgets/resources.

6. Legal Implications

6.1 Comment from the Legal Services Team is not necessary for this routine monitoring report.

7 Risk Management Implications

7.1 It is important that corporate performance is monitored regularly otherwise there is a risk that reductions in service levels, or projects falling behind schedule, are not addressed in a timely way.

8 Equality Analysis

- 8.1 The equality implications of individual decisions relating to the projects/services covered in this report are addressed within other relevant Council reports or as part of programmed equality analysis. The equality implications of projects that form part of the Joint Transformation Programme are addressed through separate Equality and Fairness assessments.

9 Appendices

- 9.1 Appendix 1 – Portfolio Progress and Performance Report (Quarter Two 2018/19).

10 Background Papers

[Council Plan 2016 to 2020](#)

Lewes District Council Portfolio Progress and Performance Report Quarter 2 2018-2019 (July to Sep 2018)

Regeneration and Business Portfolio : Cllr Andy Smith – Projects and Initiatives

People and Performance Portfolio : Cllr Elayne Merry – Key Performance Indicators and Projects and Initiatives

Environmental Impact Portfolio : Cllr Isabelle Linington – Projects and Initiatives

Finance Portfolio : Cllr Bill Giles – Key Performance Indicators

Housing Portfolio : Cllr Ron Maskell - Key Performance Indicators and Projects and Initiatives

Planning Portfolio : Cllr Tom Jones - Key Performance Indicators and Projects and Initiatives

Waste and Recycling Transformation Portfolio : Cllr Paul Franklin - Key Performance Indicators and Projects and Initiatives

Customers and Partners Portfolio : Cllr Tony Nicholson - Key Performance Indicators and Projects and Initiatives

Key			
	Performance that is at or above target Project is on track		Performance that is below target Projects that are not expected to be completed in time or within requirements
	Project has been completed, been discontinued or is on hold		Performance that is slightly below target but is within an acceptable tolerance Projects : where there are issues causing significant delay, changes to planned activities, scale, cost pressures or risks
	Direction of travel on performance indicator : improving performance		Direction of travel on performance indicator : declining performance
	Direction of travel on performance indicator : no change		Data with no performance target

CPR LDC Regeneration and Business Portfolio: Councillor Andy Smith: 2018/19

Portfolio Projects and Initiatives

Portfolio Projects and Initiatives

Project / Initiative	Description	Target completion	Status	Update
North Street Quarter	Regeneration of the North Street Quarter area in Lewes to provide over 400 homes; health hub; car park and new commercial space.	Q1 2021/22		<p>Significant progress has been made in discharging the Phase 1 pre-commencement planning conditions. A decision from SDNP is anticipated by the end of December. Public event held on 29 October which provided an opportunity for comments on the information to be submitted for phases 2 and 3 of the NSQ scheme in respect of the reserved matters applications (appearance and landscaping). Update on this will be provided in the Q3 report.</p> <p>The NSQ landowners are working to finalise the Land Collaboration Agreement (LCA). Once agreed, the landowners will go to market to secure a developer for the scheme. The marketing information has been prepared by the two landowners.</p> <p>NSQL are making plans to implement the planning permission by demolishing some of the buildings that it owns in Phase 1 of the scheme. NSQL has served notice on its Phase 1 tenants and whilst neither landowner (the Council and MAS REI) have an obligation to find new premises for tenants at the North Street site, the Council will continue to work with all remaining tenants in an attempt to help them find new accommodation in the Lewes District as required. John Gosnell & Co has taken occupation of its new premises at the Mallings estate.</p> <p>Landowners continue to make good progress with resolution of outstanding third party land/title matters, including those relating to LDC title. LDC is progressing plans for the demolition of buildings and the creation of a temporary car park on the site of 20 to 24 North Street after planning permission was granted on 14 September 2018.</p> <p>This project has been moved to amber to recognise the complexities of the project and the unknown economic implications of Brexit.</p>
Newhaven Port Access Road (ESCC Project)	A new road that will remove Port traffic from existing roads to enhance access and economic growth, as well as safeguarding existing residential areas from the impact of Port traffic.	Q1 2019/20		Construction work commenced on 15 October with target completion February 2020.
Newhaven Enterprise Zone	NEZ covers 8 key sites of strategic importance with the aim of driving economic growth through the creation of up to 55,000m ² of new employment	Q4 2041/42		A successful launch of the new EZ Community Fund was held at Newhaven Festival of Belonging over the August Bank Holiday. The fund allows community groups to bid using

Project / Initiative	Description	Target completion	Status	Update
	floorspace, refurbishing 15,000m ² of existing employment floorspace and creating / sustaining up to 2,000 FTE jobs over a 25-year period.			<p>excess business rates brought in due to the EZ.</p> <p>Article 4 Direction was approved at Planning Committee on 27 June with implementation due from 5 November 2018.</p> <p>Plans are progressing for LDC land at town centre and Railway Quay.</p> <p>Funding bids have been submitted for additional support and decisions are awaited.</p> <p>Business engagement work continues to maximise awareness of EZ.</p>
Newhaven Town Centre	Delivery of mixed use regeneration scheme within NEZ.	Q4 2020/21		The plans for Newhaven Town Centre are progressing with CCD. A Strategic Property Board meeting was held on 10 October to discuss options. The key components of the scheme include a food anchor store, hotel, residential, the possibility of a health hub and an improved leisure centre. Grants and funding options to be explored further. The board were supportive of the plans, in principle, which will continue to be progressed. The date for a consultation with stakeholders is to be determined and is tentatively scheduled for January 2019.
Downs Leisure Centre	Project to renovate the Downs Leisure Centre to better serve the community's health needs.	Q3 2020/21		<p>Clinical Commissioning Group approval for the Health Hub Scheme was received in June with backing from NHS England. Seaford's two surgeries are in discussions about the space.</p> <p>The Downs 60's club and Age Concern Seaford are in agreement to terminate the current lease and to set up a Tenancy at Will directly with The 60's club, whilst negotiating terms with Wave Leisure. Cabinet approval of the scheme was received in September 2018. Residents of the LDC owned flats on the site have been briefed on works and their concerns addressed.</p>
Springman House- New Community Fire Station	Relocation of key emergency services to create a blue light services hub that supports delivery of the North Street Quarter.	Q3 2019/20		The plans for a shared Blue Light Services site, encompassing the current Sussex Police station on North Street, East Sussex Fire and Rescue and South East Coast Ambulance services are progressing, combined with a Masterplan for the entire site. Regular meetings with the Blue Light Services representatives have taken place and plans have evolved according to the feedback received.
Set up an Energy Services Company (ESCO) for North Street Quarter (LDC)	Establishment of an ESCO to support delivery of the North Street Quarter.	Q3 2019/20		Following the completion of the government's Heat Delivery Network Unit (HDNU) Study, it is necessary to consider the two recommended options further, along with assessing the feasibility of establishing an Energy Services Company for North Street Quarter

**CPR LDC People and Performance Portfolio:
Councillor Elayne Merry: 2018/19**

**Key Performance Indicators
Portfolio Projects and Initiatives**

Portfolio Projects and Initiatives

Page 70

Project / Initiative	Description	Target completion	Status	Update
Joint Transformation Programme	A major programme to integrate the Eastbourne Borough Council and Lewes District Council workforces, and transform the service delivery model for both organisations. Deliver £2.8m savings while protecting services	Q4 2019/20		<p>Latest Position (October 2018)</p> <p>Discussions over recent weeks relating to the delivery of technologies and the relationships with third party suppliers indicate an increased likelihood of an improved position for next quarter. Officers will continue working to manage and mitigate for these issues throughout the quarter.</p> <p>Q2 Updated:</p> <p>The programme delivered a number of significant actions/progress towards actions within the quarter, including:</p> <ul style="list-style-type: none"> - Further services continue to transition to new systems and ways of working – primarily, the Planning Service – enhancing and modernising the way in which we provide services and manage activities. - Planning for the next JTP Phase 2 transition – Homes First – has been the primary focus of colleagues working on the programme. - Technology developments continue to be deployed to support the new ways of working (eg.tablet devices and Outlook Web Access were rolled out to councillors to provide flexible access to council emails) and an enhanced phonebook was launched on the intranet delivering greater usability and functionality for all users. - Channel shift (the process by which the council encourages customers to interact via digital channels) – progress has been made to increase customers’ use of online channels (eg. there was a 6% increase in processes being completed online in the year to September 2018) and this is expected to grow further (eg. a number of processes for businesses/landlords are now “online only”). - The teams working on delivering the aims of the Joint Transformation Programme continue to listen and respond to feedback - mainly in relation to the joint website and the availability of staff on the phones. The Supporting Change Steering Group is driving this continuous

Project / Initiative	Description	Target completion	Status	Update
				<p>improvement and the commitment is to ensure that all feedback is assessed and, where necessary, action is taken.</p> <p>- Planning for the next stage in the transformation journey - JTP Phase 3 – was finalised for consideration by Cabinet in October 2018.</p> <p>The JTP tackles the same challenges and risks that all change management programmes of this scale and ambition face: issues relating to technologies, personnel and the relationships with third party suppliers are known and are being managed appropriately. Delivery of the transformation is being managed within the £6.8m budget and the £2.8m of savings for JTP Phases 1 and 2 have been achieved.</p>
Vote 100	The project will organise events and activities to commemorate the centenary of the Representation of the People Act 1918 which first extended the right to vote to women and to encourage greater diversity in public life.	Q3 2018/19		<p>In Q2, officers were busy planning for the Seaford workshop in October, as well as further workshops in Peacehaven and Ditchling.</p> <p>By the publication date of this report, the Seaford and Peacehaven workshops had already taken place and were very well received.</p>
Lewes District Lottery	A lottery for good causes for Lewes District	Q4 2018/19		<p>Gambling commission licence still under review. It could take a further 10 weeks before the decision is made on the licence.</p> <p>Full DBS checks have to be carried out on the members of staff involved.</p>

CPR LDC People and Performance Portfolio: Councillor Elayne Merry: 2018/19

Key Performance Indicators Portfolio Projects and Initiatives

Key Performance Indicators

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
Average days lost per FTE employee due to sickness	8.0 days	1.62 days	2.0 days		3.73 days	4.0 days			<p>This is the second quarter of reporting average days lost due to sickness for our entire staff group. In Q2, sickness was 2.11days which is a decrease from the same period last year which was 2.85.</p> <p>There is generally a higher level of sickness in the Waste Service and it is interesting to note that if we take Waste out of the calculation, the Q2 figure reduces to 1.81. Waste Services on its own is 3.86 days for Q2.</p> <p>A few long term cases have been resolved recently and only 3 employees were off for the entire quarter, a decrease from Q1, all of whom are being supported by their manager with support from HR and progressing through the Attendance Management process.</p> <p>The total for Q1 and 2 is 3.7 days lost, which means we are in line to remain within our target of 8 days. However, we are mindful that Q3 and 4 historically have an increased absence rate, due to the winter months. HR has been promoting Influenza Vaccination to try and mitigate this.</p>

CPR LDC Environmental Impact Portfolio: Councillor Isabelle Linington: 2018/19

Portfolio Projects and Initiatives

Portfolio Projects and Initiatives

Project / Initiative	Description	Target completion	Status	Update
Clear Futures: Joint Venture for Energy and Sustainability	A joint venture between Eastbourne and Lewes Council and a private sector organisation to deliver local energy and sustainability ambitions for the next 20-30 years. The Joint Venture will follow a programme of work.	Q1 2037/38		Joint Venture (JV) Steering Board meetings to take place every other month. The meetings provide an update on what progress has been made on projects that are being delivered through the JV over the last two months; provide updates on New Project Requests and details of any potential new participants. First JV Steering Group Project meeting held on 18 September.
Single use plastic (SUPs) reduction in council offices	Project aiming to reduce the amount of single use plastic items used in offices in LDC and EBC.	Q4 2018/19		An internal communication strategy is currently underway to raise awareness of the issues of SUP and the work we are undertaking to reduce colleagues' use of SUP. We are preparing for the second plastic audit of council offices and are preparing questions for the second staff survey which will both be undertaken in November. These will measure the impact of our work including the reduction in SUP use and staff behaviour and attitudes.
Upper Ouse Flood Protection and Water	3 year programme of flood protection work across the District	Q4 2018/19		Quarter 1 projects remain on going and progressing. Positive response from Ringmer and Wivelsfield Parish Councils to explore Natural Flood Management within and outside these villages - site visits at Ringmer progressed.
Newhaven Flood Alleviation Scheme (Environment Agency)	Enabling the delivery of key infrastructure projects in Newhaven.	Q4 2018/19		Work is continuing. Area 2 now fully completed and Area 5 (north) completed September 2018. Scheme on track to be completed by November 2019.

CPR LDC Finance: Councillor Bill Giles: 2018/19 Key Performance Indicators

Key Performance Indicators

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
Percentage of Council Tax collected during the year - Lewes	97.06%	29.78%	30.04%		57.81%	58.28%			Collection is 0.47% below the profiled target. Refunds totalling £90k were made in September. The backlog of work is impacting on collection and is being actively progressed by the Account Management Team.
Percentage of Business Rates collected during the year - Lewes	98.50%	28.59%	29.12%		54.64%	56.37%			Although collection is 1.73% below target at the end of September, the collection rate has improved over the quarter from August when it was 2.12% below target. The caseload has been brought up to date and sustained by the Account Management Team.

CPR LDC Housing Portfolio: Councillor Ron Maskell: 2018/19

Key Performance Indicators Portfolio Projects and Initiatives

Portfolio Projects and Initiatives

Project / Initiative	Description	Target completion	Status	Update
Welfare Reform (Universal Credit)	To support those vulnerable residents affected by the government's welfare reform programme.	Q4 2019/20		<p>The Full (Digital) Universal Credit Service went live across the whole of Lewes on 26 September.</p> <p>We have written to all Lewes District Council working age tenants to advise them of this and pointed out where they can go to get support when they need to make a claim for UC.</p> <p>We have several support mechanisms in place. The Citizens Advice Bureau are providing Assisted Digital and Personal Budgeting Support, Brighton Housing Trust are assisting LDC tenants, IT for You volunteers at libraries are able to help people get online and set up email addresses and some Homes First staff have tablets and can help people in their own homes.</p> <p>Jobcentre Plus are also able to help if people think they will struggle to make an online claim.</p> <p>We have held awareness events for Registered Social and Private Sector Landlords.</p>
Rural Housing	A project looking at rural housing in the district.	Q2 2018/19		Received comments from Planning departments on the paper which indicate proposals would conflict with local plan submission. The paper could be looked at again when local plan is next reviewed
Modular Temporary Accommodation	Delivery of modular housing options.	Q2 2018/19		Site selected and consultation taken place pre-planning.

