

Cabinet

16 September 2019



Time and venue:

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

Membership:

Councillor Zoe Nicholson (Chair); Councillors James MacCleary (Vice-Chair) Matthew Bird, Julie Carr, Chris Collier, Johnny Denis, William Meyer, Emily O'Brien and Ruth O'Keeffe

Quorum: 4

Published: Friday, 6 September 2019

Agenda

1 Minutes of the meeting held on 1 July 2019 (Pages 5 - 16)

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 Seaford Health Hub - scheme progress (Pages 17 - 20)

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

9 Contingency planning for no-deal Brexit (Pages 21 - 32)

Report of Assistant Director for Corporate Governance
Lead Cabinet member: Councillor Zoe Nicholson

10 Finance update - Provisional outturn 2018/19 and performance quarter 1 2019-20 (Pages 33 - 46)

Report of Chief Finance Officer
Lead Cabinet member: Councillor Zoe Nicholson

11 Portfolio progress and performance report quarter 1 - 2019-2020 (Pages 47 - 66)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Chris Collier

12 Treasury management report (Pages 67 - 98)

Report of Chief Finance Officer
Lead Cabinet member: Councillor Zoe Nicholson

13 Wave Leisure Trust - Lewes District Council Contract Annual Review 2018/19 (Pages 99 - 152)

Report of Director of Tourism and Enterprise
Lead Cabinet member: Councillor Ruth O'Keeffe

14 Newhaven Fort (Pages 153 - 156)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Ruth O'Keeffe

15 Affordable workspace review (Pages 157 - 168)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor James MacCleary

16 Climate emergency (Pages 169 - 174)

Report of Director of Regeneration and Planning
Lead Cabinet member: Councillor Matthew Bird

Information for the public

Accessibility: Please note that the venue for this meeting is wheelchair accessible and has an induction loop to help people who are hearing impaired. This agenda and accompanying reports are published on the Council's website in PDF format which means you can use the "read out loud" facility of Adobe Acrobat Reader.

Filming/Recording: This meeting may be filmed, recorded or broadcast by any person or organisation. Anyone wishing to film or record must notify the Chair prior to the start of the meeting. Members of the public attending the meeting are deemed to have consented to be filmed or recorded, as liability for this is not within the Council's control.

Public participation: Please contact Democratic Services (see end of agenda) for the relevant deadlines for registering to speak on a matter which is listed on the agenda if applicable.

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

For any further queries regarding this agenda or notification of apologies please contact Democratic Services.

Email: committees@lewes-eastbourne.gov.uk

Telephone: 01273 471600

Website: <http://www.lewes-eastbourne.gov.uk/>



modern.gov app available

View upcoming public committee documents on your [iPad](#) or [Android Device](#) with the free modern.gov app.



Cabinet

Minutes of meeting held in Ditchling Room at Southover House, Southover Road, Lewes, BN7 1AB on 1 July 2019 at 2.30 pm

Present:

Councillor Isabelle Linington (Chair)

Councillors Phil Davis, Tom Jones, Jim Lord and Ron Maskell

Officers in attendance:

Robert Cottrill (Chief Executive), Ian Fitzpatrick (Deputy Chief Executive and Director of Regeneration and Planning), Philip Evans (Director of Tourism & Enterprise), Tim Whelan (Director of Service Delivery), Becky Cooke (Assistant Director for Human Resources and Transformation), Peter Finnis (Assistant Director for Corporate Governance), Catherine Knight (Assistant Director of Legal and Democratic Services), Simon Russell (Committee and Civic Services Manager)

Bryn Mabey (Customer, Communications and Engagement Lead), Brian Mew (Interim Deputy Chief Finance Officer), Peter Sharp (Head of Regeneration) and Tondra Thom (Planning Policy Lead)

Also in attendance:

Councillors Robert Banks, Johnny Denis (Chair of Scrutiny Committee), Stephen Gauntlett (Chair of Audit and Standards Committee), Zoe Nicholson (Leader of the Green Group), Emily O'Brien and Steve Saunders (Joint Leader of the Independent Group),

Mr John Langley (Tenants' Representative)

7 Minutes of the meeting held on 10 June 2019

The minutes of the meeting held on 10 June 2019 were submitted and approved and the Chair was authorised to sign them as a correct record.

8 Apologies for absence

Apologies for absence were reported from Councillors Boorman and Miller.

9 Declarations of interest

Councillor Davis declared a prejudicial interest in agenda item 15 (Lewes District Local Plan Part 2 - Publication of main modifications for consultation) and withdrew from the room whilst the item was considered.

Visiting member, Councillor Saunders declared a personal interest in agenda item 19 (Waiver of Contract Procedure Rules - 3G All-Weather Pitch Surface Replacement, Downs Leisure Centre) and remained in the room whilst the item was considered.

10 Portfolio progress and performance report quarter 4 - 2018-2019

The Cabinet considered the report of the Director of Regeneration and Planning considering the Council's progress and performance in respect of key projects and targets for the fourth quarter of the year (January to March 2019) and annual out-turn as shown at appendix 1 to the report.

Good news for the quarter and annual out-turn included new bungalows delivered in Peacehaven as part of the modular accommodation project, series of high profile event events associated with Vote 100, implementation of co-mingled recycling and single-use plastics project. 14 of the 18 key projects were on track. Further details were contained in the report.

Issues during the quarter four period where targets had been missed included emergency accommodation figures, time taken to re-let housing accommodation and call answering times. Intervention work had taken place and improvements had been made in those areas. Further commentary was detailed in the report.

Visiting member, Councillor Denis, Chair of Scrutiny Committee addressed the Cabinet and outlined the comments of Scrutiny Committee at its meeting on 27 June 2019. In response to a question about waste collection staff sickness figures, it was advised that future quarters would include a comparison between Eastbourne and Lewes.

It was also confirmed that in terms of Newhaven Enterprise Zone, there would be no impact on the project or any current programmes due to the transition to South East Local Enterprise Partnership (LEP). This follows the implementation of central government's requirement that there would be no overlapping LEP boundaries. Successful negotiations had taken place between Coast to Capital LEP and South East LEP over a two year period of transition.

The Cabinet agreed that the performance and project measures detailed at appendix 2 to the report were not final and would be subject to review and amendments at a future date.

The Director of Service Delivery advised that performance on the number of days taken to process new housing/council tax benefit claims was on target

for the first few months of 2019/20, building on the tremendous improvement since quarter two of 2018/19 period. Addressing the call answering times, the Director of Service Delivery added that the Customer Contact Team were now fully resourced and on a current trajectory to match the target associated with the relevant key performance indicators. These were in response to questions by visiting member, Councillor Nicholson.

In response to a question from visiting member, Councillor Banks on the local knowledge of the Customer Advisors when answering calls, the Director of Service Delivery confirmed that a report could be run that could identify how many calls were responded to and resolved without the customer being transferred to another officer.

Visiting member, Councillor Saunders remained concerned about the call answering times and automated messages. He suggested that improvements could be made to the options for customers who call the main Council number.

Resolved (Non-key decision):

(1) To note progress and performance for quarter 4 as well as the overall performance for 2018/19 and to note the comments made by the Scrutiny Committee at its meeting on 27 June 2019.

(2) To agree the 2019/20 performance measures.

Reason for decisions:

To enable Cabinet to consider specific aspects of the Council's progress and performance.

11 Finance update - performance quarter 4 - 2018-2019

The Chair reported that the finance update report for quarter 4 would now be considered at the next meeting on 11 September 2019.

12 Financial procedure rules

The Cabinet considered the report of the Chief Finance Officer presenting updated financial procedure rules.

Ahead of its submission to Full Council, the updated rules would be considered by the Audit and Standards Committee on 16 July 2019 and would include an appendix that would detail the changes made.

Recommended to Council (Budget and policy framework):

To review the draft Financial Procedure Rules before they are submitted to Council for approval.

Reason for decision:

It is the duty of the Chief Finance Officer (CFO) to maintain an up to date set of Financial Procedure Rules to ensure the Council has effective governance of finances in place.

13 Medium term financial strategy

The Cabinet considered the report of the Chief Finance Officer providing an update on the process and approach to the Council's Medium Term Financial Strategy for the period 2019/20 to 2024/25.

Resolved (Key decision):

To note the background to the medium term financial strategy for 2019/20 and approve the approach outlined in the report.

Reason for decision:

To progress the medium term financial strategy process and to update Cabinet on the background to this.

14 Update on tourism activities for Lewes District

The Cabinet considered the report of the Director of Tourism and Enterprise updating them on the progress of the Strategic Tourism Vision and Action Plan (2018 to 2021) and activities that had taken place in 2018-19.

The report was in response to a request from the Chair of Audit and Standards Committee in December 2018.

In response to a question regarding how the tourism data was collected, the Director of Tourism and Enterprise reported that a new data collection method called "T-Stats" had been commissioned. This method would provide greater accuracy and timely visitor statistics when interpreting local and national tourism data.

A further update was given on the sustainability initiatives contained within the tourism strategy such as the promotion of local public transport provision and encouragement of visitors to not use their cars to explore the area but to walk, cycle and use buses and trains as part of a more enjoyable experience. As Lewes was now part of the Biosphere Project, this would explore ways to develop tourism in sensitive natural areas that might otherwise be under threat through attracting more visitors. Work is also underway with national and international partners to improve visitor management policies that could mitigate the damage that could occur through tourism.