CPR LDC Housing Portfolio: Councillor Ron Maskell: 2018/19

Key Performance Indicators Portfolio Projects and Initiatives

Key Performance Indicators

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
DFGs - Time taken from council receiving a fully complete application to the council approving the grant	28 days	7 days	28 days		14 days	28 days			Within target days.
Number of Licensed HMO's Inspected per Quarter	8	0	2		4	2			Above target
Percentage of rent collected during the year (cumulative)	96%	90.92%	92.74%		93.61%	95.3%			Collection is improving from being 3.55% below target in July to 1.7% below in September.
The number of days taken to process new housing/council tax benefit claims	20.0	36.1	20.0		50.0	20.0			<p>Latest position October 2018</p> <p>Since the 1st October both processing times and the number of new claims processed have improved to:</p> <p>w/c 1/10 - 49.8 days and 52 claims assessed</p> <p>w/c 8/10 - 47.3 days and 71 claims assessed</p> <p>w/c 15/10 - 42.9 days and 86 claims assessed</p> <p>The team are working through the backlog of work as a result of the transition to the new ways of working. This has resulted in processing times still being above target.</p> <p>Additional resource is now in place and an intensive solution based sprint project will help in bringing the outstanding work back to acceptable levels.</p> <p>From 16th September we have to record the number of 'emergency payments' we make to claimants. These payments are made before we have fully assessed the claim and aren't included in the outturn. If they were included performance would be better than that</p>

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
									<p>reported.</p> <p>Since the 16th September the team made four emergency payments.</p> <p>It is worth noting that we can make 'Payments on Account' in certain circumstances. This means that we make a payment of housing benefit prior to fully assessing the claim. This is not reflected in the average day's indicator, but means that some claimants do not have to wait to get their first payment.</p> <p>Performance Improvement Plan</p> <p>We have put in a number of measures as well as an intensive solution sprint project drawing in staff from across the authority, all of which which are improving performance.</p>
Days to process change of circs. (Housing / Council Tax Benefit)	8.0	9.0	8.0		12.0	8.0			<p>Performance over the quarter has improved from 13.3 days in July to 11.8 in August to 11.0 in September.</p> <p>Performance Improvement: See note above.</p>
Total number of days that families need to stay in emergency (nightly paid) accommodation	70	0	70		0	70			<p>This PI relates to the number of days that families need to stay in non self contained B&B rooms.</p> <p>All families placed in self-contained accommodation.</p>
Total number of households living in emergency (nightly paid) accommodation	15	13	15		28	15			<p>Despite on-going pressures the team continue to deliver some good work to continue with our overall objective to reduce emergency accommodation figures. We continue to require significant agency support with backlog decisions.</p> <p>The homelessness pressures project, which kicked off earlier this year, achieved the following in Q2:</p> <p>The landlord's reward scheme is slowly gaining momentum and interest, having secured its first tenancy, with several lined up to start over the coming months.</p> <p>There are seven new trainees all ready to start the trainee programme on 12th November, so this will support with demand/resourcing in the mid-term.</p>

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
Average number of days to re-let LDC Council homes (excluding temporary lets)	25	27	25		32	25			<p>October Position</p> <p>23.75 days which is above target. 8 properties were relet</p> <p>June-Sep commentary</p> <p>38 properties relet in Q2, of which 1 needed extensive repairs. Average re-let times have been adversely affected by partners not achieving targets for completing repairs on vacant property. Through the contract management mechanisms we are now driving forward improvement.</p> <p>Performance improvement plan carried out</p> <p>Our partners have an improvement plan and are expecting to reduce the average number of days for the works phase in order to bring overall re-letting times back within target by end of Q3</p>
Overall tenants' satisfaction		88.42%			90.83%				

CPR LDC Planning Portfolio: Councillor Tom Jones: 2018/19

**Key Performance Indicators
Portfolio Projects and Initiatives**

Portfolio Projects and Initiatives

Page 79

Project / Initiative	Description	Target completion	Status	Update
Neighbourhood Planning	Work with local communities on neighbourhood Plans, to guide future land use and identify where housing can be built.	Q4 2019/20		<p><i>Seaford</i> : Submission of the Neighbourhood Plan (NP) is delayed until the viability work on the Dane Valley Project Area has been completed. Due to amendments to the draft plan, the pre-submission consultation (Reg. 14) will be repeated before the end of the 2018.</p> <p><i>Newhaven</i> : Feedback on the most recent draft of the NP has been provided. This was subject to a "Health Check" by AECOM. The amended NP to be submitted in October/November (subject to authorisation by the Town Council).</p> <p><i>Peacehaven and Telscombe</i> : The Steering Group's Call for Sites opened in July. Potential housing sites are being informally assessed for suitability and will apply for free technical packages offered by Locality and carried out by AECOM.</p> <p><i>Barcombe</i> : The Steering Group raised concerns in respect of the five year housing land supply and met with the NP Officer. Some of the concerns have been addressed and the Group have agreed to proceed for now.</p> <p><i>Chailey</i> : Detailed comments on the draft documents and policies have been provided. The NP draft is being reviewed by the Steering Group's consultant.</p> <p><i>Newick</i> : At the beginning of 2018, Government created a process by which NPs could be modified. The Parish Council are considering making modifications to the Newick NP and a meeting is being held in the Parish to explore and discuss potential for modification and outline the process.</p> <p><i>Lewes Town (SDNPA-led and will form part of the SDNPA development plan, not LDC's)</i> : The SDNPA advised that the Examination of the Neighbourhood Plan is underway and will likely conclude towards the end of October 2018. Comments made to the SDNPA have been made available to the Examiner. If the NP is to progress to referendum, this is likely to be January 2019.</p> <p><i>General Neighbourhood Plan information</i>: Each affected Parish/Town Council will be advised of the three year housing land supply position once this has been drafted.</p>

Project / Initiative	Description	Target completion	Status	Update
The Local Plan (Part 2)	Local Plan Part 2 will allocate land for different types of development (including new housing and Gypsy and Traveller pitches) as well as land to be protected.	Q3 2019/20		<p>Cabinet approved the Local Plan Part 2 (LPP2) Pre-Submission Document for consultation on 17 September 2018. The Pre-Submission version of the LPP2 has responded to representations made by stakeholders at the Draft Plan consultation stage (November 2017-January 2018).</p> <p>This final consultation stage for LPP2 began on 24 September and runs until 5 November. Comments will be reviewed and a report prepared for full Council on 26 November 2018. The anticipated submission of the LPP2 to the Secretary of State is early January 2019.</p>

CPR LDC Planning Portfolio: Councillor Tom Jones: 2018/19

Key Performance Indicators Portfolio Projects and Initiatives

Page 80

Key Performance Indicators

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
Percentage of major applications determined within 13 weeks (LDC only)	65%	33.33%	65%		40%	65%			<p>June to Sep commentary: Two out of five major applications were determined within 13 weeks in Q2. There has been a modest increase in performance from last quarter (33.33%).</p> <p>Extensions of time agreements are formed by mutual agreement and there may be instances where parties do not agree and the increase of time to process the application may not be forthcoming.</p> <p>Performance Improvement Plan: With rigorous application of extensions of time agreement then the performance will increase over the full year survey period.</p>
Percentage of minor planning applications determined within 8 weeks (LDC/SDNP)	75.00%	69.64%	75.00%		69.84%	75.00%			<p>June to Sep Commentary: 44 out of 63 minor planning applications were determined</p>

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
combined)									within 8 weeks during Q2. Performance levels have remained consistent with the previous quarter (Q1: 69.64%) Performance Improvement Plan: It is acknowledged that this remains marginally below the target however careful case management by the service leads will improve performance.
Processing of other planning applications within 8 weeks (LDC/SDNP combined)	75.00%	82.44%	75.00%		80.09%	75.00%			181 applications out of 226 were processed within 8 weeks. Performance for Q2 is above target.
Percentage of all planning appeals allowed (officer/committee decisions)	10.0%	-	10.0%	-	50.0%	10.0%			Breakdown of 4 appeals allowed: 1- Committee decision- Inspector considered proposal would not impact on wider peace and tranquillity would conserve and enhance the natural beauty, and that the new building would be more attractive than the existing. 3- delegated decision
Outcome of planning appeals (Costs awarded (£))					£1,000				Figure shown is approximate cost awarded.
Number of appeals where the Inspector has considered that there has been unreasonable behaviour by the Local Planning Authority	0	0	0		1	0			The Inspector overruled a planning application relating to a residential property in a conservation area.
Number of major applications for new housing granted planning permission following appeal (LDC only)	0	0			0	0			

CPR LDC Waste and Recycling Transformation Portfolio: Councillor Paul Franklin: 2018/19

Key Performance Indicators Portfolio Projects and Initiatives

Portfolio Projects and Initiatives

Project / Initiative	Description	Target completion	Status	Update
Waste mobilisation programme - overarching	Introduce kerbside collection	Q4 2020/21		Kerbside collection was successfully introduced.

Page 82

CPR LDC Waste and Recycling Transformation Portfolio: Councillor Paul Franklin: 2018/19

Key Performance Indicators Portfolio Projects and Initiatives

Key Performance Indicators

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
The average no. of working days taken to remove reported fly tips	2	2.7	2		2.5	2			<p>The 2.5 days relates to all fly-tips to be cleared not just the ones using LDC resources. The total number of fly tips for Q2 is 112. Some fly-tips removals such as asbestos require a specialist company to clear and these cannot be completed within 2 working days. The Council is closely monitoring the number of fly-tips, following changes to trade waste charges.</p> <p>Performance Improvement Plan: Neighbourhood First will continue to work with Town and</p>

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
									Parish councils identifying problem areas to see where appropriate fly-tipping aware signage can be installed.
Percentage of household waste sent for reuse, recycling and composting	32.00%	37.58%	32.00%		37.07%	32.00%			Performance for Q2 is above the target of 32%.

**CPR LDC Customers and Partners Portfolio:
Councillor Tony Nicholson: 2018/19**

**Key Performance Indicators
Portfolio Projects and Initiatives**

Portfolio Projects and Initiatives

Page 84

Project / Initiative	Description	Target completion	Status	Update
Devolution of Open Spaces	Work with new grounds maintenance contractor, Town and Parish Councils and local volunteers to maintain high quality public parks and community spaces.	Q4 2017/18		<p>Project update scheduled for report to Devolution Committee January 2019.</p> <p>We are currently waiting for the Land Registry to register Valley Road Recreational Ground in Newhaven and once registered the site will be devolved to Newhaven Town Council. Risks remain as in previous assessment and the individual sites are progressing as particular issues related to each site are addressed. A meeting with Newhaven Town Council is pending, to discuss environmental and technical matters related to Lewes Road Recreational Ground.</p> <p>Q2: Newhaven Town Council; Completion of Valley Road Recreational Ground expected once the Land Registry has registered the small piece of land that LDC has now purchased. All other sites; East side, Avis Road, Drove Park, and Lewes Road recreational grounds are progressing. A meeting to discuss the technical details in relation to the environmental management at Lewes Road recreational ground has taken place. A summary of the environmental issues will be circulated to Newhaven Town Council and a meeting with town council representatives is pending.</p> <p>Lewes Town Council; Lewes Town Council has declined the offer by Lewes District Council of the devolvement of the Timberyard play area, the Paddock play area (including WCs) and Bell Lane. No further update at present.</p>
New Arts and Culture Brand and Tourism offer		Q4 2018/19		The tourism team are preparing a delivery action plan which is expected to be agreed by the end of December 2018.

**CPR LDC Customers and Partners Portfolio:
Councillor Tony Nicholson: 2018/19**

**Key Performance Indicators
Portfolio Projects and Initiatives**

Key Performance Indicators

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
Number of new sign-ups to the Councils' social media channels	600	592	150		454	150			
Number of people registering for our email service	2000+	1,235	501		686	501			
Increase the percentage of calls to the contact centre answered within 60 seconds - Lewes	80%	43.47%	80%		28.9%	80%			<p>Latest Position (29/10-17/11)</p> <p>The figure for the first fortnight in November is 58.5% which is a considerable improvement from Q2. Other key figures to note for this period:</p> <p>Total calls offered: 5915</p> <p>Total calls handled: 5060</p> <p>Average speed of answer: 102 seconds</p> <p>June - September Commentary</p> <p>Q2 was a challenging quarter but performance is improving. We continue to engage and train new members of staff and implement new ways of working. Queue busting continues to take place to assist with the average time to answer calls and although this can be demanding during busy lunch time periods it does make a positive difference.</p> <p>Performance improvement planned: In late September the training for 8 Customer Advisors was successfully completed and 3 of the Advisors have now gone solo with less supervisory support needed. All 8 staff will still need light touch support, however this will decrease over the coming months. On a positive note on the 26th September we transitioned the LDC Planning calls into the customer contact team. There was an extensive 2 week training for this transition during the month and although this did have an impact on the number of staff available, we are now in a great position with many more staff than before in place who are able to assist customers with planning enquiries.</p>
Reduce the numbers of abandoned calls to the contact centre - Lewes	5%	22.3%	5%		25.09%	5%			<p>Latest Position (29/10-17/11)</p> <p>The figure for the first fortnight in November is 14.5% which is a considerable improvement</p>

KPI Description	Annual Target 2018/19	Q1 2018/19			Q2 2018/19			Direction of travel between Q1 18/19 and Q2 18/19	Latest Note
		Value	Target	Status	Value	Target	Status		
									<p>from the end of Q2.</p> <p>June - September Commentary: Q2 was a challenging quarter however performance is improving.</p> <p>Performance Improvement Planned: Please see above PI.</p>
Improve our ranking compared to similar authorities in relation to all crime - Lewes	5	1	5		1	5			Lewes was ranked 'lowest' in its Most Similar Group for overall crimes per 1000 population in this quarter- the best ranking and an improvement by comparison with other authorities in the group compared with previous months. The Community Safety Partnership continues to focus on addressing youth anti-social behaviour and developing work to address the increased risks posed by organised crime targeting vulnerable young people. Further details will be available in the reports to Scrutiny in November and Cabinet in December.

Report to:	Cabinet
Date:	5 December 2018
Title:	Lewes Community Safety Partnership Annual Report
Report of:	Ian Fitzpatrick, Director of Regeneration and Planning
Cabinet member:	Councillor Nicholson, Cabinet Member for Community Safety
Ward(s):	All
Purpose of report:	To enable Cabinet to consider the current performance of the Lewes Community Safety Partnership (LCSP)
Decision type:	Key
Officer recommendation(s):	That Cabinet note the achievements and activities of the Lewes Community Safety Partnership during 2017/18 and future risks/opportunities to performance.
Reasons for recommendations:	For Cabinet to consider progress on delivery of the current Community Safety Plan.
Contact Officer(s):	Name: Pat Taylor Post title: Strategy and Partnerships Lead – Thriving Communities E-mail: pat.taylor@lewes-eastbourne.gov.uk Telephone number: 013123 415909

1 Introduction

- 1.1 Community Safety Partnerships (CSPs) were established under the Crime and Disorder Act 1998. They are formed from a number of bodies referred to in the 2015 Act as “responsible authorities”, such as the police, fire and rescue service and local authorities.
- 1.2 Amongst other obligations, CSPs have a statutory duty to reduce crime and disorder, substance misuse and re-offending in their local authority area. Lewes District Council has a key role in coordinating partners of the Lewes Community Safety Partnership (LCSP) and contributing towards the delivery of local community safety priorities.
- 1.3 The LCSP works in partnership with the County CSP (namely the East Sussex Safer Communities Partnership) to address pan-county issues such as offender management and domestic abuse.

2 Proposal

- 2.1 CSPs have a statutory duty to set out a partnership plan and monitor progress. A new Community Safety Plan was developed in 2017 and approved early in 2018 following consultation with the police and other key partners. The 2018/19 Plan addresses the priorities for the Lewes District at that time. The priorities of the Police and Crime Commissioner (PCC), Sussex Police and East Sussex Safer Communities Partnership were taken into account, as well key local issues.
- 2.2 The Plan will be reviewed at a meeting of the Community Safety Partnership Strategy Group in January and, in light of comments raised by members of the group, it is anticipated that the priorities for 2019/20 will be amended at that stage to reflect recent trends and concerns.
- 2.3 The Community Safety Plan for 2019/20 will be brought to Cabinet in 2019 along with an update on activities.

3 Outcome expected and performance management

- 3.1 The number of crimes reported in the Lewes District has been increasing over the last few years with the number of crimes recorded in the district rising from 3,817 in 2014/15 to 5,095 in 2017/18. The percentage increase in 2017/18 was lower than last year at 5.7% compared 10.5% in 2016/17.
- 3.2 Factors contributing to the increase in reported crime include
- (i) strict adherence to Home Office Crime Recording Procedures by Sussex Police; and
 - (ii) a PCC-led initiative to increase crime reporting in a number of categories including, domestic abuse, hate crime and sexual offences
 - (iii) the emergence of County Lines and other forms of crime which have had a significant impact on levels of crime in seaside and rural areas within Sussex.
- 3.3 Cabinet should note that Lewes District continues to be a very low crime area, and maintained a position of second lowest recorded crime compared with local authorities in its Most Similar Group during 2017/18 and, since April 2018, has recorded the lowest level of crime compared with its Most Similar Group. The target set by the council is to maintain a position in the lowest third of the group.
- 3.4 **Progress in Priority Areas**
- 3.5 **Anti-Social Behaviour:**

Actions agreed and carried out by the Joint Action Groups have made a positive contribution to Community Safety in the district. Ward councillors, local businesses, statutory and voluntary agencies are able to bring concerns to the Joint Action Groups to be considered and addressed. Partners have focused

recently on issues raised in Peacehaven, Castle Banks – Lewes, and Newick.

3.6 The establishment of the Neighbourhood First team across the district has added a new strand to the council's work addressing anti-social behaviour, with a particular focus on environmental anti-social behaviour and promotion of the Report It app.

3.7 **Road Safety:**

The LCSP continues to focus on concerns about road safety working in partnership with colleagues in the Safer Wealden Partnership. The LCSP continues to promote Community Speedwatch Initiatives through meetings with local residents, for example in Barcombe in January 2018, and by funding speedwatch equipment.

3.8 **Proactively respond to emerging threats and priorities:**

In response to concerns raised about the increase in rough sleeping and street communities in the district, the LCSP has contributed to funding towards the costs of appointing an Outreach Worker. The Outreach Worker spends a minimum of one day each week in the district engaging with members of the street community and linking them in with the services they need to address their barriers to housing.

3.9 The Partnership has also begun work on a County Lines Action Plan to address organised crime through multi-agency work and on the development of a new Streetz Project designed to safeguard young people at risk of being drawn into organised criminal activity through County Lines.