Visiting member Councillor Gauntlett, clarified in response to a comment by visiting member Councillor Saunders that in his capacity as Chair of the

Council, a written reference was submitted in support of Egrets Way grant application to the South Downs National Park Authority.

It was clarified that whilst the Visit Lewes website was currently only available in English, a translation system was available at the Tourist Information Centre. Further accessibility improvements would be made to the site over time.

Resolved (Non-key decision):

(1) To approve continued implementation of the Strategic Tourism Vision and Action Plan (2018-2021).

(2) To approve the activities carried out to date.

Reason for decisions:

To build on the success of the former three year Strategic Tourism Vision and Action Plan (2015-2018), the 2018-2021 Plan has been implemented for its first year, including a range of new activities supported by additional funding of £100K pa.

15 Recommendations from Climate Action Group

The Cabinet considered the report of the Director of Service Delivery regarding the role of the Climate Action Group. The Group was formed to “conduct a review of council services with regards to climate change adaptation and mitigation” following a resolution to that effect at the Full Council meeting on 26 November 2018. The report outlined the recommendations made by the Group.

Visiting member, Councillor Nicholson commended the report as a good start to tackling the issues of climate change. She suggested that steps be taken to ensure that the recommendations were SMART (Smart Measurable, Assignable, Relevant, Time-based). The Chief Executive advised that before a report was considered by Scrutiny Committee, the recommendations made by the Climate Action Group would be analysed in greater detail to identify how they could be measured and potential to influence external organisations. Greater detail around the anti-idling campaign would also be part of the report to Scrutiny Committee.

Following a suggestion by visiting member, Councillor Denis, it was unanimously agreed to amend the wording of resolution three and this was reflected below.

Resolved (Key decision):

(1) To agree the proposed recommendations set out at appendix one to the report.

(2) To agree funding of £5,000 for the provision of a drinking water tap at Lewes skate park subject to final design being signed off by the Leader of the Council.

(3) To request that the Scrutiny Committee set up a Panel to scrutinise the implementation of the recommendations set out at appendix one to the report.

Reasons for decisions:

(1) The remit of the Climate Action Group was to make recommendations for climate change mitigation and adaptation at Lewes District Council, as resolved at Full Council on 26 November 2018.

(2) It was agreed that recommendations would go forward to Cabinet. Detail of the recommendations was included at appendix one to the report.

16 Housing finance for short term lettings development

The Cabinet considered the report of the Director of Regeneration and Planning seeking their approval for spending “Right to Buy Receipts” on a development scheme to provide 13 flats to meet the Council’s need for access to short term lettings.

Visiting member, Councillor Saunders, addressed the Cabinet and raised concerns about the suitability of the site and financially best value for money. It was requested that the development be considered at a future meeting of the Scrutiny Committee.

In response to a question from visiting member, Councillor Nicholson, the Director of Regeneration and Planning stated that the cost of the scheme reflected the site and the units installed, whilst used for temporary accommodation would be there long term. The scheme would result in direct financial savings to the Council (avoiding the cost of expensive B&B accommodation) and provide social cost savings to the individuals concerned.

Resolved (Key decision):

(1) To approve an increase in the General Fund Capital Programme budget for the scheme from £2.2m to £2.9m, with the additional £700,000 to be funded from Right to Buy Receipts.

(2) To report an amendment to a waiver previously approved to the Contract Procurement Rules (CPR), as set out in paragraph. 2.4.1(a) of CPR to allow the direct selection of a main contractor, due to the bespoke nature of the product required and time restrictions.

Reasons for decisions:

(1) In October 2018 Cabinet approved a report to spend up to £2.2m on the development of housing for temporary accommodation, following on from a £2.2m budget amendment in February 2018 at a Full Council meeting. The budget amendment was made on the basis of an appraisal for a scheme built on a flat empty site, with no specific investment in sustainability or reducing the environmental impact.

(2) The October 2018 report included a waiver to the Contract Procedure Rules (CPR) to directly select an appropriate modular housing contractor. Although the approved contractor is still due to deliver the scheme, a ground works contractor has been added to the waiver, by the Director of Regeneration and Planning in consultation with the Leader of the Council under CPR 2.4.1b.

17 Lewes District Local Plan Part 2 - Publication of main modifications for consultation

The Cabinet considered the report of the Director of Regeneration and Planning seeking their approval to publish the main modifications to the Local Plan Part 2: Site Allocations and Development Management Policies for a consultation period of 6 weeks.

The report authors were praised for their work in constructing the report and outlining the main modifications in a clear and concise way.

Councillors and local residents were urged to submit their individual representations to the Examination Inspector during the statutory six week consultation period. The Inspector's final report would be submitted to Full Council later in the year.

In response to a question from visiting member, Councillor Banks, the Planning Policy Manager confirmed that no "views" had been received from the Inspector and the only email correspondence had been through an impartial officer. Councillor Banks also requested that his concerns over the GT01 site on sustainability and planning grounds be noted.

In response to a question from visiting member, Councillor O'Brien about community engagement, the Director of Regeneration and Planning welcomed any views as part of the debrief at the conclusion of this process, to assist in identifying any adjustments required to achieve the best possible public engagement and response for future consultations.

Councillor Davis declared a prejudicial interest in this item and withdrew from the room whilst the item was considered.

Resolved (Key decision):

- (1) To publish the main modifications to Local Plan Part 2 (Appendix 1 of the report) and associated sustainability appraisal for a period of six weeks to enable public representations to be made;
- (2) To authorise the Director of Regeneration and Planning to submit the main modifications, together with any duly made representations, to the Examination Inspector following the consultation period;
- (3) To authorise the Director of Regeneration and Planning, in consultation with the Cabinet Member for Planning, to agree any minor modifications to the Local Plan Part 2 in order to aid its practical application for decision-making.

Reason for decisions:

To ensure that the concerns of the Examination Inspector are addressed so that the Local Plan Part 2 can be progressed towards adoption as soon as possible, thereby supporting the implementation and delivery of the Local Plan Part 1: Joint Core Strategy.

18 Greater Brighton Economic Board - Admission of New Member to the Board

The Cabinet considered the report of the Director of Regeneration and Planning seeking their approval for Arun District Council to become a member of the Greater Brighton Economic Board.

Resolved (Key decision):

- (1) To ratify the appointment of Arun District Council to the Greater Brighton Economic Board (GBEB) and Greater Brighton Economic Joint Committee (GBEJC), subject to formal agreement of Arun District Council.
- (2) To note that Arun District Council's appointment is dependent on all the local authorities represented on the Board approving its appointment.
- (3) To agree other proposed changes within the Heads of Terms of the Greater Brighton Economic Board as detailed in paragraph 2.16 of the report.

Reasons for decisions:

- (1) The Greater Brighton Economic Board was founded in April 2014 as part of the Greater Brighton City Region's City Deal with Government.
- (2) The Board comprises the Greater Brighton Economic Joint Committee (GBEJC), on which the local authorities are represented; and the Greater Brighton Business Partnership (GBBP) on which the Coast to Capital Local Enterprise Partnership, business, university and further education sectors are situated.

19 Enabling the development of Community Assets - Market Tower, Lewes and 2 Fisher Street, Lewes

The Cabinet considered the report of the Director of Regeneration and Planning seeking a decision about the future of two assets within Lewes – Market Tower and 2 Fisher Street and to outline the rationale for developing a Community Assets Policy for the Council.

A report would be considered by Cabinet in autumn 2019, outlining a community asset policy and the Council's approach to future decisions about community assets as it progressed the Asset Challenge process. The policy would provide flexibility to consider all options regarding assets and not just disposal.

In response to a question from visiting member, Councillor Nicholson, the Director of Regeneration and Planning confirmed that the resolutions below protected the assets detailed in the report against being sold for commercial use.

Resolved (Key decision):

(1) To agree in principle to the disposal of the freehold of Market Tower and 2 Fisher Street to Lewes Town Council.

(2) To delegate authority to the Director of Regeneration and Planning in consultation with the Chief Finance Officer and the Portfolio Holder for Regeneration and Growth to agree the final disposal terms subject to:

(i) a red book valuation undertaken by a qualified person for both assets, and

(ii) further legal due diligence and exploration of the potential for including restrictive covenants controlling the future use of the properties and overage clauses enabling the Council to share in any future increase in value in the properties realised after the properties have been sold.

The scope of the delegation to the Director to include the potential for disposal at an under value in accordance with circular 06/03 where it is considered that this would help to secure the promotion or improvement of the economic, social or environmental well-being of the Council's area.

(3) To authorise the Director of Regeneration and Planning, in consultation with the Chief Finance Officer and the Portfolio Holder for Regeneration and Growth to undertake all actions required to complete the disposal of the properties above including authorising completion of legal documentation.

(4) To note that a further report would be submitted to Cabinet in the autumn of 2019 setting out the Council's approach and policy towards community assets.

Reason for decisions:

To provide community groups and Town and Parish councils the ability to manage their own estate therefore enhancing the opportunity for them to achieve inward investment and development whilst relieving pressure on the Council's limited resource.