3.10 Council staff have been trained on a range of safeguarding issues this year to increase their awareness of current exploitation issues and encourage reporting of offences. This has covered Modern Slavery, organised crime and child exploitation, cuckooing and how to identify and report potential terrorist activity. The council has also used its communication networks to promote training tools and raise awareness and understanding of Modern Slavery, Child Exploitation and Rogue Trading and signed up to the Friends Against Scam Charter.

3.11 **Contribute to the work of agencies and partnerships that have a leading role in working with victims and offenders:**

The LCSP liaises with members of the East Sussex Safer Communities Partnership to ensure best use is made of local resources. This year the partnership has continued its work to raise awareness of domestic abuse and promote the White Ribbon campaign, and funded the Safe from Harm project to work with victims of anti-social behaviour and hate crime.

3.12 **Prevent**

3.13 The Counter-Terrorism and Security Act 2015, places a duty on all specified authorities, including local authorities, in exercise of their functions to have due regard to "prevent" people from being drawn into terrorism. The **threat level** to

the **United Kingdom** from international terrorism is currently 'Severe'. This means that a terrorist 'attack is highly likely'.

- 3.14 Although East Sussex is a low risk area, Prevent forms a standing Agenda item for the Eastbourne and Lewes District Community Safety Partnership Strategy Group and the council is an active member of the East Sussex Prevent Board.
- 3.15 An audit of the council's progress and performance on Prevent was conducted in 2017/18 and found overall governance and performance in relation to Prevent to be sound. Recommendations designed to ensure council contractors and tenants of council-owned buildings are made aware of their responsibilities under Prevent have been included in an updated action plan and delivered. We also included basic information on Prevent in our staff training on Safeguarding this year and organised a specialist training session on Prevent for relevant staff in October 2018.
- 3.16 Home Office plans to transfer responsibility for Prevent from the police to upper-tier local authorities have been delayed until 2019.
- 3.17 **Liaison with the Police and Crime Commissioner**
- 3.18 The Cabinet member for Community Safety, Councillor Nicholson is Lewes District Council's representative on the Police and Crime Panel (PCP) which has the power to scrutinise the PCC and, in particular, her 'policing plan' and 'budget'. PCCs do not directly control local CSPs but directly impact on their effectiveness by control of budget allocation and their responsibility for monitoring CSP effectiveness.
- 3.19 CSPs are awarded an annual grant by the PCC, broadly based on population density and crime formula. Lewes CSP has received £21,976 per annum from the PCC over the five years up to and including 2017/18. A review of CSPs carried out by the PCC in 2017/18 led to a reallocation of funding between authorities. Lewes CSP benefited from an increase in funding and was allocated £30,640 for its work in 2018/19 and £29,184 in 19/20. A Spending Plan focusing on the four LCSP Plan Priorities has been developed.
- 3.20 **Proposed Eastbourne and Lewes District Community Safety Partnership**
- 3.21 In late 2015 the Police and Crime Commissioner for Sussex recommended that it would be appropriate for individual District and Borough Community Safety Partnerships to investigate merging options to reflect the new policing district boundaries and make efficiency savings.
- 3.22 A 'soft merger' of Lewes and Eastbourne CSPs was agreed and has been implemented in 2017/18 and consultation on a formal merger is nearing completion. It is expected that the merger will be finalised in 2018/19, subject to the approval of the PCC.

4 Consultation

- 4.1 The LCSP Community Safety Plan 2018/19 was developed following consultation at meetings and workshops with relevant partners and stakeholders.

5 Corporate plan and council policies

- 5.1 The Community Safety Plan and work of the LCSP support the Corporate Plan priorities of delivering resilient, healthy and engaged communities by addressing environmental crime and antisocial behaviour and working to reduce the fear of crime,

6 Business case and alternative option(s) considered

- 6.1 The Council has a statutory duty to reduce crime and disorder, substance misuse and re-offending in their local authority area working in partnership with the police and a range of other local agencies. The current Community Safety Plan identifies priorities for action in 2018/19 based on local needs and provides a sound basis for the LCSP's spending plans. The Plan will be reviewed early in 2019 in consultation with local stakeholders and partners and will be revised to reflect current concerns and priorities.

7 Financial appraisal

- 7.1 There are no direct financial implications for the Council arising from the recommendations set out in this report.

8 Legal implications

- 8.1 This report sets out how the Council has complied, and will continue to comply, with its duties under section 6 of the Crime and Disorder Act 1998 and the Crime and Disorder (Formulation and Implementation of Strategy) Regulations 2007 as amended.

Lawyer consulted 05.11.18

Legal ref: 007813-LDC-OD

9 Risk management implications

- 9.1 Reviewing the Community Safety Plan and performance each year provides an assurance that the Council is fulfilling its statutory duties and contributes effectively to reducing the incidence of crime and anti-social behaviour and the harm caused to local communities.

10 Equality analysis

- 10.1 An Equality and Fairness Analysis was carried out on the proposed Community Safety Plan 2018/19. This is available from the report author.

11 Background papers

The background papers used in compiling this report were as follows:

- [Lewes Community Safety Plan 2018/19](#)

Report to:	Cabinet
Date:	5 December 2018
Title:	Sustainability Policy
Report of:	Ian Fitzpatrick, Director of Planning and Regeneration
Cabinet member:	Councillor Isabelle Linington, Cabinet member for environmental impact
Ward(s):	All
Purpose of report:	To introduce the Sustainability Policy for Lewes District Council
Decision type:	Key
Officer recommendation(s):	To approve the Sustainability Policy for adoption
Reasons for recommendations:	Provide a policy frame work for Lewes District Council
Contact Officer(s):	Name: Jane Goodall/Kate Tradewell Post title: Strategy and Partnership Lead, Quality Environment/Strategy and Corporate Projects Officer (Quality Environment) E-mail: jane.goodall@lewes-eastbourne.gov.uk Telephone number: 01273 085383

1 Introduction

- 1.1 Lewes District Council has undertaken a range of work relating to sustainability goals over the years, for example the installation of PV panels and electric vehicle charge points; supporting Wildflower Lewes and pesticide free; and collecting food waste for composting as part of our recycling offer.
- 1.2 On 2 July 2018, Cabinet authorised the Strategy & Partnership Lead, Quality Environment, in consultation with the Cabinet member for Environmental Impact, to prepare a Sustainability Policy to provide a framework for council activities for consideration and approval at Cabinet later in the year.
The need for such a framework has been strengthened by the recent publication of the IPPC Special Report on Global Warming stating that to limit climate change to 1.5°C would require “rapid and far-reaching” transitions in land, energy and industry, buildings, transport and cities.
- 1.3 The sustainability policy aims to comprise a number of core values guided by the generally accepted definition of sustainable development:

“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs” Brundtland Report, 1987

The core values will echo commitments already made to residents in the Corporate Plan and will direct them as to how we operate our own business.

- 1.4 The Sustainability Policy was reviewed at Scrutiny Committee on 13 September 2018 and, with minor revisions since incorporated, was welcomed.

2 Proposal

- 2.1 That this policy is recommended for adoption at Cabinet.

3 Outcome expected and performance management

- 3.1 The adoption of a set of guiding principles in the form of an overarching Sustainability Policy will bring Lewes District Council into line with many other councils nationally. The policy will support planning policy and guidance which is in turn supported by the National Planning Policy Framework 2012, guide procurement decisions, potentially reduce costs with regards to energy and waste (through staff education and project initiatives) and generally work to ensure the council has ‘its own house in order’ before guiding others.

- 3.2 The policy is intended to provide a high level framework to inform the work of the council through future projects activities and plans including those taken forward by our delivery vehicle Clear Futures.

Clear Futures has already strengthened our capability to provide new sustainable development within the district and will ensure this for the long term.

4 Consultation

- 4.1 A draft of the policy was reviewed and agreed at Scrutiny, 13 September 2018.

5 Corporate plan and council policies

- 5.1 Corporate Plan: We expect the district to remain a clean and beautiful place to live, work and visit, as a result of continued effort to protect the quality of the local environment

- 5.2 This policy builds on a number of initiatives in Lewes district including the installation of 224 PV panels; the introduction of innovative recycling schemes; the installation of EV charge points and commitment to further expansion of this network; commitments to reduction of single use plastics in council offices.

6 Business case and alternative option(s) considered

- 6.1 Future projects and activity arising from the adoption of this policy will be subject to viability analysis.

7 Financial appraisal

- 7.1 No financial implications arising from this report. Future projects and activity arising from adoption of this policy will be subject to viability analysis and due diligence

8 Legal implications

- 8.1 Under the Localism Act 2011 section 1, the general power of competence, the Council has the power to do anything that an individual can do that is not specifically prohibited or to which a more particular power or duty does not apply. The actions proposed in this Report fall within this power. Report considered by Legal on 31 August 2018 (IKEN-007643-LDC-OD).

9 Risk management implications

- 9.1 The risk of not developing a sustainability policy is that the organisation will lack a coherent framework by which it considers environmental impacts in its approach to plans projects and activities.

10 Equality analysis

- 10.1 EaFA 'no relevance' completed and part of the background papers.

11 Appendices

- Appendix 1 – Lewes district council sustainability policy

12 Background papers

The background papers used in compiling this report were as follows:

- [Decisions taken by the Cabinet on 2 July 2018 -](#)
- [IPCC Special Report](#) on Global Warming
- [National Planning Policy Framework 2012](#)

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Appendix 1

Lewes District Council Sustainability Policy

December 2018

The government has set a clear agenda to be “the first generation to leave the environment in a better state than it was found”, with plans to deliver on a range of objectives, from cleaner air and water to minimising waste, banning pure combustion engine vehicles from sale by 2040 and a greenhouse gas emissions target of 80% reduction by 2050.

Lewes District Council acknowledges the community leadership and enabling role the council plays in the long-term sustainability and resilience of our communities. This is particularly important as we continue to provide new homes, redevelopment and regeneration into a future that will be subject to a changing climate.

Our role is reflected in the priority themes within the Council Plan and the vision to deliver outstanding customer service and provide communities with a great place to live, work and enjoy.

The basic principles of sustainable development are generally accepted as:

- Living within environmental limits
- Ensuring a strong, healthy and just society
- Achieving a sustainable economy
- Promoting good governance
- Using sound science responsibly

This policy sets out how we will apply the principles above in our work. The policy is set out according to the 3 pillars of sustainability: the environment, the economy and social community. We accept that actions we take will be in line with the council’s overarching vision and objectives and will be subject to viability analysis.

Actions that result to implement and fulfil this policy are embedded within the theme plans, service plans and the work of our CLEAR FUTURES Joint Venture (through which we will deliver many of our projects with an emphasis on energy and sustainability).

We are aware of and will work to reduce our environmental impact wherever it is within our power to control or influence this:

- We will embed sustainability into our procurement practices and make considered purchasing decisions such as finding alternatives to single-use plastics;
- We will seek out opportunities to improve biodiversity and green infrastructure within our district;
- We will seek to improve air quality;
- We will develop our coastal asset plan to integrate coastal issues and risk management in harmony with the natural environment;

- We will reduce waste, promote the re-use of materials where possible and increase recycling in our own operations. We will enable residents to do the same;
- We will continue to take action to address littering and fly-tipping;
- We will use our CLEAR FUTURES Joint Venture to encourage the highest standards of development, going above and beyond minimum standards;
- We will become more efficient in our use of energy at our sites, making targeted improvements where cost effective to do so.

We will encourage sustainable economic growth, for example:

- We will work with private and public sector partners to drive projects on key strategic sites through the CLEAR FUTURES Joint Venture;
- We will provide advice and support to small businesses and the self-employed through the Local Enterprise & Apprenticeship Platform (LEAP) in Lewes district to help them develop and grow their ideas and enterprises;
- We will work with the East Sussex College Group to address the skills gap and tackle employability issues;
- We will work with the region's Universities and the East Sussex College Group to enable the further development of green growth and a knowledge-based, innovative economy;

We will enable our communities to thrive, for example:

- We will deliver affordable housing in line with housing need, that provides the best possible living environment for residents;
- We will work to tackle fuel poverty and improve energy efficiency of existing housing stock;
- We will enable resilient and sustainable communities and create places where people can and want to live into the future;
- We will choose sustainable locations for development;
- We will work to reduce the risk to our communities from flood events and coastal erosion;
- We will work in partnership with the voluntary & community sector so that communities can be encouraged to mobilise themselves to solve local problems and meet local needs;
- We will promote equality and foster positive relationships;
- We will promote the health and well-being of our residents and improve access to health services, working with CCGs on the provision of Health Hubs.

Agenda Item 14

Report to: Cabinet

Date: 5 December 2018

Title: Sustainable Energy Investment Feasibility

Report of: Ian Fitzpatrick, Director of Planning & Regeneration

Cabinet member: Councillor Isabelle Linington, Cabinet Member for Environmental Impact

Ward(s): All

Purpose of report: To approve funding to commission Clear Sustainable Futures to determine if there is an investable business case for the deployment of sustainable energy generation technology on 2 projects at Sutton Road and Avis Way.

Decision type: Key

Officer recommendation(s): (1) Delegate authority to the Chief Finance Officer and Director of Planning and Regeneration, in consultation with the Cabinet Member for Environmental Impact to fund up to £25,000 for the commissioning of Clear Sustainable Futures to undertake the feasibility study of deploying sustainable energy generation at the Avis Way and Sutton Road development sites

(2) To note that a similar request is being made to Eastbourne Borough Council to progress viability analysis on their project at the Sovereign Leisure Centre and that the work is being conducted concurrently with knowledge being shared.

Reasons for recommendations: To reduce the carbon emissions of council developments; to enable the sites to become a prosumer (a producer and consumer) of electricity and heat to reduce ongoing utility costs whilst also enabling income generation through provision of emerging grid flexibility services; to mitigate the impact of each development on the electrical grid and reduce utility costs.

Contact Officer(s): Name: Jane Goodall/Kate Tradewell
Post title: Strategy & Partnership Lead, Quality Environment Strategy and Corporate Projects Officer, Quality Environment
E-mail: jane.goodall@lewes-eastbourne.gov.uk
kate.tradewell@lewes-eastbourne.gov.uk

Telephone number: 01273 085383

1 Introduction

- 1.1 The current pipeline of redevelopment projects being undertaken by Lewes and Eastbourne councils and delivered by Clear Sustainable Futures provides an opportunity for the inclusion of clean energy generation technology that will provide for the site's own needs, could produce an excess to generate income and potentially provide flexibility services to the grid.

This will mean that the development can negate high electrical connection costs, reduce reliance on grid supplied utilities thus insulating against future price rises, can potentially store renewably-generated energy for use at other times and even generate an income through selling the power back to the grid or to tenants.

In the 12 months to October 2018 the average carbon intensity of the UK Grid has been 260g/kWh, which is the figure that moves gas fired CHP (combined heat and power boilers) to being the highest carbon source of heat. This essentially means that grid electricity is now cleaner than gas.

1.2 Lewes District Council Projects

Sutton Road, Seaford

This project is at an early stage of development. Detailed design is expected to start in April 2019, start on site in November 2019, with completion of work in summer 2021. This site has similar energy requirements to the Sovereign Centre in Eastbourne so the business case at section 6 provides the energy solution proposed at this site for background and to illustrate that a similar solution incorporating heat pumps and solar panels could be financially viable here.

Avis Way Waste Depot

As with Sutton Road, this project is at an early stage of development, detailed design is expected to start in March 2019, start on site in summer 2019 and completion at the end of 2020. This site could incorporate energy generation technology, such as PV panels, see business case at section 6.

2 Proposal

- 2.1 It is proposed that CLEAR Futures (LDC and Clear Sustainable Futures together) complete a business case for Sutton Road and Avis Way to consider the technical, financial and contractual aspects of a suitable energy generation solution at each site. The cost for non LDC resources, CSF and external parties, would be up to £25,000.

It should be noted that subject to successful conclusion of this study it is expected justification for investment in similar interventions on other projects, such as Newhaven Town Centre, and College campus sites, would likely flow

without the need for additional funding.

3 Outcome expected and performance management

- 3.1 The outcome would be a full viability analysis for the preferred low carbon energy solution for the site – if this is financially viable, the business case will then be presented to Cabinet for approval if required.

If the results are positive it is likely that the justification for investments at other sites would flow without the need for additional funding.

- 3.2 The feasibility study will be project managed by Clear Futures.

4 Consultation

- 4.1 Information about this proposal has been shared with Wave Leisure.

5 Corporate plan and council policies

- 5.1 Corporate Plan: We expect the district to remain a clean and beautiful place to live, work and visit, as a result of continued effort to protect the quality of the local environment.