20 Exclusion of the public**Resolved:**

That the public be excluded from the remainder of the meeting as otherwise there was a likelihood of disclosure to them of exempt information as defined in schedule 12A of the Local Government Act 1972. The relevant paragraph of schedule 12A and a description of the exempt information is shown below. (The requisite notice having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

21 Waiver of Contract Procedure Rules - 3G All-Weather Pitch Surface Replacement, Downs Leisure Centre

The Cabinet considered the exempt report of the Director of Regeneration and Planning requesting a waiver of the contract procedure rules to allow the urgent replacement of the 3G all-weather pitch surface at Downs Leisure Centre.

Councillor Saunders declared a personal interest in this item and remained in the room whilst the item was considered.

Resolved (Key decision):

That Cabinet waive the requirement in the Council's Contract Procedure Rules to go out to tender. The reasons for the waiver are set out in paragraphs 1.1 to 1.4 of the exempt report.

Reason for decision:

To enable urgent replacement of the 3G all-weather pitch surface at Downs Leisure Centre.

Notes: (1) The report remained exempt. (2) Exempt information reasons 3 – information relating to the financial or business affairs of any particular person (including the authority holding that information).

The meeting ended at 3.49 pm

Councillor Isabelle Linington (Chair)

This page is intentionally left blank

Agenda Item 8

Report to:	Cabinet
Date:	16 September 2019
Title:	Seaford Health Hub – scheme progress
Report of:	Ian Fitzpatrick, Director of Regeneration and Planning
Cabinet member:	Councillor Zoe Nicholson, Leader of the Council
Ward(s):	Seaford North, Seaford South, Seaford East, Seaford West and Seaford Central
Purpose of report:	This report provides an update on progress in relation to the Seaford Health Hub and identifies key matters under consideration as the proposals evolve.
Decision type:	Non-Key
Officer recommendation(s):	To note the update on the Seaford Health Hub project and that a further report will be presented to Cabinet which will include a strategic, financial, technical and design review of the scheme once completed.
Reasons for recommendations:	To provide an update on the Seaford Health Hub actions to be taken in advance of a full business case being presented at a future Cabinet.
Contact Officer(s):	Name: Bev Lucas Post title: Regeneration Specialist / Project Manager E-mail: beverley.lucas@lewes-eastbourne.gov.uk Telephone number: 01273 085233

1 Introduction / Background

- 1.1 In 2017, the Council was approached by the two GP practices in Seaford (the Old School Surgery and Seaford Medical Practice) which were, and are, in urgent need of larger premises and modern facilities. The Council identified an opportunity, on land that it owns at The Downs Leisure Centre site, to develop a new 'health hub' which would support the future delivery of health services for the residents of Seaford.
- 1.2 The project feasibility and a capital allocation were made at previous Cabinets along with delegated authority to officers to progress the procurement of the scheme through the Council's Energy and Sustainability joint venture - Clear Sustainable Futures (CSF) to further test the feasibility and scheme business case.
- 1.3 The scheme is intended to deliver new premises for two GP practices (Old School Surgery and the Seaford Medical Practice) and East Sussex Healthcare NHS Trust (ESHT), new and shared space with the Downs (Wave) Leisure

Centre, a pharmacy and new facilities for the Over 60s' Club which is currently located at the site.

- 1.4 Early design work was carried out to develop high level ideas for the scheme in 2018 and two public exhibitions on draft site layouts, and the potential scale and massing of new buildings, were held in January 2019 at the Downs Leisure Centre. The consultation events provided an opportunity to understand residents' views, and any concerns about the scheme, at the earliest stage. The events were attended by over 1240 people. Concerns expressed by residents about the scheme included whether enough car parking would be provided at the new facility, bus links to the site, the potential negative impact on Seaford Town Centre footfall, concerns around possible traffic congestion, questioning the need for a retail unit at the site and loss of green space. Residents also welcomed opportunities for better, and more 'appropriate', spaces for the GPs and health services and for 'future-proofing' local health services, as well as opportunities for the two practices to work together with the leisure centre to promote better health.
- 1.5 In light of these comments, the Council is now working to develop more detailed proposals for the new health hub taking into account the consultation feedback received to date, at the same time as working through the economic case.
- 1.6 On 15th July 2019, Full Council received a petition titled 'Petition to stop the Development on the Downs Leisure Centre site. Save our Recreation Grounds, keep Doctors in Seaford Town'. The petition will be discussed at the Full Council meeting on 25th September 2019. The Council's Scrutiny Committee has established a working group to look at the proposals for the Downs site / the development of a Seaford Health Hub, and the issues raised by members of the Council, and to acknowledge and consider the petition received by Full Council.
- 1.7 The financial business case is currently being reviewed alongside the emerging designs / updated costs and will be reported to a future Cabinet meeting, at the same time as Cabinet decides whether the scheme should be progressed to the next stage. A site appraisal is also being carried out to investigate whether the site of the existing Seaford Medical Practice (Dane Road) and the adjacent car park, or other sites in Seaford Town Centre, could accommodate the requirements of the new health hub (which will also be included in the future report).

2 Update

- 2.1 The design team is working with the two GP practices, East Sussex Healthcare Trust and the NHS Eastbourne, Hailsham and Seaford Clinical Commissioning Group to ensure that the new facility meets their requirements in delivering future health services for Seaford residents. The team is also working closely with the Wave Leisure Trust, through regular design (user) meetings as the design progresses, as well as liaising with members of the Over 60s' club to ensure that any new facility meets their needs.
- 2.2 The CSF process has involved them engaging with construction company Kier who will support the development of the scheme and, should the Council decide

to progress the scheme, would construct the new health hub (and any other new buildings on the site such as new homes).

- 2.3 Specialist consultants have been appointed to the design / technical team to provide further insight into the opportunities for a new health hub at the site, along with the constraints and technical matters which all need to be taken into consideration.
- 2.4 Once the team has progressed the designs to RIBA Stage 2 (concept design), a full report will be presented at a future Cabinet meeting which sets out the draft proposals for the site and provides any associated updates to the scheme business and investment case. Should Cabinet approve delivery of the new health hub at that stage, the team will work to further develop the scheme designs. Public consultation will then be carried out on the detailed proposals before a planning application is submitted.

3 Outcome expected and performance management

- 3.1 Performance of the Seaford Health Hub project is monitored via the Council's corporate project monitoring programme, with additional oversight carried out by a Scrutiny Working Group reporting directly to the Council's Scrutiny Committee.

4 Consultation

- 4.1 Public exhibitions on draft layouts for the new health hub were held in January 2019. Feedback from the exhibitions has been summarised in a report which is available from the Council's website at lewes-eastbourne.gov.uk/SeafordHealthHub

Public consultation on the proposed scheme will take place in advance of any planning application being submitted.

5 Corporate plan and council policies

- 5.1 The Seaford Health Hub would support the objectives of the Council's Corporate Plan which includes securing infrastructure improvements to support new and existing homes in the District, and working with health partners to help people to maintain their health and wellbeing, and healthy and active lifestyles.

The Council's investment in the scheme will meet the objectives set out in its Corporate Asset Management Plan 2017 to 2020.

6 Financial appraisal

- 6.1 A financial appraisal formed part of the original business case and was reported to Cabinet in September 2018. This appraisal will be updated as part of the scheme business case. A total of £18,700,000 has been allocated for the project in the capital programme which is subject to review, pending the outcomes of the business case that will be presented to a future Cabinet.

7 Legal implications

- 7.1 The prospective tenants of the health hub will need to enter into Agreements for Lease with the Council prior to the submission of a planning application.

PWB 6565 20/8/19

8 Risk management implications

- 8.1 The Council continues to work with health bodies, and the Wave Leisure Trust, to develop the proposals for the new Seaford Health Hub. Officers continue to engage with joint venture partners via the Clear Sustainable Futures framework to minimise the risks to the Council at this stage of the project. A project risk register has been developed.

9 Equality analysis

- 9.1 A relevance assessment has been completed and concluded that a full Equality and Fairness Analysis is required. This analysis is underway alongside the development of the draft proposals. It will be reported to Cabinet at a future meeting, in advance of any planning application, and in consultation with stakeholder groups.

10.0 Sustainability implications

- 10.1 The emerging design proposals for The Downs site will respond to the Council's Sustainability Policy 2019 and sustainability checklist for new projects, as well as demonstrating how they help to meet the Council's commitment to meeting zero carbon by 2030 and meeting the requirements set out in the Lewes District Local Plan: Joint Core Strategy 2010-2030. The Council has declared a Climate Change Emergency and this project must meet high sustainability requirements in order to proceed.

Agenda Item 9

Report to:	Cabinet
Date:	16 September 2019
Title:	Contingency Planning for a No-Deal Brexit
Report of:	Peter Finnis, Assistant Director for Corporate Governance
Cabinet member:	Councillor Zoe Nicholson, Leader of the Council
Ward(s):	All, but in particular those in and around Newhaven
Purpose of report:	To brief Cabinet on the Council's preparedness for a no-deal Brexit
Decision type:	Non-key
Officer recommendation(s):	That Cabinet note– (1) the Council's preparations and readiness for the UK leaving the EU without a formal agreement or transition period; and (2) East Sussex County Council's statement at paragraph 3.8 on traffic issues at Newhaven Port under a no-deal Brexit scenario.
Reasons for recommendations:	Local government should be prepared to leave the EU by the end of October, and the Council has both a general role to play and a specific responsibility as the Newhaven Port Health Authority.
Contact Officer(s):	Peter Finnis, Assistant Director for Corporate Services peter.finnis@lewes-eastbourne.gov.uk Tel: (01323) 415003 Ed Hele, Functional Lead (Quality Environment) ed.hele@lewes-eastbourne.gov.uk Tel: (01323) 415014 Oliver Dixon, Senior Lawyer oliver.dixon@lewes-eastbourne.gov.uk Tel: (01323) 415881

1 Introduction

- 1.1 This is an update to the report considered by Cabinet on 11 February 2019 on the strategic implications for Lewes District Council ('the Council') of the UK leaving the European Union. There is a link to that report at the end of this

document.

- 1.2 This update considers:
- the national position as at 4 September 2019 – see paragraph 2;
 - government funding to local authorities, including this Council, for Brexit preparations – see paragraphs 3.1-3.2 and 3.4-3.5;
 - regional planning activity across East Sussex and the South East – see paragraphs 3.3 and 3.6;
 - the situation at Newhaven Port, with particular regard to the Council's role as port health authority – see Appendix 1; and
 - the emergency planning system and its relevance under Brexit – see Appendix 2

2 National Context

2.1 Subsequent to the previous Brexit report to Cabinet, the UK government reached agreement with the EU over a seven-month extension to the Article 50 process, meaning a revised 'exit date' of 31 October 2019.

2.2 The Government's stated preference is to leave the EU with a deal, i.e. on the basis of the Withdrawal Agreement already drafted but with amendments acceptable to both parties and subsequently ratified by Parliament. However, despite the Prime Minister's hopes of renegotiating that Agreement, leaving without a deal now looks a distinct possibility and the Government is planning intensively for this outcome.

2.3 The principal reasons making an agreed withdrawal unlikely are as follows.

- (i) The EU has consistently said it would be unwilling to renegotiate the Withdrawal Agreement. While it is engaging in discussions and may be open to smaller technical changes, it looks extremely unlikely to accept the Prime Minister's key request of removing the Northern Irish 'backstop' from the deal.
- (ii) There is very little time left. Even if the EU was willing to negotiate the changes requested by the PM, the time to achieve this before the European Council meeting on 17-18 October, followed by ratification and the passage of the necessary legislation through Parliament, makes the 31 October deadline very challenging.

There is very limited capacity to block a no-deal before Parliament is prorogued on a day between 9 and 12 September. Once MPs return, there will be only six sitting dates between the final votes on the Queen's Speech (on 22 October) and 31 October in which to stop a no-deal.

N.B. If the situation at Westminster changes significantly between the time of writing (3 September) and the Cabinet meeting on 16 September, officers will provide a verbal update.

2.4 If the UK and EU do not conclude a withdrawal agreement by 31 October, if there is no further extension of the Article 50 period and the Article 50 withdrawal notice is not revoked, the UK will still leave the EU, but without an agreement to govern the terms of withdrawal, and with no transition period.

2.5 At national level, the consequences of no deal include the following:

- UK entities would no longer be eligible to receive EU funding for projects under EU programmes, although the government has given a guarantee to continue funding such projects under a no-deal scenario
- The UK will no longer be part of the EU's single market and customs union; the four freedoms (the free movement of people, goods, services and capital) will no longer apply; and there will no longer be mutual recognition of professional qualifications and regulatory frameworks.
- UK-EU trade in goods and services will take place under the EU rules that apply to non-EEA countries, and any applicable national laws and national practices of member states, with the World Trade Organisation (WTO) rules and WTO schedules setting the baseline for access. Tariffs will apply.
- Continuity in the UK's trade with non-EU countries will depend on the government rolling over all the EU's existing trade agreements (and trade-related agreements) by exit day. The WTO rules and the WTO schedules set out the default position in the absence of any more preferential trade agreements or transitional arrangements.

3 Planning and funding at local authority level

3.1 The Ministry of Housing, Communities and Local Government (MHCLG) sees local government as critical in delivering a successful Brexit. In January 2019, it announced funding of £35k for each district council over the period 2018/19 to 2019/20, to “prepare for an orderly exit from the EU and do appropriate emergency planning.” The Council is using these payments to fund (a) the preparations and contingency planning associated with port health responsibilities at Newhaven, and (b) the Council’s participation in Brexit emergency planning work by the Sussex Resilience Forum.

3.2 MHCLG promised a further £1.5m in 2018/19 to local authorities “facing immediate impacts from local ports”, but the Council did not qualify for an allocation.

3.3 To support the planning activity, a network of nine local authority chief executives from across England has been established. For the South East it is Becky Shaw, the Chief Exec of East Sussex County Council. Their role is to engage with councils in their region, to share information on preparations to support an orderly exit. This has included participating in four no-deal task and finish groups set up by the Ministry of Housing, Communities and Local Government, with appropriate representation from across the South East. The groups are:

- (i) Transport and Planning related to Port Disruption
- (ii) Business Support (particularly for SMEs)
- (iii) Support for the EU Settlement Scheme
- (iv) Regulatory Services (including port health)

The first meeting of the Regulatory Services group took place at the end of July, and identified the short-term costs associated with no-deal preparations as:

- volume of work, e.g. changes to the flow of goods, advice to businesses
- potential changes to risk profiles
- new processes and systems, including staff training.

The group's comments were referred to MHCLG, to assist them with a briefing on possible funding.

- 3.4 In August 2019, MHCLG committed an additional £20m of Brexit funding for councils in England, to support a range of activity "including communications, training and the recruitment of staff." We have established that the allocation to district councils will be £17.5k each. At the time of writing, these particular funds have yet to be received.
- 3.5 In addition, Sussex (and indirectly LDC) should benefit from a share of the £4m government grant just announced for England's Local Resilience Forums. On a pro rata basis, the Sussex LRF should receive £105k out of this pot.
- 3.6 Also in August, MHCLG asked each council to designate a Brexit lead "to work with central government and oversee teams in every community who will work with stakeholders in their area to plan intensively for Brexit." Collectively, the Chief Executives of councils across East Sussex have decided that the CEOs will assume this role.
- 3.7 The Government has produced, and continues to update, guidance to local government on preparing for Brexit. For LDC, the two most important sets of guidance are those on (1) Regulatory Services and (2) Contingency Planning. The Regulatory Services set includes guidance on issues relevant to the council's role as port health authority for Newhaven Port, such as importing animals, animal-products and high risk food and feed not of animal origin.
- 3.8 As highways authority, East Sussex County Council has provided the following statement on the traffic situation at Newhaven Port in a no-deal Brexit scenario:

"The Sussex Resilience Forum (SRF) wrote to the Department for Transport (DfT) in March 2019 regarding the perceived risk of traffic congestion around Newhaven, and the DfT assessment was there would not be significant disruption at the port as a direct result of a potential no-deal Brexit. In August the SRF wrote to the DfT for an up to date clarification on the national assumptions surrounding Newhaven Port. We await a response from the DfT."

4 Contingency Planning as Newhaven Port Health Authority

- 4.1 A briefing on the Council's role as Newhaven Port Health Authority and how it is planning for the impact of a no-deal Brexit is provided at Appendix 1.

5 Emergency Planning Arrangements

- 5.1 A briefing on the Council's emergency planning responsibilities and how they apply in a Brexit no-deal scenario is provided at Appendix 2.

6 Consultation

- 6.1 The Council's port health preparations for Brexit have been conducted on a partnership basis, working alongside all the bodies with responsibilities for operations at Newhaven Port and its access routes.

Similarly, the Council's emergency planning arrangements are developed on a county-wide basis as a member of the Sussex Resilience Forum.

7 Financial appraisal

- 7.1 The funding arrangements mentioned in paragraph 3.1 above reflect the Secretary of State's announcement in January 2019 of a funding package of £58m to support local authorities in their preparations for the UK leaving the EU. This included an allocation of £40m to be distributed between all local authorities in England, split across 2018-19 and 2019-20.
- 7.2 Whilst this funding is not ring-fenced, the expectation is the funding will be used to enhance capacity and capability within local authorities in making preparations for exiting the European Union. To date, the total amount received is £34,968.

8 Legal implications

- 8.1 Government departments have prepared a large number of statutory instruments which, when implemented, will amend existing regulations so as to make them work effectively under domestic law once the UK is outside the EU. The date of implementation will depend on the nature of the UK's departure, since leaving with a deal involving a transition period would allow the new legislation to be brought into force on a structured timetable. Leaving without a deal would mean the new regulations coming into force on or as soon as practicable after 31 October.

The Council's lawyers will advise on the implications of any revised legislation that affect council operations, as when it comes into effect. However, at this stage no particular legal problems are anticipated at local level, whether Brexit occurs with or without a deal.

Lawyer consulted 03.09.19

Legal ref: 007967-JOINT-OD

9 Risk management implications

9.1 The Council is responsible for managing risks associated with Newhaven port health operations. A description of these risks and how the council is mitigating their potential impact is included in Appendix 1.