- 5.2 Clear Futures, the joint collaboration between Eastbourne and Lewes Councils and private sector organisations, has been purposefully procured to deliver local energy and sustainability ambitions over the next 20-30 years.

6 Business case and alternative option(s) considered

6.1 Sutton Road, Seaford

The expected gross internal area (GIA) of the whole development is 7,830 sqm, and although there is no building energy model available at this time it is reasonable to assume that the energy requirements of this development is of the same order of magnitude as that of Sovereign Leisure Centre, Eastbourne, and for information purposes detail of this project is included below.

It is reasonable at this stage to conclude also that the high level cost and benefits will also be of the same order of magnitude for a heat pump for heat, and self-generated electricity conserved on site by some battery capacity, producing a similar investment case.

The current design for the Sovereign Centre in Eastbourne has a gross internal floor area of 6,200sqm and comprises a heating system which is the 'minimum Capex Design' and includes a gas fired CHP engine and large gas boilers. For which the latest cost plan includes a total of £350k of cost for this equipment. The RIBA Stage 3 Building energy model predicts that the energy consumption of the leisure centre will be 1,263,000kWhr per year (split 885,000kWh heat and 377,000kWh electric). Wave Leisure currently pay approximately 2.7p/kWh for gas and 11.7 for electric (including Climate Change Levy) on their large consumption sites. This represents an annual spend of £23,895 on gas and £44,100 on electric; a total energy spend of £68k per annum at the new centre

If a heat pump alternative was used for heat providing heat at an efficiency rating CoP (Coefficient of Performance) of 3.5, then total resulting electric cost for heating would be £29,500.

If the leisure centre was commissioned prior to end March 2021, it is estimated that an annual Renewable Heat Incentive (RHI) of £74,500 would be earned. Moving from gas sourced heat to electric heat from a heat pump, would therefore provide a benefit of approximately £68,895 (RHI less difference between grid gas and grid electricity cost) per annum to fund the additional cost of investment.

The investment cost of installing enough PV panels to generate 100% of the site electric demand once the site is fully electric, would be approximately £672,000 which would negate the need for importing the equivalent grid electricity costing circa £74,000 per annum.

Avis Way Waste Depot

Unlike the other 2 sites under consideration, this is a facility that will be used by LDC, it is significantly smaller at a GIA of circa 1,000. It will as a result have a proportionately lower heat and electric demand.

However its location on the Avis Way Industrial estate in the Enterprise Zone, occupying as it does part of the LDC-owned commercial estate, enables the potential of investing in energy assets more widely across the LDC Commercial estate to be investigated.

Subject to a case being made for the investment in onsite generation of power at Avis Way there is interest from CloudConnx for siting a small (2,000 sq ft) datacentre on the site which would bring with it Gigabit speed data connection for local businesses and residents. This would be investigated in more detail as part of this study.

After repayment of capital there would result in either a cost saving to the councils (for council occupied space) or a revenue opportunity (in the case of leased commercial space).

In order to realise this level of benefit, appropriate ownership and management structures of the energy asset will need to be considered.

7 Financial appraisal

7.1 The £25k cost of the feasibility study would be funded from Reserve.

Viability is highly price sensitive. Interest rate increases would also cause this scheme to be non-viable, as would a shorter lifespan of the assets or significant annual maintenance costs. This is why a detailed appraisal is necessary to conduct a feasibility study.

8 Legal implications

8.1 Clear Sustainable Futures can be appointed to undertake the feasibility work to produce the business case under the CLEAR Futures arrangements. The Council has a template agreement for the provision of Strategic Support Partnering Services which would be used for this purpose. Given the specialist and potentially innovative nature of the potential scheme it is anticipated that external legal support may be required if the scheme is taken forward.

8.2 Section 11 of the Local Government (Miscellaneous Provisions) Act 1976 (LGMPA) provides that a local authority may:

- produce heat or electricity or both;
- establish and operate such generating stations and other installations as the authority thinks fit for the purpose of producing heat or electricity or both;
- buy or otherwise acquire heat;
- use, sell or otherwise dispose of heat produced or acquired or electricity produced by the authority by virtue of this section;
- without prejudice to the generality of the preceding paragraph, enter into and carry out agreements for the supply by the authority, to premises within or outside the authority's area, of such heat as is mentioned in the preceding paragraph and steam produced from and air and water heated by such heat.

8.3 Under the LGMPA local authorities are only entitled to sell electricity produced in association with heat unless Regulations provide otherwise. The Sale of Electricity by Local Authorities (England and Wales) Regulations 2010 provide that local authorities can also sell electricity which is produced from the following renewable sources:

- wind,
- solar,
- aerothermal,
- geothermal,
- hydrothermal and ocean energy,
- hydropower,
- biomass,
- landfill gas,
- sewage treatment plant gas, and
- biogases.

8.4 Nothing in the LGMPA exempts a local authority from the requirements of Part I of the Electricity Act 1989.
[007822-LDC-CJEC]

9 Risk management implications

- 9.1 After repayment of capital there could result in either a cost saving to the councils (for council occupied space) or a revenue opportunity (in the case of leased commercial space).
In order to realise this level of benefit, appropriate ownership and management structures will need to be considered.

There is the risk that the solutions proposed by the feasibility study will not be financially viable.

If Members do not approve this feasibility study we will fail to get the information to further future energy projects and will fail to fulfil the objectives of the Clear Futures delivery vehicle.

10 Equality analysis

- 10.1 A 'no relevance' report has been completed

11 Appendices

- None

12 Background papers

The background papers used in compiling this report were as follows:

- None

Report to:	Cabinet
Date:	5 December 2018
Title:	Economic Development
Report of:	Ian Fitzpatrick – Director of Regeneration & Planning
Cabinet member:	Cllr Andy Smith – Leader of the Council and Cabinet Member for Regeneration and Business
Ward(s):	All
Purpose of report:	To provide an update to Cabinet on regeneration and economic development activity across the Lewes District; and to seek approval to progress the matters identified.
Decision type:	Non-key
Officer recommendation(s):	(1) To note the progress made in the provision of economic development across Lewes District, including the expanding range of business support offered by the Council, the success of existing initiatives and the range of funding submissions submitted on behalf of the Council. (2) To note the response of Coast to Capital LEP and South East LEP to the Government’s LEP review, and to delegate authority to the Director of Regeneration & Planning, in consultation with the Chief Executive and the Leader of the Council to agree future LEP membership for the Council.
Reasons for recommendations:	1. To ensure that the provision of economic development and regeneration activity across the district is maintained. 2. To ensure that the Council continues to be appropriately represented strategically at a regional level.
Contact Officer(s):	Name: Peter Sharp Post title: Head of Regeneration E-mail: peter.sharp@lewes-eastbourne.gov.uk Telephone number: 01273 085044

1 Introduction

1.1 Economic development is a critical part of delivering the Council’s strategic

objectives. It covers a wide range of activities ranging from business support and advice to large-scale regeneration projects such as the Newhaven Enterprise Zone. It also covers working closely with strategic partners to support delivery of new investment in jobs, skills and training opportunities for local communities.

- 1.2 Lewes District is an outstanding location for business and enterprise with a diverse community of over 4,800 businesses employing more than 35,000 people from a wide catchment area. Economic development and regeneration activities help to sustain our existing economic base as well as creating the conditions for further growth. This fits strongly within the Growth and Prosperity theme within the Council's Corporate Plan.
- 1.3 The Council's economic development and regeneration activity fits well with the Government's Industrial Strategy – Building a Britain Fit for the Future. A White Paper was published¹ in June 2018 and sets out Government ambitions to help businesses create better, higher-paying jobs in every part of the UK with investment in the skills, industries and infrastructure of the future. The Industrial Strategy sets out five foundations of productivity that align with Government's vision for a transformed economy:
- Ideas: the world's most innovative economy
 - People: good jobs and greater earning power for all
 - Infrastructure: a major upgrade to the UK's infrastructure
 - Business Environment: the best place to start and grow a business
 - Places: prosperous communities across the UK.
- 1.4 Government has proposed that local industrial strategies (LIS) will form the bedrock of the implementation of the Industrial Strategy. At the time of writing no formal detail has been published, although we expect that LIS will bring together a strong, well-informed evidence base about local economies and outline a long-term set of priorities that capitalise on existing opportunities in the economy, address weaknesses and resolve an area's needs. Officers expect that the responsibility for LIS will lie with Local Enterprise Partnerships (eg. South East LEP / Coast to Capital LEP) and / or City Regions (eg. Greater Brighton).

2 Proposal

Business Support and LEAP

- 2.1 Supporting and growing smart and sustainable enterprises is widely recognised as a critical driver of economic prosperity. Local interventions that improve business performance, encourage innovation and retain key businesses can support sub-regional, regional and national strategic economic priorities.
- 2.2 The range of interventions available varies. In Lewes district, the Council runs the LEAP programme which offers free business start-up training to aspiring entrepreneurs and, increasingly, a package of business support measures to support all businesses locally.

¹ <https://www.gov.uk/government/publications/industrial-strategy-building-a-britain-fit-for-the-future>

- 2.3 Since 2013, LEAP has supported 106 local people by providing training with a view to starting a new business. The 2018 programme was successful with the winner, Sara Williams, now having opened her business – The Patchwork Cat – within Newhaven town centre.
- 2.4 Following Cabinet approval in September 2017, LEAP expanded to offer a range of business support services to all businesses within Lewes district. Since April 2018, any business has been eligible for one-to-one business mentoring and advice, social media training and an enhanced range of networking events and opportunities.
- 2.5 A range of marketing initiatives have been introduced to promote the service, including working closely with the Growth Hub services of both SELEP and Coast to Capital LEP to maximise uptake. A monitoring update will be provided to Cabinet at the end of year 1 of the service.

Local Enterprise Partnerships (LEP's)

- 2.6 LEP's were established by the Coalition Government in 2011. They are business-led partnerships between local authorities and local private sector businesses. LEP's play a central role in determining local economic priorities and undertaking activities to support local authorities in driving economic growth and job creation, improve infrastructure and raise workforce skills within a given geography. There are 38 LEP's across England.
- 2.7 Over the last 7 years the role of LEP's has evolved, taking on more responsibilities and delivering Government economic growth ambitions measures such as the distribution of grant funding (eg. via the Local Growth Fund). LEP's are now firmly focused on delivering place-based outcomes within functional economic areas, and will shortly commence development of 'local industrial strategies' which will set out long-term economic visions for their geographies.
- 2.8 Lewes District Council is represented by two LEP's – Coast to Capital LEP (which stretches from Croydon to Brighton & Hove, east to Lewes district and including West Sussex to the west); and South East LEP (comprising East Sussex, Kent, Essex, Thames Gateway and Medway). The Council is one of just 33 overlapping geographies in England.
- 2.9 Government has recently² published a review of LEP's, which seeks to emphasise the role of LEP's in driving local growth, with a renewed focus on improving accountability, strengthening leadership and capability and providing clarity on geography. One of the key recommendations arising from this review is that LEP's have been asked to produce considered proposals on geographies that reflect functional economic areas and remove overlaps.

² Strengthened Local Enterprise Partnerships, published July 2018.

- 2.10 As the Council is currently represented by two different LEP's, the Government's proposed removal of overlapping geographies has possible implications. However, it is clear that the functional economic area for the district looks both east and west (ie. across both LEP's). This is shown in commuting data shown in Appendix 1 to this report. As such, the Council's preference is to maintain the status quo of membership of both LEP's.
- 2.11 Moreover both LEP's play a key role in the Council's regeneration ambitions. The role of ESCC and SELEP in infrastructure investment that unlocks growth is vital, and we have a close working relationship with Coast to Capital in respect of the Newhaven Enterprise Zone (see below). SELEP has also strongly supported the Enterprise Zone.
- 2.12 At the time of writing, further information is awaited from Government. However, there is a risk that the Council will not be permitted to maintain the current status quo and Officers will keep Members updated as more information becomes available.

Newhaven Enterprise Centre

- 2.13 Located on Denton Island, the Newhaven Enterprise Centre (NEC) was opened in November 2007 and was built with SRB funding via the now-defunct South East England Development Agency (SEEDA). It was subsequently extended in 2016 with the aid of a £1.9million bid to the Coastal Communities Fund led by the Council's Regeneration team.
- 2.14 NEC now provides almost 20,000ft² of managed business space across 60 furnished units. The units are let on flexible "easy in, easy out" terms that are ideal for new businesses, micro-businesses and SME's. The NEC is owned by the Council and managed by Basepoint Centres under an Operational Management Agreement that is due to expire in November 2019.
- 2.15 Occupancy levels at the NEC have remained consistently high since opening, typically above 90%. This strength of demand led to the successful Coastal Communities Fund bid that was completed in April 2016. Despite this additional space, occupancy levels have quickly recovered, with year-to-date figures for 2018/19 (to end October) reaching 85%. It is worth noting, however, that ongoing economic uncertainty means that occupancy levels are forecast to fall slightly over the coming months.
- 2.16 The NEC is a critical part of the Council's business support infrastructure. Officers are currently reviewing the options available for the future delivery of the facility and will provide a further update to Cabinet in the coming months.

Newhaven Enterprise Zone

- 2.17 The Newhaven Enterprise Zone (EZ) officially commenced on 1 April 2017. It covers eight specific sites and is a designation that lasts for 25 years. It is a partnership between the Council and Coast to Capital LEP and supports the Council's regeneration and inward investment ambitions. Over the length of the programme, the EZ is forecast to:

- Support the creation of up to 55,000m² of new employment floorspace
- Support the refurbishment of up to 15,000m² of existing employment floorspace
- Support the creation and sustenance of up to 2,000 FTE jobs.

2.18 Over the last eighteen months there have been some notable achievements for the EZ. These include the funding successes outlined below in Paragraphs 2.22 and 2.23. Alongside such funding, the business rates uplift due to the EZ has been significantly above forecast, which offers potentially positive future opportunities for the Council in the regeneration of Newhaven.

2.19 A new Strategic Framework for the EZ was launched at a well-received business engagement event held at the Rampion Operations & Maintenance Base at East Quay on 12 July. Subsequently, the EZ has launched a 'Community Fund' offering grants of up to £5,000 for local community organisations.

2.20 A full and detailed report on progress with the EZ will be brought to Cabinet later in 2019. This report will cover the Strategic Framework in more detail, as well as emerging proposals for a revised financial model reflecting the uplift in business rates that is forecast over the remainder of the EZ programme.

External Partnership Funding

2.21 The Council's Regeneration team is responsible for bidding for a wide variety of funding to support delivery of the Council's economic development ambitions and strategic objectives.

2.22 Over the last eighteen months, there have been a number of funding successes including:

- £10 million from the Housing Infrastructure Fund towards the North Street Quarter development in Lewes
- £2 million of Local Growth Funding towards the cost of purchasing the Springman House site in Lewes (via Coast to Capital LEP)
- £1.5 million of Local Growth Funding to purchase the Railway Quay site within the Newhaven Enterprise Zone (via Coast to Capital LEP)

2.23 Alongside these successes, Officers have worked closely with partners to support external funding bids. This includes £1.6m secured by a private landowner for the Eastside South site within the Enterprise Zone and the £10m secured by East Sussex County Council to enable Phase 1a of the Newhaven Port Access Road.

2.24 In addition, Officers have recently submitted funding bids to the Local Growth Fund (via SELEP) and to the Coastal Communities Fund towards the development cost associated with the Newhaven Town Centre scheme. Decisions on these submissions are awaited.

2.25 These funding bids emphasise the continued importance of the Council's economic development and regeneration activities – supporting delivery of key objectives and generating additional income to help build resilience within the

Council.

3 Corporate Plan and Council Policies

- 3.1 The LDC Corporate Plan to 2020 identifies a number of commitments, including 'Place'. Within this commitment are the objectives of *Growth & Prosperity* and *Delivering Sustainable New Housing & Infrastructure*. Lewes district is recognised as an outstanding location for business and enterprise and the Council recognises the importance of attracting inward investment and in enabling new and developing businesses.
- 3.2 The projects outlined in this paper clearly contribute to the Council's stated objectives of growth and prosperity and delivering economic regeneration. The LEAP project enables new business start-ups and supports existing businesses to develop and grow, whilst the Enterprise Zone is a critical component in delivering lasting change through sustainable and inclusive growth for the Newhaven community. The role of the LEP's is vital to the Council's strategic ambitions, particularly in terms of placing the district within a wider regional context to unlock new funding streams.

4 Business case and alternative option(s) considered

- 4.1 This paper is an update on existing projects and programmes. Each individual project has previously been considered separately to identify any alternative options. There are not considered to be any specific financial considerations arising from this paper.