10 Appendices

- Appendix 1 – Newhaven Port Health Authority preparations for Brexit
- Appendix 2 – Emergency Planning arrangements for Brexit

11 Background papers

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

- Brexit report to Cabinet, dated 11 February 2019
<https://democracy.lewes-eastbourne.gov.uk/documents/s9395/Strategic%20Implications%20of%20the%20Council%20of%20the%20UK%20leaving%20the%20European%20Union.pdf>
- Local government preparedness for Brexit (Government guidance) -
<https://www.gov.uk/guidance/local-government-brexit-preparedness#regulatory-services>
- 'Preparing for a Brexit No Deal (July 2019)', published by The Institute for Government -
https://www.instituteforgovernment.org.uk/sites/default/files/publications/preparing-brexit-no-deal-final_0.pdf

Appendix 1

Title: EU Exit Newhaven Port Health Update Date: 2 September 2019

Author: Ed Hele, Functional Lead – Quality Environment

Background

The UK is due to exit the EU on 31 October, and leaving the EU Customs Union and Single Market means that without some form of agreement goods travelling to and from Europe will be subject to new authorisations and controls. A no deal scenario is one where the UK leaves the EU and becomes a third country at 11pm GMT on 31st October 2019 without a Withdrawal Agreement and framework for a future relationship in place between the UK and the EU.

Lewes District Council is also the Newhaven Port Health Authority which has a responsibility for Port Health Controls including food safety law enforcement and infectious disease control. Under the existing controls the work is limited to checking manifests electronically and quarterly visits and inspections at the Port of Newhaven with Roll On Roll Off (RORO) cargo entering the UK. At the current time it is mainly low risk food and as the majority of food entering via the port originates from the EU very few controls are necessary.

Throughout the 70's and 80's there was a daily presence at Newhaven Port by Newhaven Port Health Authority and there were offices, meat inspectors and officers present to oversee food coming into the UK. Since the mid 90's the requirement to undertake checks reduced to a point where only quarterly physical checks and daily manifest checks are undertaken. Newhaven is not a designated Border Inspection Post but exactly what will be expected at Newhaven Port is currently unknown and it would be advisable to plan for the worst case scenario. The Port of Dieppe has applied to become a Border Inspection Post (BIP) as it is likely the EU sanctions for goods entering the EU will be greater than those coming from the EU and entering the UK.

Officers have attended Newhaven Port Emergency Planning Meetings chaired by the County Council. These considered all impacts from the EU-Exit and were attended by Border Force, Sussex Police, Trading Standards, Environmental Health, Port Health, Highways, East Sussex Fire and Rescue, Newhaven Port and Properties, DFDS and Emergency Planning to consider impacts both at a strategic and tactical level.

Impact

At the current time there is an increased risk of a no-deal EU Exit and this will have implications for our Environmental Health team. Information from government agencies at the current time indicates that the actual food hygiene risk is not likely to change but there may be enhanced documentation and physical checks.

A specific vessel is required to load and offload at Newhaven and Dieppe and at the current time it is thought that there are only 2 vessels capable of undertaking this 4

hour crossing. Crossings arrive in Newhaven at approx. 08.30 and 21.00 hours in winter and 04.00, 15.30 and 21.00 in the summer. Theoretically a ferry could arrive every 2 hours at Newhaven but it is thought that this is extremely unlikely. It is foreseeable that if there is significant demand then a total of 4 crossing per day could take place.

The nature of the food imported via Newhaven may change depending on difficulties at other Ports and may mean that higher risk products become more likely. We are not currently aware of any other company wishing to use the crossing or other vessels capable of being used for the crossing but have this under review.

Newhaven currently has the following number of crossings.

	1 st October – 30 th April	1 st May – 30 September	Port Running at Maximum crossings
Number of Ferry Arrivals	2	3	4
Average Number of HGV Vehicles	30 per ferry	20 per ferry	-
Peak Number of HGV Vehicles	50 per ferry	50 per ferry	200
Maximum Number of HGV Vehicles	102 per ferry	102 per ferry	408 per day

Transport Network – We assume France and other Member States will treat the UK as a 3rd country and apply full controls. This will mean all freight and motorists entering France from Newhaven, Dover and Eurotunnel will be subject to customs clearance and full Schengen controls. The French will have IT systems and infrastructure in place to manage and process customs declarations, however there is limited space in the French ports to hold freight that is not border ready. In order to transport goods into the EU in a ‘no deal’ or post-Brexit scenario, traders must be signed up to customs procedures.

The road network in and around Newhaven is fragile to manage an increase in traffic and lorries due to increased ferry crossings at the Port. At present the traffic movements to and from the town are totally dependent on the availability of the A26 trunk road. Alternative routes such as the C7, the B2123 (Falmer to Woodingdean) and Alfriston Road are unsuitable diversion routes. The A259 has a number of capacity constraints such as the Ring Road and Exceat Bridge, and suffers from congestion particularly at peak times. There is also an environmental weight restriction through Peacehaven which impedes its use as a lorry routing alternative to the A26. The effect of the swing bridge operation during peak hours and incidents or works on the A26 have from previous experience caused widespread disruption.

If there are additional delays at the Channel ports, especially in a No-Deal Brexit situation and the Operation Brock contingency plans at Dover/the Channel Tunnel are not working satisfactory, then there is a possibility that lorries may seek to transfer to other ports on the south coast, including Newhaven. As a consequence, this may put additional pressure on the lorry holding capacity that the Port currently has available.

The Highways Authority has identified a number of options in the event additional lorry stacking space is required. It is not anticipated that stacking will take place on the A27 or A26 and alternatives have been investigated. The County are aware of the expected issues and have responsibility for this as they would also need to consider welfare facilities for drivers in any stacking areas. It should be noted that experience from previous scenarios shows that trade would not choose longer and more expensive routes. Between October and May, the average number of lorries using the ferry is 30 per crossing.

Food Hygiene - The Food Standards Agency has advised that the risk to food importation will not change on day one and food that was imported on 31st October will have the same low risks attached to it on 1st November 2019. As such they do not foresee a significant impact on food imports. Food Hygiene Inspectors will need to respond to intelligence received of high risk foods entering the UK or should the nature of currently imported food at Newhaven change.

There is an increased need for Food Export Certificates to be created as the rules for food exports will change. Documentation will need to be created for any food products originating in the Lewes District with a European destination. Training has been provided and officers have obtained additional qualifications to undertake this work.

In the longer term the Port may become a designated port of entry for certain foodstuffs and legislation will continue to change and adapt to more formal controls as the implementation period comes to an end. Although it is not anticipated for significant food hygiene issues on day 1, it is unknown what this will be in the weeks and months ahead.

Port Health Risks

Risk	Mitigation
A more significant presence at the port likely to be required by qualified food inspectors possibly covering up to 4 crossings a day	Shift and rotas being explored. Contingency to have mutual aid or additional staff for food enforcement. Qualified officers supported by caseworkers.
Number of current qualified food inspectors is 4, increasing to 5 in October impact on other work	Shift and rotas being explored. Contingency to have mutual aid or additional staff for food enforcement. Qualified officers supported by caseworkers.
New Import Notification System (INS) required for import controls	Currently investigating whether we would need to access this
Requirement to undertake physical checks of high risk imported food 20% sample	Staff attended training and documents to be produced
Offices/IT currently in Port	Office provision is available in the newly refurbished Ferry Terminal
Food detention facilities at Port	Office provision is available in the newly refurbished Ferry Terminal. In addition facilities at

	Saxon House and Southover will be sought.
Refrigeration facilities at Port	Possible ability to share Border Force container
Export Certificates will need to be produced for unknown number of exporters no longer able to use EC mark	Staff attended training and documents to be produced
Take time away from other BAU activities	Backfill with qualified officers
Bigger impact of transit food stuffs originating outside EU	Staff attending training and documents to be produced
Facilities will require water, electricity and WIFI to allow temporary office	Facilities are available at the Ferry Terminal.

Other Council Risks

- Vehicle stacking on roads unlikely but if gridlock in town then Robinson Road, Avis Way, Incinerator access may be affected. Other impact on transfer stations.
- Possibility of Fuel shortages
- Spare parts for vehicle fleet shortage
- Need to utilise any council employee who has obtained Environmental Health Officers Registration Board accreditation (EHORB) possible secondment for port health duties.
- Lewes Bonfire is a high risk event that many Environmental Health Officers who would normally undertake food hygiene enforcement will be required to work. Should EU Exit prove more complex than anticipated then it may be necessary to seek mutual aid from neighbouring authorities.