5 Financial appraisal

- 5.1 There are no direct financial implications arising from the recommendations of this report. All staffing resources are met from within existing budgets.

6 Legal implications

- 6.1 There are no legal implications arising directly out of this report.

2 November 2018 Ref: 007800-LDC-MR

7 Risk management implications

- 7.1 This paper seeks to keep Members informed on progress with key economic development and regeneration projects and programmes. Failure to report regularly would reduce transparency and governance on these initiatives.

8 Equality analysis

- 8.1 Each individual project has its' own equality analysis that is updated as necessary. This paper provides an update on existing activities, and as such does not impact further on any particular group(s).

9 Appendices

Appendix 1 – Briefing Note – Strengthened Local Enterprise Partnerships

10 Background papers

The background papers used in compiling this report were as follows:

- [Industrial Strategy – Building a Britain Fit for the Future](#)
- [Strengthened Local Enterprise Partnerships](#)

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APPENDIX 1 - BRIEFING NOTE

To:	Cllr Andy Smith – Leader, Lewes District Council
From:	Peter Sharp – Head of Regeneration
Date:	2 November 2018
Subject:	Strengthened Local Enterprise Partnerships

Purpose

To provide an overview of the recent Government review into Local Enterprise Partnerships (LEP's) and to set out the likely implications for Lewes District Council.

Local Enterprise Partnerships

Over the last 6-7 years the role of LEP's has evolved, taking on more responsibilities and delivering Government economic growth ambitions through measures such as the distribution of grant funding (eg. via the Local Growth Fund). LEP's are now firmly focused on delivering place-based outcomes.

LEP's do not necessarily follow local authority boundaries, instead focusing on functional economic areas. LDC sits within the South East LEP (SELEP), but also within Coast to Capital LEP (C2C). This reflects our district's economy, which looks east within East Sussex, west as part of the Greater Brighton City Region and north towards London.

Overlapping Geographies

At the time of their creation, Government was happy for areas to be represented by two different LEP's. There are 33 local authorities in this position, including LDC. However, one of the key recommendations arising from the LEP review highlights that Government now considers that retaining overlaps dilutes accountability and responsibility for place-making strategies and so Government will seek to ensure that all businesses and communities are represented by only one LEP.

Consequently, Government requested LEP's to come forward with considered proposals by the end of September on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers. This is important as the onus is being placed on LEP's to agree geographic changes and instead replace these with closer inter-LEP collaboration where such overlaps will be removed. This is also a challenge for LDC, as commuting data¹ suggests that travel-to-work areas are not typically drawn along county boundaries.

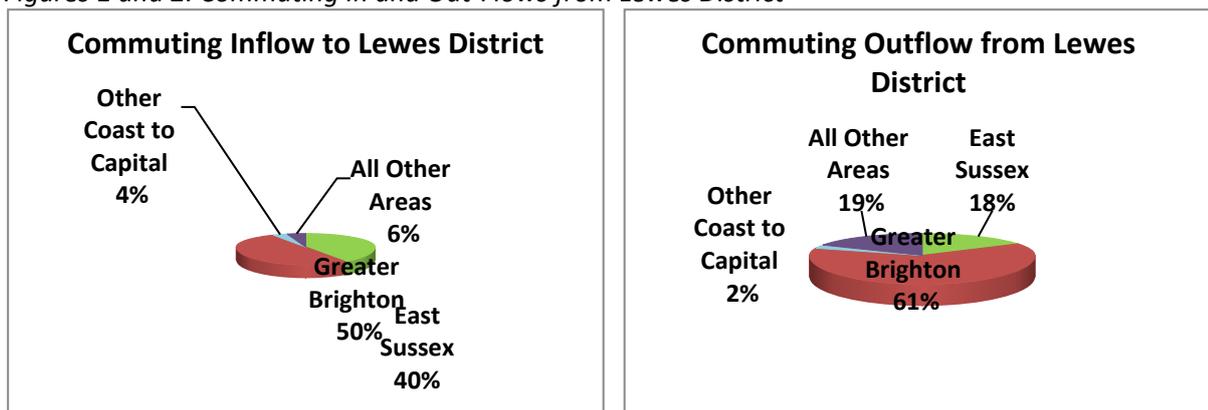
We are awaiting feedback from Government on these proposals, but we understand that both C2C and SELEP have indicated that they wish to retain Lewes within their geographies.

Commuting Patterns

The LEP's focus is reflected by the undoubted and significant synergies between LDC and both LEP's and LDC has strongly supported the strategic growth priorities put forward across both LEP regions. The available data on commuting in-flows and out-flows highlights that the district's economy looks both ways.

¹ 2011 Census

Figures 1 and 2: Commuting In and Out-Flows from Lewes District



Source: 2011 National Population Census

Commuting out-flows, in particular, reflect the wide functional economic area of the Lewes district. Almost two-thirds of district residents out-commuting to work are to the Greater Brighton and Coast to Capital LEP areas. A smaller proportion commutes within East Sussex. The higher figure for other areas reflects the draw and accessibility of London for some residents.

It is clear that the functional economic area for our economy extends clearly across both LEP areas, with a particular focus on the Greater Brighton City Region.

Greater Brighton

LDC is a founder member of the Greater Brighton Economic Board and City Region, set up following the City Deal agreed with Government in March 2014.

Greater Brighton plays a vital role in the Lewes district – as shown above our economy has strong linkages with the city economy. The City Region reflects a true economic region in strategic terms, ensuring that we can deliver sustainable local economic growth. It is also part of the wider C2C LEP area.

This is emphasised by the recent Inward Investment and Export Strategy for Greater Brighton² which recognises the depth of opportunity within the Newhaven Enterprise Zone for employment-led regeneration and the development of a higher-value economy.

LDC's involvement in Greater Brighton has led to increased ministerial awareness of the challenges faced by Newhaven, in particular following the [Charrette](#) in September 2017 which highlights the strength of the city region economy and the importance of Lewes district as a key aspect of this.

The Role of LEP's in Delivering Growth in Lewes District

As noted, LDC lies within both SELEP and C2C and the LEP's have increased in importance over the last few years in terms of strategic planning and the distribution of grant funding for economic development from central Government.

The Newhaven Enterprise Zone was secured in partnership with C2C LEP, with continued delivery of the 25-year programme necessitating a close working relationship as reflected in the tripartite Memorandum of Understanding between LDC, C2C and Government. The EZ Strategy Board guides progress with the Enterprise Zone and comprises senior officers of LDC, C2C, ESCC (representing SELEP) and Newhaven Town Council. (Future governance structures are currently being reviewed and will be the subject of a future report to Cabinet on the Enterprise Zone).

² [Produced by Regeneris \(April 2018\)](#)

Through LDC's membership and close working relationship with C2C LEP, LGF funding totalling £16.6million³ has benefited both private and public interests that fit with LDC's growth ambitions over the last two years. This funding has formed part of the Greater Brighton Investment Programme, and the influence of the City Region is critical in delivering the case for change and growth within the district.

Equally, SELEP has been a strong supporter of LDC's ambitions via Team East Sussex (the local federated board), including £1.5million in LGF funding via SELEP⁴.

Notwithstanding this, ESCC is a key partner in delivering LDC's regeneration ambitions particularly in Newhaven. This includes recent capital funding commitments for the Port Access Road (£13million) and the Public Transport Interchange (£200,000+). LDC recognises that ESCC has a critical role in delivering sustainable growth and change within the district in partnership.

Summary

Ideally, LDC would prefer to maintain the status quo of membership of both SELEP and C2C LEP. This reflects the district's functional economic area, which is a critical aspect of formulating LEP geographies, as well as the support that both LEP's have offered in delivering our regeneration ambitions.

Available evidence shows the importance of Lewes district to the Greater Brighton economy and much of the business case for the Newhaven Enterprise Zone was predicated on offering the space for growth in – and rebalancing of - the City Region economy. Regardless of the decision regarding LEP geography, LDC will need to remain a key player within Greater Brighton as well as continuing its close and positive working relationship with ESCC to drive growth and prosperity locally.

³ £1.5m Newhaven Flood Alleviation Scheme; £2m purchase of Springman House, Lewes; £1.5m purchase of Railway Quay, Newhaven; £1.6m Eastside South, Newhaven; £10m Newhaven Port Access Road Phase 2.

⁴ £1.5m towards the Newhaven Flood Alleviation Scheme.

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Report to:	Cabinet
Date:	5th December 2018
Title:	Housing Delivery Programme
Report of:	Ian Fitzpatrick, Director of Regeneration & Planning
Cabinet member:	Councillor Ron Maskell
Ward(s):	All
Purpose of report:	The report provides an update on the successful use of capital funds and sets out proposals for the Council's established housing investment vehicles to allow those vehicles to purchase residential accommodation to assist the Council meet its strategic housing agenda and to note an increase in the pipeline of new build affordable housing acquisitions from private developers.
Decision type:	Key Decision
Officer recommendation(s):	<p>(1) To agree that the Council makes a loan facility available of up to £10m on market terms to Lewes Housing Investment Company Ltd (LHICL) for the purpose of enabling the company to purchase residential accommodation for commercial purposes under a dedicated programme.</p> <p>(2) To delegate authority to the Chief Finance Officer in consultation with the Lead Cabinet members for Housing and Finance to agree the whole scheme lending parameters (including overall programme(s), levels of development and individual loan tranches) for purchases by LHICL for the programme outlined at Recommendation 1</p> <p>(3) To agree that the Council makes a loan facility available of up to £2.5m on market terms to Aspiration Homes LLP (AHLLP) for the purpose of enabling the company to purchase residential accommodation for affordable purposes under a dedicated programme.</p> <p>(4) To delegate authority to the Chief Finance Officer in consultation with the Lead Cabinet members for Housing and Finance to agree the whole scheme lending parameters (including overall programme(s), levels of development and individual loan tranches) for purchases by AHLLP for the programme outlined at Recommendation 3.</p>

(5) To authorise the Director for Legal and Democratic Services to ensure that a “Funding Agreement” pursuant to a “Deed of Entrustment” is entered into by AHLLP with the Council so that Right to Buy receipts are appropriated in accordance with legislative requirements and the retention agreement with Government in relation to “social housing”. To give delegated authority to the Director of Regeneration and Planning to determine the terms of such agreement(s).

(6) To note an increase in the planned pipeline of new build affordable housing acquisitions from private developers, as outlined in the April 2018 Cabinet Report entitled “Housing Development Update”.

(7) To approve as a Restricted Matter under the LLP Agreement, the making of a loan facility by Eastbourne Borough Council of up to £2.5m on market terms to Aspiration Homes LLP (AHLLP) for the purpose of enabling the company to purchase residential accommodation for affordable purposes under a dedicated programme.

Reasons for recommendations:

(1) To provide residential accommodation to assist the Council meet its wider strategic housing agenda.

(2) To increase the variety, availability and accessibility of housing and home ownership.

(3) To generate additional income revenue streams to the Council through strategic property investment.

(4) For Aspiration Homes LLP to use Right to Buy receipts to fund new affordable housing the necessary legal agreements need to be in place to allow this and these must be used in accordance with the terms of our right to buy receipt retention agreement.

(5) To update on the successful use of approved funds and future capital requirements.

Contact Officer(s):

**Nathan Thompson
Property Investment and Acquisitions Lead
nathan.thompson@lewes-eastbourne.gov.uk
01323 436422**

1 Background

1.1 In November 2016 Cabinet approved the establishment of a Lewes District Council (LDC) wholly owned housing investment company and a joint housing investment partnership with Eastbourne Borough Council (EBC) to progress on housing and economic development.

- 1.2 In June 2017 Aspiration Homes LLP (AHLLP) was incorporated as a limited liability partnership, forming the joint housing investment company. In July 2017 Lewes Housing Investment Company Ltd (LHICL) was incorporated as a private company limited by shares, with LDC as sole shareholder.
- 1.3 Cabinet considered how LHICL and AHLLP could help meet its strategic aims to deliver housing, shape communities, enable place-making and support local regeneration.
- 1.4 Cabinet previously approved the following loan facilities to progress a pipeline of larger commercial and affordable mixed tenure schemes as part of a more ambitious programme beyond the capacity of the HRA:
- LHICL: Larger commercial schemes - £10m
 - AHLLP: Larger affordable schemes - £10m

This full loan facility was increased to £35m by Cabinet in April 2018 to take account of the evolving new build development pipeline.

- 1.5 The loan facilities granted are targeted to delivering larger development schemes. Although those schemes are crucial to the wider programme the Council is unable to capitalise on the opportunities of the local property market through the acquisition of readily available street properties.
- 1.6 This report seeks approval for loan facilities of up to £12.5m to allow the acquisition of individual, residential street properties to meet the Council's strategic housing agenda, generate additional income revenue streams and increase the amount and variety of targeted mixed tenure housing.
- 1.7 The loan facilities would allow LHICL and AHLLP to specifically purchase residential properties on the open market, including former Council homes sold as part of the Right to Buy.

2 Strategic housing aims

- 2.1 There is currently a very strong demand in the district for all tenures of housing. At the time of writing this report LDC has over 850 active households on the housing waiting list, all with an identified housing need. Officers expect this figure to only increase over time.
- 2.2 There are also a large number of barriers into the private rented sector (PRS), specifically:
- Affordability – PRS accommodation is typically very expensive, specifically relative to average household income(s).
 - Availability – There is relatively low supply : demand ratio. Officers also find there can be a lot of prejudice and stigma toward benefit claimants.
- 2.3 In addition to increasing housing the Council also seeks to promote sustainable

economic growth and regeneration by targeting areas of deprivation and low economy. This can be achieved in part through the improvement of property, both in new investment and the regeneration of vacant and/or poor quality sites, possibly not even owned by the Council.

- 2.4 The purchase of suitable residential properties by LHICL and AHLLP for mixed tenure rental will help assist households to secure accommodation within the PRS relative to need and help reduce costs to the Council's housing team by providing throughput to suitable accommodation.
- 2.5 During these challenging times the Council is procuring innovative methods of increasing income generation through new business and revenue streams. Through making long-term loans to the respective vehicles on market terms (and at market rates) the interest can be paid into the General Fund. The cost of servicing this borrowing will be less than the interest payments received from the companies, generating a net income stream.
- 2.6 The private market can however be very competitive and, at times, fast paced. Without the flexibility to progress schemes using the approved loan facilities in place the Council is at risk of missing out on key opportunities to competitors.

3 Investment principles and viability

- 3.1 In order to ensure purchases are consistent and in-line with the Council's wider strategic objectives the following core principles are proposed for street property purchases:

- Although the principle aim is to provide additional housing to address local need, the vehicles should not make overall losses
- Not to purchase multiple properties within a single concentrated area to reduce any potential negative impact upon that area and its residents
- To maintain a social conscience when considering acquisitions
- Balance the letting of properties acquired between local housing allowance rates (LHA), affordable rents up to 80% of the market and full market rents wherever possible and in-line with the aims of the company and partnership
- Ensure regular monitoring and review of the process is demonstrated to ensure it is working for real people and driving the project(s) forward

- 3.2 A number of assumptions are made for each financial appraisal when establishing viability as follows:

- To model acquisitions with all capital costs assumed in Year 1
- Adopt long term interest rates at 4.5%
- Management fee allowances of £350 per unit per annum
- Maintenance allowances of £450 per unit per annum
- Two week void and bad debt allowances at £300 per unit per annum

- Reserve fund allowances of £400 per unit per annum as standard.
- Service charge allowance (for long leasehold flats)

3.3 The assumptions will be flexible and regularly reviewed to appropriately adapt to the built environment, the property market and LDC as lender.

3.4 The following tables below demonstrate the appraisal model(s) and process(es) to be used under the respective programme(s):

Table 1: LHICL - Market rent investment 2 bedroom long-leasehold flat (e.g. Newhaven)	
Purchase price	£140,000
Purchase costs and works (SDLT, legal fees, valuation etc.)	£7,000
Total purchase costs	£147,000
Interest on loan @ 4.5%	£6,615
Management / maintenance	£1,000
Voids and bad debts	£300
Reserve fund	£400
Total annual rent (£750 PCM)	-£9,000
Annual surplus	-£685

3.5 Using the above example LHICL would make a surplus of £685 per annum on the purchase after the assumed costs. The company would also see an increase in capital asset values.

3.6 With a loan facility granted to the company of up to £10m, LHICL could successfully acquire up to 50-60 units from the private market over a 6-12 month period. This could generate surpluses to the company of anywhere up to £20k based on the example above. These surpluses would be reinvested by the company. The loan could also generate an income to the Council's General Fund of up to £200k per annum.