Appendix 2

Emergency Planning and its Relevance to Brexit

All Unitary, County, District and Borough Councils are statutory category 1 responders under the Civil Contingencies Act 2004. Across Sussex these duties are undertaken with extensive partnership working. Essentially, these are the key elements involved in our current emergency planning arrangements:

- At strategic level, there is the Sussex Resilience Forum (SRF) which takes a Pan-Sussex approach and includes in its membership the Chief Executive officers of Sussex local authorities
- Lewes District Council (along with Eastbourne, Hastings and Wealden) source their operational needs from East Sussex County Council and form the East Sussex partnership (ESREP). Only Rother choose to operate outside this partnership. All partners are represented on the ESREP Board which meets quarterly to decide on strategic direction and operational needs
- As part of the ESREP arrangement we have access to a more joined-up approach in respect of planning and training. We are also part of a mutual aid agreement with neighbouring authorities to enable flexible deployment of the necessary resources in response to major incidents
- All Councils have overarching generic Emergency Response Plans which cover all their legislative responsibilities, and are viewable on Council websites
- Underpinning the overall generic plans are subsidiary plans covering the readiness and deployment of rest centres, set up and function of the emergency control centre, and high level potential risks, for example flood/coast protection plans
- In addition, bespoke emergency event plans are created for specific high risk events in particular areas, such as bonfire night in Lewes
- The Council's role is to work in partnership with other category 1 agencies such as the emergency services, in responding to major incidents
- In most emergency situations, the lead role is taken by the police. Specific Council responsibilities include strategic response at Gold/Silver level, and operational response at bronze level, such things as provision of rest centres, transport, catering, temporary accommodation, support to vulnerable people, road closures, liaison with utilities and other agencies, etc. Depending on the nature of the incident, the Council will have a significant and potentially prolonged role in respect of business continuity and recovery
- In order to provide this response, we have a wide range of staff at all levels trained as Gold, Silver and Bronze operatives. Corporate management team are also trained to perform at Gold levels
- We have a pool of senior officers trained as Incident Liaison Officers who rotate the 24/7 emergency call out function a week at a time

- Training exercises are frequently held both for strategic and operational staff. A recent desktop training exercise, facilitated by specialist trainers, was held in Lewes for senior staff, in respect of testing the revised emergency plan against an emergency scenario
- We also work closely with the emergency services and participate in joint training days and we are members of the Sussex Resilience Forum which is the strategic overview body and is the Pan-Sussex multi agency partnership of statutory responders, led by the Police and set up to work together to prepare, respond to and recover from emergencies and major incidents

It is important to understand the difference between Emergency Response Planning and Event Planning. The primary duty on local authorities to be ready and able to respond to an unforeseen emergency situation when it occurs, usually as a result of a request from the emergency services. Event planning, on the other hand, seeks to address a specific known forthcoming event/situation, identify the key risks and put mitigations in place.

Thus, the emergency planning role in respect of Brexit is to focus on those aspects that are most likely to have a particularly high risk in this area. As a result, the primary focus in terms of specifically focused planning has centred on the potential impact of Brexit on Newhaven Port.

Of course, there are potentially many aspects to Brexit which may cause emergency situations such as food and medicine shortages, stockpiling, public disorder, and the possibility of a snap general election and/or referendum.

Dealing with initial occurrence of an emergency is one thing. However, prolonged deployment of staff can then have a knock-on effect on our ability to continue to deliver core services. Then, depending on the nature of the emergency, there could be a prolonged and expensive recovery of the normal situation in the aftermath.

These are issues shared across the country and, for the most part, it is the duty of local authorities to be ready to respond to any emergency situation that may occur as a result of any of these or other issues and we are as confident as it is possible to be that we are prepared.

Body:	Cabinet
Date:	16th September 2019
Subject:	Finance update – Provisional Outturn 2018/19 and Performance Quarter 1 2019-20
Report of:	Homira Javadi, Chief Finance Officer
Cabinet member:	Councillor Zoe Nicholson, Leader of the Council
Ward(s):	All
Purpose of the report:	To update members on the Council’s 2018/19 outturn in advance of audit and the financial performance in Quarter 1 2019-20
Decision type:	Non Key
Recommendation:	Cabinet is recommended to <ol style="list-style-type: none">1. Agree the update on outturn 2018/192. Agree the General Fund financial performance for the quarter ended June 2019.3. Agree HRA financial performance for the quarter ended June 2019.4. Agree the amended capital programme as set out in Appendix 25. Agree the Treasury Management performance.
Reasons for recommendations:	To enable Cabinet members to consider specific aspects of the Council’s financial performance.
Contact:	Homira Javadi, Chief Finance Officer Tel: 01323 415512 or email Homira.Javadi@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, Housing Revenue Account, Capital Programme and Treasury Management activities are kept under continual review.

2.0 General Fund

2.1 2018/19 interim outturn (Subject to audit)

As previously advised, production of the Council's statutory accounts were delayed due to systems implementation issues. However, this work is now about to finalise and the Council's external auditors will commence their work in October.

This section provides Cabinet with an update regarding the financial position of the authority during 2018/19. Subject to audit, the outturn position for the year is expected to be in line with the overall approved budget

Department	Full Year Budget	Full Year Actual	Variance
	£'000	£'000	£'000
SUMMARY			
Corporate Services	5,422	4,846	(576)
Service Delivery	8,280	8,717	437
Regeneration, Planning & Assets	673	1,292	619
Tourism & Enterprise Services	672	626	(46)
Housing Revenue Account	(3,312)	(3,562)	(250)
Total Service Expenditure	11,735	11,919	184
Efficiency Savings	(700)	(500)	200
Capital Financing and Interest	-	9	9
Contributions to/(from) Reserves and allocation of contingencies	1,117	724	(393)
Net Expenditure	12,152	12,152	-

2.2 Q4 2018/19(Outturn) Update

During the financial year 2018/19, the Council experienced a considerable demand for its housing services and incurred additional costs for the provision of Temporary and Emergency Accommodation (TA/EA).

The Council has undertaken work to reduce the overall costs of TA/EA and to drive performance in the service through the realignment of work streams. The outcomes of this work will be reflected in the current fiscal year's financial performance.

The increased demand for services delayed delivery of some aspects of the planned transformation programme. However, the Council was able to mitigate some of the

increased costs associated with this with one-off government funding for homelessness. In addition, £1.1m of the transformational costs were met by use of flexible capital receipts in line with the Joint Transformation Programme.

The economic slowdown and uncertainty continued to place added pressure on net income from commercial properties by driving costs including business rate up and reducing income levels. Some of the key variances are listed below:

- unlet commercial property of £128k,
- a consequent income is shortfall of £184k, and
- additional expenditure of £307k on property being held pending redevelopment

The Council is carrying out a comprehensive review of its finances as part of the budget setting and Medium Term Financial planning process, which will include a review of its reserves and balances. This review will inform and revise the authority's future budget and service delivery plans.

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

Department	Full Year Budget	Profiled Budget	Actual to 30th June 2019	Variance to date
	£'000	£'000	£'000	£'000
SUMMARY				
Corporate Services	7,051	2,101	1,706	(395)
Service Delivery	8,557	2,097	2,215	118
Regeneration, Planning & Assets	431	128	184	56
Tourism & Enterprise Services	439	125	178	53
Recharges to the Housing Revenue Account	(3,235)	-	-	-
Total Service Expenditure	13,243	4,451	4,283	(168)
Efficiency Savings	(750)	(188)	-	188
Capital Financing and Interest	-	(45)	(12)	33
Contributions to/(from) Reserves	964	(150)	(150)	-
Net Expenditure	13,457	4,068	4,121	53

2.4 The position at the end of June shows a negative variance of £53k on net expenditure. At the time of preparing this report, further analysis was being carried out to examine the possibility of capitalising some or all of this variance. Key variances at 30 June included:

Service Priorities/Contingency – (to mitigate against loss of commercial income & increase in demand for services – including EA/TA)	(£486k)
Profiling of savings to meet additional demand for services	£188k
Waste and Recycling – Loss of recycling credits and fuel costs	£132k
Information Technology – Additional IT Contract cost	£95k
Planning Policy – Play Strategy, National Park Habitat regs	£72k
Newhaven Fort – Remedial works	<u>£52k</u>
	£53k

The amount held in the General Fund Uncommitted Reserve, which acts as a buffer against negative movements in the budget, is expected to remain at £2m at 31 March. The table below shows the projected movements in each Reserve in 2019-20 and the balance at the end of the year.

General Fund Reserves	Actual Balance at 1 April 2019	Contributions from General Fund Revenue Budget	Use for Capital and Revenue	Estimated Balance at 31 March 2020
	£'000	£'000	£'000	£'000
Earmarked				
Asset Management	(2,716)			(2,716)
Economic Regeneration	(1,124)			(1,124)
Revenue Grants and Contributions	(468)			(468)
Strategic Change	(1,969)		150	(1,819)
Vehicle and Equipment Replacement	(1,132)			(1,132)
Total Earmarked Reserves	(7,409)		150	(7,259)
General Fund Working Balance	(2,093)			(2,093)
Total Earmarked Reserves	(9,502)		150	(9,352)

3. Housing Revenue Account

3.1 HRA performance for the quarter is as follows:

	Current Budget	Profiled Budget	Actual to 30th June 2018	Variance to date
	£'000	£'000	£'000	£'000
HRA				
Income	(16,021)	(4,005)	(4,005)	
Expenditure	14,183	3,187	3,400	220
Capital Financing & Interest	2,170	452	452	
Contribution to Reserves				
Total HRA	(29)	(366)	(153)	220

A further breakdown is shown at **Appendix 1**.

3.2 The position at the end of June shows a surplus of £153k.

During the period, repairs figures were largely based on estimates. There were continuing issues with the Council's supplier, Mears and their ability to issue invoices. Reconciliations will take place once invoices have been received at the end of August 2019.