3.7

Table 2: AHLLP - Affordable rent investment 2 bedroom long-leasehold flat (e.g. Newhaven)	
Purchase price	£140,000

Purchase costs and works	£7,000
Sub-total purchase costs	£147,000
30% funding from RTB receipts	-£44,100
Total purchase costs	£102,900
Interest on loan @ 4.5%	£4,630
Management / maintenance	£1,000
Voids and bad debts	£300
Reserve fund	£400
Total annual rent	-£7,200
Annual surplus	-£870

3.8 Using the above example AHLLP would:

- i) make a surplus of £870 per annum on the purchase after the assumed costs,
- ii) generate an increase in capital asset value,
- iii) increase the provision for accessible affordable housing.

3.9 With a loan facility granted to the LLP of up to £2.5m, AHLLP could successfully acquire up to 10-15 affordable units from the private market over a 6-12 month period. This could generate surpluses to the LLP of anywhere up to £10k based on the example above. These surpluses would be reinvested by the LLP. The loan could also generate an income to the Council's General Fund of up to £50k per annum.

4 New-build acquisitions pipeline

4.1 The Cabinet Report April 2018 included provisions for AHLLP and LHICL to borrow funds to acquire affordable housing from private developers where there is a planning requirement for them to be delivered.

4.2 The Cabinet Report indicated an expected total of 50 new affordable homes to be acquired in the first year at a cost of approximately £12m. However, in the 8 months from April to November 2018 there were 70 affordable homes in the overall development pipeline and potential to rise to 100 homes by the end of the financial year.

4.3 The approved loans will cover this scale of programme within 2018/19, but the Council will need to consider the scale of this section of the development

programme in future years.

5 Key Risks

- 5.1 Under this proposal the Council would lend funds to purchase properties within set parameters to be defined by the Council as set out with the report recommendation(s).
- 5.2 The Council's key risk(s) relates to the company and partnerships' ability to meet the loan payments. Each loan provided to LHICL or AHLLP will have a legal charge in LDC's benefit in the event of any default.
- 5.3 The key risks for the vehicles include:
- i) Effective rent collection
 - ii) The ability to efficiently let properties
 - iii) The general management operating within the viability assumptions – i.e. repairs levels, voids, bad debts and management costs (as assumed)
- 5.4 As noted above, demand for mixed tenures of accommodation is strong. Rent levels, management and maintenance and void times will be set using local knowledge and experience obtained in managing the Council's housing stock. Each risk will be fully assessed as part of the finalisation of the lending parameters.
- 5.5 Each property or land purchase will be subject to an appraisal and red book valuation and a full survey to ensure the Council is obtaining value for money, in addition to fulfilling its wider strategic objectives. The legal risks will be assessed as the project progresses as part of the due diligence process.

6 Staffing and resource

- 6.1 There are no specific staff implications. The acquisition and future management of property will be within current resources. A fee is built into the financial modelling to meet the management costs.

7 Environmental, community safety, Human Rights, youth, anti-Poverty.

- 7.1 The acquisition of properties will give the Council greater ability to deliver its wider role of community wellbeing and promote a supply of good quality well managed accommodation. It will help address the low wage economy and the wider economy by encouraging investment in new businesses, homes and the environment.

8 Financial implications

- 8.1 The Council can make long term loans to LHICL and AHLLP enabling them to fund their acquisitions and on-costs. A Loan Facility Agreement is already in place with LHICL and a Funding Agreement with AHLLP, both setting out the core principles of any loan. It is recommended that the terms of any loan offered would be determined by the Chief Finance Officer for AHLLP and for LHICL, in

consultation with the Lead Member for Finance. A range of factors would be considered including the duration of the loan and market interest rates at the time of the loan advance. Any loan would be secured against the property assets of the vehicle.

- 8.2 Interest paid to the Council by the company and partnership would be credited to the General Fund. The Council will need to borrow to cover these loans and any such borrowing will be undertaken in line with the Councils Treasury Management Strategy. The cost of servicing this new General Fund borrowing would be less than the interest payments received from LHICL / AHLLP, generating a net income stream for the Council.
- 8.3 Retained right to buy receipts: under an agreement with the Government, the Council has retained a share of the receipts generated under Right to Buy on condition that the amounts retained are used within a rolling three year period to part-fund the development and (currently) the acquisition of new affordable housing. Retained receipts used in this way must not exceed 30% of the capital costs. Any retained receipts not used within three years must be paid to the Government (with interest).
- 8.4 The agreement with the Government allows the Council to pass the retained receipts to another body for use in the development of affordable homes. Through this mechanism the Council could make a grant to AHLLP (a condition within the Government agreement precludes a grant payment to LHICL).
- 8.5 Robust financial appraisals in respect of the individual asset purchases, the management of ongoing expenditure and the continuous monitoring of the demand for housing need is essential to mitigate costs, voids and both capital / revenue losses.
- 8.6 It is proposed that more general delegations are made to enable the relevant programmes to be brought forward most effectively, funded as follows:
- LHICL: £10m by way of loan for the delivery of new homes at commercial rents through a dedicated “Street Acquisitions Programme”.
 - AHLLP: £2.5m by way of loan for the delivery of affordable homes and low cost home ownership, in the Lewes district and/or on joint projects with EBC, through a dedicated “Affordable Street Acquisitions Programme”, and in accordance with the LLP business plan.

9 Legal implications

9.1 Loans to LHICL and AHLLP

The Council could use the general power of competence in section 1 of the Localism Act 2011 for the proposals in this report. However the exercise of that power would be subject to the limitations and restrictions of the legislation set out below.

Under sections 24/25 Local Government Act 1988 the Council, with the

Secretary of State's ("SOS") consent, can provide any person with financial assistance for the purposes of, or in connection with, the acquisition, construction, conversion, rehabilitation, improvement, maintenance or management (whether by that person or by another) of any property which is or is intended to be privately let as housing accommodation. Financial assistance specifically includes the provision of loans or grants. The General Consent C issued by the SOS under section 25 of the Local Government Act 1988 (Local Authority assistance for privately let housing) 2010 enables the Council to provide a loan or a grant to AHLLP or LHICL for these purposes.

9.2 Capital finance considerations

The Council has the power under section 1 of the Local Government Act 2003 (LGA2003) to borrow for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs.

The Council has the power under section 12 of the Local Government Act 2003 (LGA2003) to invest for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs.

Under section 3 the SOS may make regulations governing the use of the borrowing power and section 15 of the LGA 2003 requires a local authority must "have regard to" such guidance as the SOS may issue and to such other guidance as the SOS may by Regulations specify.

The SOS has made the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, S.I 2003/3146, as amended ("the Capital Finance Regulations") in relation to the exercise of the borrowing power. Paragraph 24 of the Capital Finance Regulations provides that a local authority "must have regard to" the document entitled "Treasury Management in the Public Service: Code of Practice and Cross-Sectoral Guidance Notes" published by the Chartered Institute of Public Finance and Accountancy ("CIPFA") as may be amended or reissued from time to time. CIPFA has duly issued Treasury Management Guidance.

The SOS has also issued statutory guidance on local government investments (3rd edition) effective from 1 April 2018. This is primarily about investments made under section 12 LGA2003 but also relates to borrowing for investments. The SOS view is that an investment includes covers loans made by a local authority to one of its wholly-owned companies or entities.

9.3 State Aid

The provision of loan funding or other forms of assistance to AHLLP and LHICL will be State aid compliant if in accordance with general market terms known as the the Market Economy Operator Principle ("MEOP") i.e. that a private investor of a comparable size operating in normal conditions of a market economy could have been prompted to make the investment on the terms that have been agreed.

It is possible for the council to provide grants, loan funding or other assistance

which is not on market terms provided that it complies with the European Commissions Service of General Economic Interest Decision of 20 December 2011 (“SGEI”). SGEI enables state subsidy in relation to “social housing” (which includes affordable housing in England) provided the requirements set out in that decision are met.

9.4 Use of RTB Reciepts

Right to Buy receipts will be passed to AHLLP under the SGEI Decision. It is the intention to provide AHLLP funding using SGEI. An overarching Deed of Entrustment between AHLLP and the Council will be used to govern any assistance the Council may provide to AHLLP for its provision of affordable housing and ensure compliance with SGEI where such assistance is not under the MEOP. In addition each scheme will require AHLLP and the Council to enter into a specific funding agreement for SGEI purposes and also where right to buy receipts are being utilised to ensure that the RTB receipts are used in accordance with the legislation, the Council’s agreement with the Secretary of State and for the purposes that they are intended.

- 9.5 In the same way that the Council has to resolve to make a loan, then LHICL and AHLLP, as separate legal entities and acting through either its Board of Directors or Executive Committee, will need to resolve to take the loan and to use it to purchase properties. In the case of AHLLP the loan will be classed as an Additional Loan which will require the agreement of both Members. There will need to be a loan agreement between the Council and the company / partnership formalising the terms of the advance and repayment of funds.

[7844-LDC-CJEC KS .11.18]

10 Equality analysis

- 10.1 The provision of diverse, good quality and well-managed housing, with a mix of tenure and affordability, helps meet the needs of the wider community.
- 10.2 An increase in the available and accessible affordable housing allows the Council to provide assistance to those most in need within our community which is also in-line with the Local Plan.

11 Appendices

- 11.1 None.

12 Background papers

- 12.1
- Cabinet Report, April 2018 - Housing Development Update
<http://democracy.lewes-eastbourne.gov.uk/Data/Lewes%20District%20Council%20Cabinet/201804231430/Agenda/HUhwFr2frmnPrsZNS2EYrx82hUN2.pdf>

Report to:	Cabinet
Date:	5 December 2018
Title:	Annual Review of Fees and Charges
Report of:	Chief Finance Officer
Cabinet member:	Councillor Bill Giles (Portfolio holder for Finance)
Ward(s):	All
Purpose of report:	To propose the schedule of Fees and Charges to apply from 1 April 2019.
Decision type:	Key Decision
Officer recommendation(s):	(1) To approve the scale of Fees and Charges proposed within Appendix 2 to apply from 1 April 2019. (2) To delegate authority to the Director of Service Delivery in consultation with the Portfolio holder for Waste and Recycling to vary commercial trade waste charges upwards or downwards by up to 10% in order to respond to developing market conditions. (3) To implement changes to statutory fees and charges for services shown within Appendix 2 as and when notified by Government.
Reasons for recommendations:	The Council's Constitution requires that all fees and charges, including nil charges, be reviewed at least annually and agreed by Cabinet.
Contact Officer(s):	Name: Pauline Adams Post title: Head of Finance E-mail: Pauline.Adams@lewes-eastbourne.gov.uk Telephone number: 01323 415979

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- 1 Introduction**
 - 1.1 Following as systematic review in light of an Audit Commission report entitled 'Positively Charged' Cabinet approved guiding principles, as set out on Appendix 1, for setting fees and charges.
 - 1.2 The guiding principle and the recommended actions arising from the systematic review of services have been applied in reviewing and proposing a scale of fees and charges to apply from 1 April 2019.

2 Fees and Charges Proposals to apply from 1 April 2019

- 2.1 Fees and Charges are reviewed by Cabinet at least once each year, principally during the winter prior to the next financial year. This enables Cabinet's decision to be incorporated in the coming budget cycle. Cabinet is not restricted to an annual review; it can conduct further reviews at any time in the year with implementation of decisions from any point in the year
- 2.2 As in previous years all of the fees and charges are covered, so far as is practicable, within a single report. In this way Cabinet is able to consider all of the fees and charges which apply to the Council's services as an overall package. There is only one exception to this and that is licensing fees which are excluded from this report because they are set by the Licensing Committee.
- 2.3 Cabinet will be aware that fees and charges applicable at the Council-owned indoor leisure facilities and at Newhaven Fort are set by Wave Leisure under the terms of the management agreements it has with the Council
- 2.5 Within Appendix 2 to this report there are some significant services, with significant income estimates, where the Council has discretion to set the level of fees and charges. These are summarised below between those services where changes are proposed and those services where no changes are proposed
- 2.6 In addition Appendix 2 includes those services where fees are statutory and where any changes can only be made by Government.

3. Services where changes to fees and charges are proposed.

3.1

Service	Rodent and Pest Control
Appendix ref	lines 74 to 105
Reason for change	The council has withdrawn from offering chargeable rodent and pest control services but continues to provide a free domestic service for the treatment of rats.
Financial impact	No income will be generated in 2019/20 leading to a budget reduction of £9,500.

Service	Section 106 Recycling Developers' Contributions
Appendix ref	Lines 187 to 188
Reason for change	To maintain recovery of a fair share of the costs of providing services.
Financial impact	No income budget for is set for this service because of the uncertainty around volumes and timing as well as the relatively low levels of income generated.

Service	Street Naming and Numbering
Appendix ref	lines 257 to 267
Reason for change	A comparative review against our near-neighbour authorities suggests that one increase should be made to the current fees so that they remain appropriate for the services on offer.
Financial impact	The 2018/19 budget of £7,500 can become £9,000 for 2019/20 because of an increase in usage.

Service	Allotments
Appendix ref	lines 269 to 270
Reason for change	An increase of £2 per plot is proposed in order to maintain value.
Financial impact	No change to the income budget of £1,000.

Service	Cemeteries
Appendix ref	lines 272 to 293
Reason for change	The Council's policy is to maintain its charges within the upper quartile of local authority burial charges. The proposed increases are intended to maintain the Council's position.
Financial impact	The 2018/19 budget of £130,000 will become £140,000 for 2019/20 – an increase of £5,000 to take account of changes in usage and an increase of £5,000 to reflect the impact of the proposed increase in fees and charges.

Service	Parks and Open Spaces
Appendix ref	lines 295 to 348
Reason for change	To maintain recovery of a fair share of the costs of providing services.
Financial impact	Officers forecast an increase of £1,500 from the impact of the proposed increases in fees and charges but propose leaving the income budget at £50,000 to allow for any variations in usage.

Service	Waste Collection (excluding Commercial Trade Waste)
Appendix ref	lines 350 to 399
Reason for change	To maintain recovery of a fair share of the costs of providing services.
Financial impact	The income budget for 2018/19 was substantially increased because of the growth in the green waste service and can be increased by another £150,000 into 2019/20 as the service is rolled out across the district. Cabinet should note that there will be additional expenditure associated with delivering the increased

	<p>level of business.</p> <p>Demand for other waste collection services has declined leading to a forecast income reduction of £19,000 of which £5,000 will be recovered from the proposed fee changes.</p> <p>In overall terms the total income budget will increase from £310,500 in 2018/19 up to £446,500 in 2019/20.</p>
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Service	Legal Services
Appendix ref	lines 406 to 418
Reason for change	Maintains recovery of costs and positioning with other local authorities.
Financial impact	Supports the viability of the shared legal service.

Service	Estate Surveyor Services
Appendix ref	lines 420 to 427
Reason for change	Officers are proposing the introduction of these new charges to reflect the commercial nature of the estates business. These charges are complimentary to those already charged by Legal Services and are similar in nature to those which commercial lessees might expect to pay in the private sector.
Financial impact	The new charges are estimated to generate £15,000 in 2019/20 dependent upon take-up.

4. Services where no changes to fee and charges are proposed

4.1

Service	Car Parks
Appendix ref	lines 1 to 33
Reason for no change	<p>Cabinet agreed the current pricing tariff in January 2018 to apply from 1 April 2018, the first increase since 1 April 2013.</p> <p>This was consistent with the principle established by Cabinet that future increases would be based on inflation and implemented only when accumulated inflation increased fees to easily collectable amounts.</p>
Financial impact	The increased income budget for 2018/19 of £1,002,500 is being achieved so no change is proposed for 2019/20.

Service	Electric Vehicle Chargers
Appendix ref	lines 35 to 37
Reason for no change	Usage of this service continues to grow and officers believe that leaving the current pricing structure in place for another year will encourage further growth.
Financial impact	The current income budget is small but current usage suggests that it can be doubled from £2,000 up to £4,000.

Service	Lewes House
Appendix ref	lines 39 to 57
Reason for no change	The offer of rooms and garden for events like wedding receptions is operating in a competitive environment. Officers judge that the current level of fees remains at the right level to maintain a share of that market.
Financial impact	The income budget will remain at £10,000.

Service	Arts Development
Appendix ref	lines 59 to 64
Reason for no change	The popularity of art wave has seen income grow and as a consequence officers propose no change to the existing fees.
Financial impact	The current income budget of £13,000 can be increased up to £20,000 but Cabinet should note that there will be a proportionate increase in expenditure.

Service	Tourism
Appendix ref	lines 66 to 72
Reason for no change	The printed version of the Stay Lewes Coast and Country visitor guide produced this year is unlikely to be updated next year and so income, and expenditure, will fall. Officers believe that the current charges remain appropriate to continue into next year.
Financial impact	The income budget for 2019/20 will drop to £3,000 from this year's £9,000

Service	Animal Wardens
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Appendix ref	lines 107 to 112 excluding line 108
Reason for no change	Very limited activity to justify change.
Financial impact	No income budget is set for this service because of the uncertainty around volumes and the very low levels of income generated.

Service	Public Health
Appendix ref	lines 127 and 128
Reason for no change	Limited activity to justify change.
Financial impact	No income budget is set for this discretionary service because of the uncertainty around volumes and the very low levels of income generated.

Service	Private Sector Housing
Appendix ref	lines 155 to 157
Reason for no change	Fees will continue to be set in line with officer costs.
Financial impact	The current income budget is small but current usage suggests that it can be doubled from £1,000 up to £2,000

Service	Building Control
Appendix ref	lines 159 to 182
Reason for no change	Building control operates in a competitive environment and officers judge that the current fees remain at the appropriate level for the services on offer.
Financial impact	An adjustment to the income budget is required because actual levels of income have fallen short of budget over the past two years and this trend looks set to continue. Consequently the income budget will reduce from £325,000 for 2018/19 down to £285,000 for 2019/20.

Service	Recycling - Section 106 Developers' Contributions
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Appendix ref	lines 209 to 210
Reason for no change	A charge is made solely to maintain recovery of a fair share of the costs of providing the service.
Financial impact	No income budget is set because of the uncertainty around volumes and timing as well as the relatively low levels of income generated.

Service	Planning Services
Appendix ref	lines 212 to 255
Reason for no change	Officers judge that the current fees remain at the appropriate levels for the services on offer.
Financial impact	An adjustment to the income budget is required because actual levels of income have fallen short of budget over the past two years and this trend looks set to continue. Consequently the income budget will reduce from £40,000 for 2018/19 down to £30,000 for 2019/20.

Service	Council Tax and Business Rates Summons income
Appendix ref	lines 401 to 404
Reason for no change	Because both this Council and Wealden Council use the same court the policy has been to keep our fees in line. Therefore no changes are proposed at this time.
Financial impact	An adjustment to the income budget is required because volume changes have seen actual income exceed budget over the past two years and this trend looks set to continue. Consequently the income budget will increase from £180,000 for 2018/19 up to £210,000 for 2019/20.

Service	Land Charges
Appendix ref	Lines 429 to 435
Reason for no change	A review of the current levels of fees and the current volume of activity suggests that charges remain appropriate to recover costs as permitted by Government regulation.
Financial impact	The income budget will remain at £140,000.

5. Services where statutory fees and charges apply

- 5.1 The current level of fees and charges will continue to apply until such time as the Council is notified by Government of changes. Such

changes will be implemented in accordance with the relevant statutory notices

5.2

Service	Animal Wardens
Appendix ref	line 108
Financial impact	No budget for 2019/20 is proposed because of the very low levels of income generated from this service

Service	Port Health
Appendix ref	lines 114 to 124
Financial impact	No budget for 2019/20 is proposed because of the very low levels of income generated from this service

Service	Public Health
Appendix ref	lines 126 to 153 excluding lines 127 and 128
Financial impact	The income budget will remain at £4,000.

Service	Development Control
Appendix ref	lines 184 to 201
Financial impact	An upward adjustment to the income budget is required because actual levels of income have exceeded budget over the past two years and this trend looks set to continue. Consequently the income budget will increase from £400,000 for 2018/19 up to £440,000 for 2019/20.

Service	Register of Electors
Appendix ref	lines 437 to 443
Financial impact	The income budget will remain at £1,000.

Service	Community Infrastructure Levy (CIL)
Appendix ref	lines 203 to 207
	The Charging Schedule implemented on 1 December 2015 under The Community Infrastructure Levy Regulations 2010 remains appropriate and provides the baseline for the levy. CIL regulations require that fees are uplifted annually in line with the change in a national price index. This change is applied each year once the index data becomes available.

6. Charges for the provision of professional services and advice

6.1 The Appendix sets out some specific charges for services offered by planning officers for the pre-application service, by the shared legal service for professional services and, if Cabinet agrees the new charges, by the estate surveyors. These represent the majority of professional services for which a charge is made.

6.2 However, requests are also received from customers for professional advice on other matters where, for example, this sits outside the scope of advice that is a normal part of the delivery of services or where it is for information that is not provided free of charge. Rather than seeking to list each and every eventuality where this may be the case, in principle charges are set to recover the full cost of officer time, related overheads and any disbursements.

7 Commercial Waste

7.1 The current fees for the collection and disposal of commercial trade waste were approved by Cabinet on 6 January 2014.

7.2 This year's review shows that the current charges remain competitive. They need to be so if the Council is to retain its market share. As a consequence no change in the current charges is proposed. However, given the very competitive nature of this business, and the desire to grow the business, it is recommended that the Director of Service Delivery be given delegated authority in consultation with the Portfolio holder for Waste and Recycling, to vary charges upwards or downward by up to 10% in order to respond to developing market conditions.

8 Outcome expected and performance management

8.1 The overall net effect from these proposals is to forecast a year on year increase in income of £25,000. This together with an increase in usage of £152,000 produced a total of £177,000. .

3.2 The level of income achieved will be monitored throughout the year, and variances will be reported to Cabinet quarterly.

9 Corporate plan and council policies

9.1 The proposals contained within this report have been prepared in line with the guiding principles set out in the Council's approved Financial Procedure Rules.

10 Financial appraisal

10.1 The forecast medium term financial plan strategy was that income would be up by 3% and that this would contribute an extra £79,000 towards the council's savings target towards the Council's savings target for 2019/20. The proposals in this report exceed that target by £98,000.

10.2 If Cabinet chooses to amend the proposed changes the impact will be reflected in the final budget report to be presented to Cabinet in February.

11 Legal implications

11.1 There are no legal implications arising directly from this report.

12 Risk management implications

12.1 The recommendations of this report are not significant in terms of risk. However, there is a possibility that forecast income for demand led services may be adversely affected by economic factors outside of the council's control

13 Equality analysis

13.1 An Equalities and Fairness Impact Assessment has been undertaken and made available to the equality checking group. The assessment indicates that the proposed changes to fees and charges set out in this report are unlikely to have any significant impact on equalities and fairness. All changes are in line with the Guiding Principles for setting fees and charges previously agreed by Cabinet. .

11 Appendices

- Appendix 1 – Guiding Principles of setting fees and charges
- Appendix 2 – Fees and Charges proposals 2019/20

12 Background papers

The background papers used in compiling this report were as follows:

- Equalities and Fairness Impact Assessment.

Guiding principles for setting fees and charges

1. Fair shares	2. Rationality and Prioritisation	3. Stability and Predictability
a) fees and charges should be set at market levels and any subsidy from taxpayer to service user should be in accordance with a formal Council policy decision	a) fees and charges policies should reflect key commitments and corporate priorities	a) the impact of pricing policies should be managed through phasing over time when the impact is high
b) concessions for services should follow a logical pattern	b) price should be based on 'added' and 'perceived value' as well as cost	b) policies should fit with the Council's medium term financial strategy (i.e. be affordable to service users and taxpayers)
c) fees and charges should not be used to provide subsidies to commercial operators from the council taxpayer	c) there should be some rational scale in the charge for different levels of the same service	c) fees and charges should generate income to help develop capacity, deliver efficiency and sustain continuous improvement
d) a tough stance should be taken on fee dodging	d) there should be some consistency between charges for similar services	

NB: Fees and charges exclude commercial leases.

These guiding principles were agreed by Cabinet on 6 January 2009

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Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity		2018/2019 Current charge £pence	2019/2020 Proposed charge £pence	VAT	Increase £pence
1	CAR PARKING (OFF STREET)				
2					
3	Central Lewes - short stay				
4	up to 30 mins	0.60	0.60	i	0.00
5	up to 1 hour	0.80	0.80	i	0.00
6	up to 2 hours	1.80	1.80	i	0.00
7	Central Lewes - medium stay				
8	up to 1 hour	0.80	0.80	i	0.00
9	up to 2 hours	1.70	1.70	i	0.00
10	up to 3 hours	2.60	2.60	i	0.00
11	up to 4 hours	3.50	3.50	i	0.00
12	Outer Lewes - long stay				
13	up to 1 hour	0.70	0.70	i	0.00
14	up to 2 hours	1.40	1.40	i	0.00
15	up to 3 hours	2.20	2.20	i	0.00
16	up to 4 hours	2.90	2.90	i	0.00
17	over 4 hours	4.10	4.10	i	0.00
18	Brook Street, Lewes				
19	all day	1.90	1.90	i	0.00
20	Newhaven and Seaford (including multi-storey)				
21	up to 30 mins	0.60	0.60	i	0.00
22	up to 1 hour	0.80	0.80	i	0.00
23	up to 2 hours	1.10	1.10	i	0.00
24	up to 3 hours	1.30	1.30	i	0.00
25	up to 4 hours	1.80	1.80	i	0.00
26	over 4 hours	2.20	2.20	i	0.00
27	All Sites				
28	Commercial vendors				
29	per day (sliding scale)	£0 - £501	£0 - £501	e	0.00
30	All Sites				
31	Infringement of Parking Order				
32	Penalty Charge Notices	60.00	60.00	e	0.00
33	- if paid in 7 days	30.00	30.00	e	0.00
34	Total Estimated Annual Income (Car Parking)	1,002,500	1,002,500		0
35	ELECTRIC VEHICLE CHARGERS				
36	fixed fee	2.50	2.50	i	0.00
37	plus per kilowatt hour	0.20	0.20	i	0.00
38	Total Estimated Annual Income (Electric Vehicle Chargers)	2,000	4,000		2,000
39	LEWES HOUSE				
40	Venue Hire (minimum 2 hours Monday to Friday from 9am to 6pm)				

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity			2018/2019	2019/2020		Increase
			Current	Proposed		
			charge	charge		
			£pence	£pence	VAT	£pence
41	Garden Room and Garden - up to 100 people	per hour	75.00	75.00	e	0.00
42	Garden Room only - up to 30 people (November to March)	per hour	40.00	40.00	e	0.00
43	Warren Room - up to 50 people	per hour	55.00	55.00	e	0.00
44	Business Room - up to 40 people	per hour	40.00	40.00	e	0.00
45	Plus surcharge from 6pm to 11pm	per hour	15.00	15.00	e	0.00
46	Weekend surcharge	one-off fee	30.00	30.00	e	0.00
47						
48	<i>Exhibition Rate (minimum 2 days Monday to Sunday 9am to 6pm)</i>					
49	Warren Room	per day	100.00	100.00	e	0.00
50	Business Room	per day	100.00	100.00	e	0.00
51	Warren Room and Business Room	per day	150.00	150.00	e	0.00
52	Complete Suite excluding garden	per day	200.00	200.00	e	0.00
53	Plus surcharge from 6pm to 11pm	per hour	15.00	15.00	e	0.00
54	Weekend surcharge	per day	30.00	30.00	e	0.00
55						
56	Charges for other arrangements by application and negotiation					
57	Total Estimated Annual Income (Lewes House Venue Hire)		10,000	10,000		0
58						
59	ARTS DEVELOPMENT					
60	Artwave	single advert for one exhibiting artist	80.00	80.00	e	0.00
61		double advert for one exhibiting artist	160.00	160.00	e	0.00
62		single advert for businesses	100.00	100.00	e	0.00
63		double advert for businesses	200.00	200.00	e	0.00
64	Total Estimated Annual Income (Arts Development)		13,000	20,000		7,000
65						
66	TOURISM					
67	Stay Lewes Coast and Country visitor information website	Single web listing	60.00	60.00	s	0.00
68		Double web listing	100.00	100.00	s	0.00
69	Stay Lewes Coast and Country visitor guide	Website & printed guide (100 word listing)	150.00	150.00	s	0.00
70		Website & printed guide (150 word listing)	250.00	250.00	s	0.00
71		Printed guide (30 word listing)	100.00	100.00	s	0.00
72	Total Estimated Annual Income (Tourism)		9,000	3,000		-6,000
73						
74	RODENT AND PEST CONTROL					
75	<i>Domestic Premises</i>					
76	Rats		free	free	i	n/a
77	Mice	per treatment	85.00	-	i	(85.00)
78		extra 2 visits	50.00	-	i	(50.00)
79	Wasp Nests		55.00	-	i	(55.00)
80		Extra Wasp Nest	25.00	-	i	(25.00)
81		Removal of Wasp Nest (if possible)	35.00	-	i	(35.00)
82	Bees	Plus unit charge if over 1 hour	65.00	-	i	(65.00)

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity			2018/2019	2019/2020		Increase
			Current	Proposed		
			charge	charge		
			£pence	£pence	VAT	£pence
83	Fleas	Up to and including a 3 bedroom property	95.00	-	i	(95.00)
84		Extra room	25.00	-	i	(25.00)
85		ULV fogging (as extra room)	25.00	-	i	(25.00)
86	Cockroaches	3 visits and up to 5 bait stations	150.00	-	i	(150.00)
87		Extra bait station	5.00	-	i	(5.00)
88		Extra 2 visits	75.00	-	i	(75.00)
89	Textile pests	Up to 3 bed property	110.00	-	i	(110.00)
90		Extra room	35.00	-	i	(35.00)
91	Red/black ants	2 visits - indoors only	65.00	-	i	(65.00)
92		Extra visit	30.00	-	i	(30.00)
93	Squirrels	5 visits over a week	190.00	-	i	(190.00)
94	Moles	6 visits over a week	180.00	-	i	(180.00)
95	Call out Advice		40.00	-	i	(40.00)
96	Home treatment kit		26.00	-	i	(26.00)
97	Rodent proof air brick grill		15.00	-	i	(15.00)
98	Drain survey	as part of rat treatment	65.00	-	i	(65.00)
99		exclusive of rat treatment	95.00	-	i	(95.00)
100	Commercial Premises					
101	Cats	Minimum charge - bait extra	115.00	-	i	(115.00)
102	Mice	Minimum charge - bait extra	115.00	-	i	(115.00)
103	Fleas	Plus unit charge if over 1 hour	85.00	-	i	(85.00)
104	Call out Advice		40.00	-	i	(40.00)
105	Total Estimated Annual Income (Rodent and Pest Control)		9,500	0		-9,500
106						
107	ANIMAL WARDENS					
108	Statutory Charge per stray dog		30.00	30.00	e	0.00
109	Seizure Charge per stray dog	In addition to statutory charge	30.00	30.00	i	0.00
110	Return of Dog		45.00	45.00	i	0.00
111	Kennelling	per day	25.00	25.00	i	0.00
112	Total Estimated Annual Income (Animal Wardens)		0	0		0
113						
114	PORT HEALTH					
115	Ship Sanitation Certificates (Statutory Fee)	Ships up to 1000 gross tonnage	85.00	85.00	e	0.00
116		Ships 1001 to 3000 gross tonnage	120.00	120.00	e	0.00
117		Ships 3001 to 10000 gross tonnage	180.00	180.00	e	0.00
118		Ships 10001 to 20000 gross tonnage	235.00	235.00	e	0.00
119		Ships 20001 to 30000 gross tonnage	305.00	305.00	e	0.00
120		Ships > 30001 gross tonnage	360.00	360.00	e	0.00
121		Vessels with more than 1000 persons	360.00	360.00	e	0.00
122		Vessels with 50 - 1000 persons	615.00	615.00	e	0.00
123		Extensions	55.00	55.00	e	0.00
124	Total Estimated Annual Income (Port Health)		0	0		0