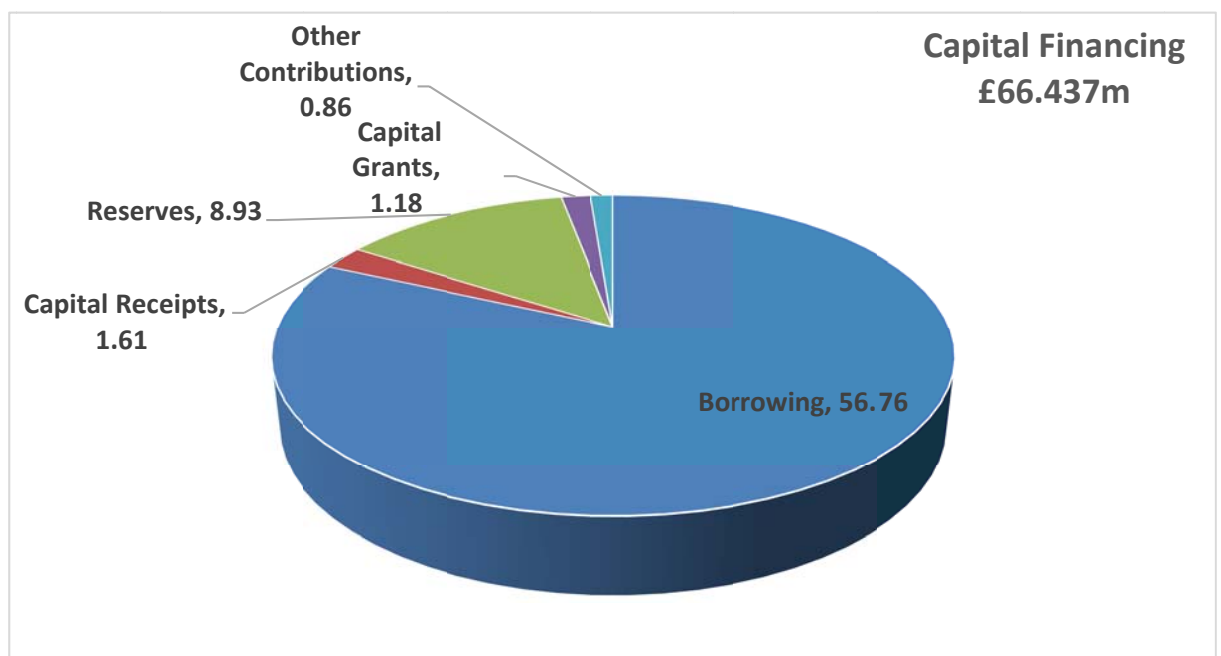
4.0 Capital Expenditure

4.1 The detailed capital programme at **Appendix 2**, provides a summary of spend for quarter 1 compared to the allocation for 2019/20. The 2019/20 allocation has been revised to allow re-profiling of schemes from 2018/19.

4.2 The Capital Programme for 2019/20 totals £69,337m compared to the original Capital

Programme approved by Council 11 February 2019 of £11,901m. The changes to the Capital Programme and Capital Financing are shown in the tables below.

Capital Programme Summary 2019/20 - 2021/22	2019/20 £'000
<i>Original Approved Budget 11 February 2019 plus minor adjustments</i>	11,981
Brought forward 2018/19	7,556
Re-profiled from 2018/2019	49,030
Variations previously approved	
Temporary Accommodation	700
Asset Management	170
Current Programme	69,437



4.3 **Items previously approved by Cabinet:**

Temporary Accommodation – increased budget to be funded by right to buy receipts.
 Asset Management – increased budget to fund works to the All Weather Pitch

5.0 **Treasury Management**

5.1 The Annual Treasury Management and Prudential Indicators were approved by Cabinet and Council in February 2019.

5.2 **Economic Background**

After only tepid annual economic growth of 1.4% in 2018, growth in quarter 1 was unexpectedly strong at 0.5%. However, this was boosted by stock building ahead of the original March Brexit deadline so quarter 2 is now expected to be zero or slightly negative.

After the Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018, it is little surprise that they have abstained from any further increases since then. We are unlikely to see any further action from the MPC until the uncertainties over Brexit clear. If there were a no deal exit, it is likely that Bank Rate would be cut in order to support growth. Nevertheless, the MPC does have concerns over the trend in wage inflation which peaked at a new post financial crisis high of 3.5%, (excluding bonuses), in the three months to December before falling marginally to 3.4% more recently. Growth in employment fell to only 32,000 in the three months to April, well below the 2018 average, while the unemployment rate remained at 3.8 percent, its lowest rate since 1975. Correspondingly, the total level of vacancies has risen to new highs.

As for CPI inflation itself, this rose slightly to 2.1% in April before falling back again to 2.0% in May, and is likely to remain around this level over the next two years. If there was a no deal Brexit though, it could rise towards 4%, primarily as a result of imported inflation on the back of a weakening pound.

The rise in wage inflation and fall in CPI inflation is good news for consumers as their spending power is improving in this scenario as the difference between the two figures is now around 1.3%, i.e. a real terms increase. Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months.

5.3 **Interest Rate Forecast**

Base Rate has remained at 0.75% since 2nd August 2018. Link Asset Services forecasts Base Rate increase to 1.00% in December 2020.

5.4 **Annual Investment Strategy**

The Treasury Management Strategy Statement (TMSS) for 2019/20 which included the Annual Investment strategy was approved by Council on 11 February 2019. 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 June 2019.

Counterparty	Date	Date	Days	Principal	Int Rate
	From	To		£	%
Thurrock Borough Council	02/10/2018	02/04/2019	182	2,500,000	0.90
Thurrock Borough Council	14/11/2018	14/05/2019	181	3,000,000	0.90
Debt Management Office	02/04/2019	11/04/2019	9	4,000,000	0.50
Debt Management Office	01/05/2019	13/05/2019	12	5,000,000	0.50
Debt Management Office	13/05/2019	22/05/2019	9	3,000,000	0.50
Thurrock Borough Council	14/06/2019	16/03/2020	276	3,000,000	0.88
Derbyshire County Council	14/05/2019	14/06/2019	31	3,000,000	0.57
				23,500,000	

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

	Balance at 28 June '19 £'000	Average balance £'000	Interest rate %
Santander Business Reserve Account	2,000	1,373	0.65
Lloyds Bank Corporate Account	3,474	1,961	0.65
Goldman Sachs Sterling Liquid Reserves Fund	1,000	1,561	0.86
Deutsche Managed Sterling Fund	1,500	1,793	0.85

Approved limits within the Annual Investment Strategy were not breached during the quarter ending 30 June 2019.

5.5 Investment performance

Treasury Management investment performance at the end of Quarter 1 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 2019/2020.

Type of Investment	Average return Qtr4 18/19	Average return Qtr1 19/20
	%	%
Fixed Term Deposits	0.50	0.75
Treasury Bills	0.65	n/a
Bonds & Certificates of Deposit	0.65	0.65
Money Market Funds	0.73	0.84
Interest Bearing Account	0.59	0.65
Total Investments	0.67	0.75
7 day LIBID Benchmark	0.48	0.51

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 £57.762m.

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 June 2019 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 **Financial appraisal**

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

7.0 **Legal implications**

7.1 There are not legal implications arising from this report.

8.0 **Equality analysis**

8.1 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.

9.0 **Conclusion**

9.1 As anticipated, there are a number of variations within the General Fund and HRA budgets. However, through careful budgetary control measures and close monitoring of the income and expenditure both budgets are expected to be delivered within the approved estimates.

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

Appendices

- **Appendix 1 – Housing Revenue Account**
- **Appendix 2 – Capital Programme**

Background papers

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

- Budget monitoring 19/20 working papers
- To inspect or obtain copies of background papers please refer to the contact officer listed above.

This page is intentionally left blank

Appendix 1

HOUSING REVENUE ACCOUNT - BUDGET SUMMARY	2018/19 PROVISIONAL £'000	2018/19 BUDGET £'000	2019/20 BUDGET £'000	2019/20 BUDGET Q1 £'000	2019/20 ACTUAL Q1 £'000	Variance (Projected to Actual) £
Income						
Dwelling Rents	(14,609)	(14,531)	(14,224)	(3,556)	(3,556)	-
Non-Dwelling Rents	(431)	(457)	(445)	(111)	(111)	-
Charges for Services and Facilities	(1,279)	(1,237)	(1,173)	(293)	(293)	-
Contributions towards Expenditure	(173)	(204)	(179)	(45)	(45)	-
Total Income	(16,492)	(16,429)	(16,021)	(4,005)	(4,005)	-
Expenditure						
Repairs and Maintenance	3,921	4,400	4,439	1,015	1,327	312
Supervision and Management	2,718	1,702	1,685	254	240	(14)
Special Services	905	1,313	1,344	254	194	(60)
Rents, Rates, Taxes and Other Charges	145	173	178	21	3	(18)
Movement in the allowance for Bad Debts	152	95	50	13	13	-
Depreciation of Fixed Assets	4,425	-	-	-	-	-
- Dwellings	-	4,826	4,826	1,207	1,207	-
- Other Assets	-	815	805	201	201	-
Amortisation of Intangible Assets	-	6	3	1	1	-
Debt Management Costs	-	47	42	11	11	-
Joint Transformation Programme Savings	-	(156)	(60)	(15)	(15)	-
Joint Transformation Programme (JTP) Efficiency Savings	-	150	250	63	63	-
Total Expenditure	12,266	13,371	13,562	3,025	3,245	220
Net Cost of HRA Services	(4,226)	(3,058)	(2,459)	(980)	(760)	220
HRA share of Corporate and Democratic Core	448	576	621	155	155	-
Net Operating Cost of HRA Services	(3,778)	(2,482)	(1,838)	(825)	(605)	220
Capital Financing and Interest Charges						
Interest Payable	1,884	1,866	1,850	463	463	-
Interest Receivable	(41)	(45)	(41)	(10)	(10)	-
Amortised Premiums and (Discounts)	-	-	-	-	-	-
Reversal of Depreciation and Amortisation	-	(5,647)	(5,634)	(1,409)	(1,409)	-
Transfer to Major Repairs Reserve	-	5,647	5,634	1,409	1,409	-
Repayment of Internal Borrowing	816	-	-	-	-	-
Revenue Contribution to Capital	-	349	-	-	-	-
Total Capital Financing and Interest Charges	2,659	2,170	1,809	452	452	-
(Surplus)/Deficit for the year	(1,119)	(312)	(29)	(373)	(153)	220
Working Balance at 1 April		(1,939)	(2,251)			
(Surplus) or Deficit for the year		-312	(29)			
Working Balance at 31 March		(2,251)	(2,280)			
Allocation of Working Balance:						
- General Working Balance		(1,456)	(1,735)			
- Special Projects		(520)	(270)			
- Self Insurance		(275)	(275)			
Working Balance at 31 March		(2,251)	(2,280)			