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity			2018/2019 Current charge £pence	2019/2020 Proposed charge £pence	VAT	Increase £pence
125						
126	PUBLIC HEALTH					
127	Food Hygiene Courses	£5 reduction for micro businesses	75.00	75.00	s	0.00
128	Private Water Supplies		Cost	Cost	s	
129	Environmental Protection Act- Schedule B Processes.	Statutory Fee				
130	Initial Application		1,650.00	1,650.00	e	0.00
131	Additional fee for operating without a permit		1,188.00	1,188.00	e	0.00
132	For a combined Part B and waste application add an extra £104 (Low), £156 (Med), £207 (High).					
133	Where subject to reporting under PRTR add extra £104 to amount.					
134	Annual Charge: Standard Process LOW	Statutory Fee	772.00	772.00	e	0.00
135	Standard Process MEDIUM	Statutory Fee	1,161.00	1,161.00	e	0.00
136	Standard Process HIGH	Statutory Fee	1,747.00	1,747.00	e	0.00
137	PVRI, and Dry Cleaners LOW	Statutory Fee	79.00	79.00	e	0.00
138	PVRI and Dry Cleaners MEDIUM	Statutory Fee	158.00	158.00	e	0.00
139	PVRI and Dry Cleaners HIGH	Statutory Fee	237.00	237.00	e	0.00
140	PVR I & II combined LOW	Statutory Fee	113.00	113.00	e	0.00
141	PVR I & II combined MEDIUM	Statutory Fee	226.00	226.00	e	0.00
142	PVR I & II combined HIGH	Statutory Fee	341.00	341.00	e	0.00
143	VRs and other Reduced Fees LOW	Statutory Fee	228.00	228.00	e	0.00
144	VRs and other Reduced Fees MEDIUM	Statutory Fee	365.00	365.00	e	0.00
145	VRs and other Reduced Fees HIGH	Statutory Fee	548.00	548.00	e	0.00
146	Mobile plant, for first and second permits LOW	Statutory Fee	626.00	626.00	e	0.00
147	Mobile plant, for first and second permits MEDIUM	Statutory Fee	1,034.00	1,034.00	e	0.00
148	Mobile plant, for first and second permits HIGH	Statutory Fee	1,551.00	1,551.00	e	0.00
149	A2 Processes Application	Statutory Fee	3,363.00	3,363.00	e	0.00
150	A2 Processes Annual subsistence fee LOW	Statutory Fee	1,446.00	1,446.00	e	0.00
151	A2 Processes Annual subsistence fee MEDIUM	Statutory Fee	1,610.00	1,610.00	e	0.00
152	A2 Processes Annual subsistence fee HIGH	Statutory Fee	2,333.00	2,333.00	e	0.00
153	Total Estimated Annual Income (Public Health)		4,000	4,000		0
154						
155	PRIVATE SECTOR HOUSING					
156	Service of Housing Act Notices and Discretionary Inspections - Officer Time hourly rate					
157	Total Estimated Annual Income (Private Sector Housing)		1,000	2,000		
158						
159	BUILDING CONTROL (Building Regulations)					
160	An illustrative set of charges is listed below.	The full list of fees and charges is available from the Council web site at www.lewes.gov.uk				
161						
162	Dwelling-houses and Flats not exceeding 250m2 or more than 3 storeys:					
163	1 dwelling-house	Plan charge	250.00	250.00	s	0.00
164		Inspection charge	490.00	490.00	s	0.00
165		Building Notice charge	810.00	810.00	s	0.00
166						

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity			2018/2019	2019/2020		Increase
			Current	Proposed		
			charge	charge		
			£pence	£pence	VAT	£pence
167	2 dwelling-houses	Plan charge	340.00	340.00	s	0.00
168		Inspection charge	650.00	650.00	s	0.00
169		Building Notice charge	1,150.00	1,150.00	s	0.00
170						
171	3 dwelling-houses	Plan charge	420.00	420.00	s	0.00
172		Inspection charge	860.00	860.00	s	0.00
173		Building Notice charge	1,350.00	1,350.00	s	0.00
174						
175	2 flats	Plan charge	340.00	340.00	s	0.00
176		Inspection charge	580.00	580.00	s	0.00
177		Building Notice charge	950.00	950.00	s	0.00
178						
179	3 flats	Plan charge	420.00	420.00	s	0.00
180		Inspection charge	650.00	650.00	s	0.00
181		Building Notice charge	1,150.00	1,150.00	s	0.00
182	Total Estimated Annual Income (Building Control)		325,000	285,000		-40,000
183						
184	DEVELOPMENT CONTROL (Planning applications)					
185	an illustrative set of charges is listed below.					
186						
187	New dwellings	Outline application (per 0.1ha)	385.00	385.00	e	0.00
188		Outline application (max.for 2.5ha)	9,527.00	9,527.00	e	0.00
189		Outline application (per 0.1ha over 2.5)	115.00	115.00	e	0.00
190		Outline application (maximum fee)	125,000.00	125,000.00	e	0.00
191						
192		Full application (per dwelling unit)	385.00	385.00	e	0.00
193		Full application (max. for 50 dwellings)	19,049.00	19,049.00	e	0.00
194		Full application (per dwelling over 50)	115.00	115.00	e	0.00
195		Full application (maximum fee)	250,000.00	250,000.00	e	0.00
196						
197		Reserved matters (per dwelling unit)	385.00	385.00	e	0.00
198		Reserved matters (max.for 50 dwellings)	19,049.00	19,049.00	e	0.00
199		Reserved matters (per dwelling <50)	115.00	115.00	e	0.00
200		Reserved matters (maximum fee)	250,000.00	250,000.00	e	0.00
201	Total Estimated Annual Income (Development Control)		400,000	440,000		40,000
202						
203	COMMUNITY INFRASTRUCTURE LEVY (CIL)					
204	Residential Development	Regulations specify that fees are subject to annual indexation Low Zone (South of the South Downs National Park) per m ²	99.00	99.00	e	0.00

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity		2018/2019 Current charge £pence	2019/2020 Proposed charge £pence	VAT	Increase £pence
205	High Zone (North of the South Downs National Park) per m ²	165.00	165.00	e	0.00
206					
207	Retail Development per m ²	110.00	110.00	e	0.00
208					
209	SECTION 106 DEVELOPER CONTRIBUTIONS				
210	Recycling Kerbside per dwelling	19.00	19.00	e	0.00
211					
212	PLANNING SERVICES				
213	Planning research for third parties per hour	50.00	50.00	s	0.00
214	Compliance checks for planning applications Householder application - per hour	27.00	27.00	e	0.00
215	Non-householder application - per hour	92.00	92.00	e	0.00
216	Pre-application service (in the Lewes district except the SDNP area)				
217	- large scale major applications up to 6 meetings	3,600.00	3,600.00	s	0.00
218	per additional meeting	500.00	500.00	s	0.00
219	- medium scale major applications up to 4 meetings	1,800.00	1,800.00	s	0.00
220	per additional meeting	360.00	360.00	s	0.00
221	small scale major applications up to 2 meetings	900.00	900.00	s	0.00
222	per additional meeting	200.00	200.00	s	0.00
223	minor applications up to 2 meetings	450.00	450.00	s	0.00
224	per additional meeting	120.00	120.00	s	0.00
225	- small minor applications initial meeting	250.00	250.00	s	0.00
226	per additional meeting	60.00	60.00	s	0.00
227	- residential schemes for 1-2 dwellings initial meeting	150.00	150.00	s	0.00
228	per additional meeting	60.00	60.00	s	0.00
229	- telecommunications, change of use, renewable energy initial meeting	75.00	75.00	s	0.00
230	per additional meeting	60.00	60.00	s	0.00
231	- householder schemes written advice and site visits	12.50	12.50	s	0.00
232	- listed building schemes written advice and site visits	12.50	12.50	s	0.00
233	Publications e.g. Local Plan	50.00	50.00	e	0.00
234	e.g. Local Plan on Cdrum	15.00	15.00	e	0.00
235	Emerging Core Strategy	12.00	12.00	e	0.00
236	Document search and retrieval per document	0.60	0.60	s	0.00
237	Electronic copy of document Building Control document	55.00	55.00	s	0.00
238	Planning legal document	12.50	12.50	s	0.00
239	Standard copying charges Minimum charge for 3 pages	1.20	1.20	s	0.00
240	A4 size per page	0.10	0.10	s	0.00
241	A3 size per page	0.20	0.20	s	0.00
242	A2 size per page	1.80	1.80	s	0.00
243	A1 size per page	2.40	2.40	s	0.00
244	A0 size per page	3.00	3.00	s	0.00
245	Colour copying charges A4 size per page	1.25	1.25	s	0.00

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity		2018/2019 Current charge £pence	2019/2020 Proposed charge £pence	VAT	Increase £pence
246	A3 size per page	2.50	2.50	s	0.00
247	A2 size per page	6.00	6.00	s	0.00
248	A1 size per page	12.00	12.00	s	0.00
249	A0 size per page	18.00	18.00	s	0.00
250	Services for Solicitors: priority service	12.50	12.50	s	0.00
251	Compliance checks for Enforcement (per site)	50.00	50.00	e	0.00
252	Building Control file retrieval fee	50.00	50.00	s	0.00
253	Compliance checks for Building Control (per site)	75.00	75.00	s	0.00
254	Building Control database information - where reference quoted	5.00	5.00	s	0.00
255	Total Estimated Annual Income (Planning)	40,000	30,000		-10,000
256					
257	STREET NAMING AND NUMBERING				
258	New individual property per application	35.00	35.00	e	0.00
259	New Development or Re-development per plot/unit	25.00	35.00	e	10.00
260	Change of House Name or Commercial Property Name per application	25.00	25.00	e	0.00
261	Change of Building Name (eg block of flats) per application	100.00	100.00	e	0.00
262	Street Renaming per application	200.00	200.00	e	0.00
263	plus per property	25.00	25.00	e	0.00
264	Street Numbering per application	200.00	200.00	e	0.00
265	plus per property	25.00	25.00	e	0.00
266	Confirmation of postal address to solicitors or conveyancers	25.00	25.00	e	0.00
267	Total Estimated Annual Income (Street Naming and Numbering)	7,500	9,000		1,500
268					
269	ALLOTMENTS per year per plot (253 square metres)	65.00	67.00	e	2.00
270	Total Estimated Annual Income (Allotments)	1,000	1,000		0
271					
272	CEMETERIES				
273	Internment 1.83m (equivalent to 6 feet)	840.00	870.00	e	30.00
274	2.29m (equivalent to 7 feet 6 inches)	1,110.00	1,150.00	e	40.00
275	2.74m (equivalent to 9 feet)	1,480.00	1,530.00	e	50.00
276	cremated remains	250.00	260.00	e	10.00
277	stillborn child (under 1 month)	free	free		n/a
278	child (under 12 years)	free	free		n/a
279	in existing vault	actual cost	actual cost	e	n/a
280	Interred ashes in Garden of Rest	250.00	260.00	e	10.00
281	Purchase of Burial Rights ordinary 50 years	1,060.00	1,100.00	e	40.00
282	special 50 years	1,095.00	1,130.00	e	35.00
283	Designated child space 50 years	370.00	380.00	e	10.00
284	Garden of Rest	280.00	290.00	e	10.00
285	Right to erect/place on grave or vault Headstone	200.00	210.00	e	10.00
286	Kerbstone or Border	255.00	260.00	e	5.00

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity		2018/2019	2019/2020		Increase
		Current	Proposed		
		charge	charge		
		£pence	£pence	VAT	£pence
287	Flatstone or Wall Tablet	200.00	210.00	e	10.00
288	Additional Inscription	91.00	100.00	e	9.00
289	Chapel	83.00	90.00	i	7.00
290	Searches	26.00	30.00	i	4.00
291	Transfer of Grant Ownership	62.00	70.00	e	8.00
292	Exhumation	actual cost	actual cost	e	n/a
293	Total Estimated Annual Income (Cemeteries)	130,000	140,000		10,000
294					
295	PARKS AND PLAYING FIELDS				
296	Hire of Sports Pitches				
297	- Football and Rugby				
298	per game or session				
299	adult rate	63.00	65.00	s	2.00
300	adult training rate	31.00	32.00	s	1.00
301	juniors rate	31.00	32.00	s	1.00
302	juniors training rate	15.00	16.00	s	1.00
303	Malling				
304	adult rate	45.00	46.00	s	1.00
305	adult training rate	20.00	21.00	s	1.00
306	juniors rate	20.00	21.00	s	1.00
307	juniors training rate	10.00	10.00	s	0.00
308	Telscombe minis	8.00	10.00	s	2.00
309					
310	Changing rooms only	33.00	34.00	s	1.00
311					
312	- Cricket				
313	grass day rate	66.00	68.00	s	2.00
314	grass evening rate	29.00	30.00	s	1.00
315	grass juniors rate	33.00	34.00	s	1.00
316	artificial day rate	50.00	52.00	s	2.00
317	artificial evening rate	22.00	23.00	s	1.00
318	artificial juniors rate	25.00	26.00	s	1.00
319					
320	changing rooms only	36.00	37.00	s	1.00
321					
322	- Stoolball				
323	day rate	45.00	46.00	s	1.00
324	evening rate	23.00	24.00	s	1.00
325	- Bowling				
326	season ticket				
327	- adult	112.00	115.00	s	3.00
328	- junior	56.00	58.00	s	2.00
	- concessions	75.00	77.00	s	2.00

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity		2018/2019 Current charge £pence	2019/2020 Proposed charge £pence	VAT	Increase £pence
329					
330	per hour per person				
331	- adult	2.00	2.10	s	0.10
332	- juniors and concessions	1.60	1.70	s	0.10
333					
334	visiting teams per rink	13.00	14.00	s	1.00
335					
336	- Croquet				
337	croquet field	16.00	17.00	s	1.00
338	Hire of Open Spaces				
339	- Commercial Organisations				
340	small event - per day	650.00	670.00	e	20.00
341	small event - half day (maximum 4 hours)	0.00	335.00	e	335.00
342	medium event - per day	1,200.00	1,250.00	e	50.00
343	medium event - half day (maximum 4 hours)	0.00	625.00	e	625.00
344	large event - per day	negotiable	negotiable	e	n/a
345	Fitness / Exercise classes per hour (4+ persons)	-	55.00	e	55.00
346	- Not For Profit Organisations (per day)				
347	Within District - up to 100% discount	free	free		0.00
348	Outside District - discounts from 0% - 50% on commercial fees shown above				
349	Abseil events - Charity fundraising	free	free		0.00
350	Total Estimated Annual Income (Parks & Open Spaces)	50,000	50,000		0
351	WASTE COLLECTION				
352	Domestic				
353	Bulky waste				
354	5 items or 10 bags	55.00	60.00	e	5.00
355	10 items or 20 bags	85.00	90.00	e	5.00
356	Pianos	95.00	100.00	e	5.00
357					
358	Fridges and freezers	40.00	45.00	e	5.00
359	All other domestic charges by application				
360	Prescribed household				
361	Clinical waste				
362	in multiples of 10 bags and labels	35.00	38.00	s	3.00
363	Other				
364	Dog bin emptying				
365	on street collections (per bin)				
366	- single compartment dog waste	6.00	6.50	s	0.50
367	- single compartment litter and dog waste	1.74	2.00	s	0.26
368	- separate compartments litter and dog waste	3.48	4.00	s	0.52
369	- single compartment litter	1.75	2.00	s	0.25

Lewes District Council Fees and Charges Proposals 2019/2020

By Service and Activity		2018/2019 Current charge £pence	2019/2020 Proposed charge £pence	VAT	Increase £pence
370	- single compartment dog waste on street purchase (per bin)	278.98	300.00	s	21.02
371	- single compartment litter	468.00	490.00	s	22.00
372	- single compartment litter and dog waste	468.00	490.00	s	22.00
373					
374	- single compartment dog waste on street installation (per bin)	45.00	50.00	s	5.00
375	- single compartment litter	45.00	50.00	s	5.00
376	- single compartment litter and dog waste	45.00	50.00	s	5.00
377					
378	Box of refuse bags (360)	32.50	35.00	s	2.50
379	Box of refuse bags (1000)	88.50	95.00	s	6.50
380	Sharps 1-4 buckets each	12.95	13.50	s	0.55
381	Sharps 5 (large)	38.75	43.00	s	4.25
382	Dead animal removal minimum charge depending on size of animal	20.00	25.00	s	5.00
383					
384	140 wheelie bin	35.00	25.00	s	(10.00)
385	240 wheelie bin	47.50	30.00	s	(17.50)
386	770 euro bin	275.00	300.00	s	25.00
387	1000 euro bin	300.00	325.00	s	25.00
388					
389	Special events (per bin)	4.50	5.00	s	0.50
390	Charity events (per bin)	3.50	4.00	s	0.50
391					
392					
393	Green waste 10 bags	35.00	40.00	e	5.00
394	20 bags	55.00	60.00	e	5.00
395	30 bags	80.00	85.00	e	5.00
396					
397	Annual Green Waste Collection Service	70.00	70.00	e	0.00
398	- cancellation fee if within 14 days of bin delivery	10.00	10.00	e	0.00
399	Total Estimated Annual Income (Waste Collection excluding Commercial Trade Waste))	310,500	446,500		136,000
400					
401	Council Tax and Business Rates				
402	Recovery action Summons cost	52.50	52.50	e	0.00
403	Liability order	30.00	30.00	e	0.00
404	Total Estimated Annual Income (Council Tax and Business Rates)	180,000	210,000		30,000
405					
406	Legal Services				
407	An illustrative set of charges is listed below.				
408	Other charges by application and more complex transactions by negotiation				
409					
410	Section 106 agreement time spent x hourly rate	£540 minimum	£540 minimum	z	0.00
411	Lease time spent x hourly rate	£750-£2,500	£825-£2,750	s	75.00

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