This page is intentionally left blank

THE CAPITAL PROGRAMME 2019/2020

Line	SUMMARY	Original Programme 2019/20	B/F 2018/19	Reprofiled 2018/19	Variations approved or awaiting approval	Proposed Programme 2019/20	Q1 Expenditure 2019/20
1	HRA HOUSING CAPITAL PROGRAMME	£	£		£	£	£
2	Construction of New Dwellings	-	419,772	-	-	419,772	326,449
3	Buy-back of Properties sold Through Right to Buy	200,000	-	-	-	200,000	-
4	Saxonbury Redevelopment	-	19,707	1,400,000	-	1,419,707	8,455
5	Improvements to Stock	4,765,000	57,357	-	-	4,822,357	247,318
6	Recreation & Play Areas	50,000	89,900	-	-	139,900	-
7	Conversions & Additional Rooms in Roof	-	-	-	-	-	-
8	TOTAL HRA HOUSING INVESTMENT CAPITAL PROGRAMME	5,015,000	586,736	1,400,000	-	7,001,736	582,221
9	GENERAL FUND HOUSING CAPITAL PROGRAMME						
10	Private Sector Housing Support	135,000	-	-	-	135,000	10,453
11	Mandatory Disabled Facilities Grants	1,001,000	27,750	-	80,000	1,108,750	142,722
12	Temporary Accommodation	-	83,325	2,100,000	700,000	2,883,325	2,485
13	TOTAL GENERAL FUND HOUSING INVESTMENT CAPITAL PROGRAMME	1,136,000	111,075	2,100,000	780,000	4,127,075	155,660
14	GENERAL FUND CAPITAL PROGRAMME						
15	LHIC/Aspiration Homes - loans to facilitate delivery of new homes	-	1,490,000	18,500,000	-	19,990,000	146,300
16	Joint Transformation Programme (JTP)	-	261,973	-	-	261,973	-
17	Regeneration						
18	Commercial Property Acquisition & Development	4,000,000	-	-	-	4,000,000	-
19	NSQ - North Street Quarter	-	1,078,977	-	-	1,078,977	696,750
20	NSQ - Springman House	-	99,000	-	-	99,000	635
21	NSQ - Commercial Development Springman House	-	-	-	-	-	49,672
22	NSQ - Blue Light Services Hub	-	34,172	3,200,000	-	3,234,172	564
23	NSQ - Temporary Car Park	-	(15,560)	700,000	-	684,440	-
24	NSQ - North Street Commercial Property Acquisition/ Development	-	14,926	-	-	14,926	-
25	Asset Development Newhaven	-	1,292,791	-	-	1,292,791	2,050
26	Sutton Road - Seaford	-	-	18,600,000	-	18,600,000	45,027
27	Turkish Baths, Lewes (Refurbishment)	-	-	-	-	-	7,190
28	19-21 Cradle Hill, Seaford	-	73,990	-	-	73,990	-
29	Denton Island Commercial Development	-	-	530,000	-	530,000	-
30	Construction of Avis Way Depot, Newhaven	-	27,380	4,000,000	-	4,027,380	958
31	Newhaven Enterprise Centre (Boiler Works)	-	9,500	-	-	9,500	-
32	Robinson Road Depot - Priority Works	-	232,412	-	-	232,412	28,549
33	Asset Management	350,000	873,794	-	170,000	1,393,794	68,199
34	Community Infrastructure	-	-	-	-	-	-
35	Service Delivery	-	-	-	-	-	-
36	Vehicle & Plant Replacement Programme	964,000	-	-	-	964,000	222,024

Line	SUMMARY	Original Programme 2019/20	B/F 2018/19	Reprofiled 2018/19	Variations approved or awaiting approval	Proposed Programme 2019/20	Q1 Expenditure 2019/20
37	Waste & Recycling	-	378,388	-	-	378,388	-
38	Specialist					-	
39	Tree survey Works	-	10,000	-	-	10,000	-
40	Air Quality Monitoring Station Newhaven	-	80,000	-	-	80,000	-
41	Flood Protection Measures	136,000	177,136	-	-	313,136	29,316
42	Coastal Defence Works	-	16,955	-	-	16,955	35,950
43	Parks, Pavilions etc. - Remedial works	50,000	722,607	-	-	772,607	294,110
44	Information Technology (IT)	150,000	-	-	-	150,000	-
45	Finance Transformation	100,000	-	-	-	100,000	-
46	TOTAL GENERAL FUND CAPITAL PROGRAMME	5,750,000	6,858,441	45,530,000	170,000	58,308,441	1,627,293
46	TOTAL OVERALL CAPITAL PROGRAMME	11,901,000	7,556,252	49,030,000	950,000	69,437,252	2,365,174
47	CAPITAL PROGRAMME FUNDING						
48	Borrowing					56,861,501	
49	Capital Receipts					1,613,200	
50	Reserves					8,926,491	
51	Capital Grants					1,176,250	
52	Section 106 Contributions					274,167	
53	Other Capital Contributions					202,865	
54	Capital Expenditure Financed from Revenue (General Fund)					332,778	
55	Capital Expenditure Financed from Revenue (Housing Revenue Account)					-	
56	CIL Contributions					50,000	
57	TOTAL CAPITAL PROGRAMME					69,437,252	







Report to:	Cabinet
Date:	16 September 2019
Title:	Portfolio Progress and Performance Report 2019/20- Quarter 1 (April - June 2019)
Report of:	Ian Fitzpatrick, Director of Regeneration and Planning
Cabinet member:	Councillor Chris Collier, Cabinet member for performance and people
Ward(s):	All
Purpose of report:	To consider the Council's progress and performance in respect of key projects and targets for the first quarter of the year (Jan-March 2019) as shown in Appendix 1.
Decision type:	Non-key
Officer recommendation(s):	a) To note progress and performance for Quarter 1 as well as the overall performance for 2019/20 and b)To consider any 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 first quarter of 2019/20 (the period running from 1st April to 30 June 2019).

2 Performance in the first quarter of 2019/20

- 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 Financial Appraisal

- 3.1 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.

4. Legal Implications

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

5 Risk Management Implications

- 5.1 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.

6 Equality Analysis

- 6.1 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.

7 Appendices

7.1 Appendix 1 – Portfolio Progress and Performance Report (Quarter one 2019/20).









8 Background Papers

[Council Plan 2016 to 2020](#)

This page is intentionally left blank




Appendix 1

Lewes District Council Portfolio Progress and Performance Report Quarter 1 2019-2020









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
N*	Based on national indicator		







CPR LDC 1 Environment

1.1 Environment Projects and Programmes

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		<p>The Joint Venture (JV) is a procurement and delivery framework that is used to develop long term solutions to sustainability challenges. It will bring innovation and help deliver projects with Energy & Sustainability themes, faster, better, cheaper and with more certainty, by integrating the public and private sector. The framework also brings excellent opportunities for local communities and businesses.</p> <p>The JV between LDC, EBC, Robertson and AECOM was established in September 2017 and is a partnership for up to 30 years. Bolton Metropolitan Borough Council and the East Sussex College Group have recently become new participants.</p> <p>Meetings of the JV Operations Group and the Steering Board took place on 18 and 21 June</p>
Upper Ouse Flood Protection and Water	3 year programme of flood protection work across the District	Q3 2019/20		<p>Meetings have been held with the Environment Agency regarding potential projects in the Wivelsfield area and upper Adur catchment.</p> <p>Further engagement with community groups is due to commence in Wivelsfield around key locations where new flood management would be beneficial. In Ringmer there is a need to explore a critical issue of a route for an engineered flow path for water through private gardens.</p>
Newhaven Flood Alleviation Scheme (Environment Agency)	Enabling the delivery of key infrastructure projects in Newhaven.	Q4 2020/21		<p>Areas 2,3,4 and 5 are complete. Area 1 is the only area where works remain outstanding.</p> <ul style="list-style-type: none"> The majority of consents have now been obtained from Highways England for the works to install demountable flood barriers on the A26. This work will take place after bird nesting season and is expected between September and November 2019. Work on the flood rail gate is progressing, with surveys in late July (delays due to need for possession of entire line from Network Rail). Target completion for this aspect is now March 2021.

1.2 Environment : Key Performance Indicators






KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
Number of times nitrogen dioxide levels exceed national air quality objectives (200 µg/m3 hourly mean ave.) (reported to central government)	18	Not reported	0	No more than 5				It should be noted the data is currently provisional and may change in the future because it has not been fully ratified and must be considered with care.
Sites exceeding recommended national air quality nitrogen dioxide levels (40 µg/m3 quarterly mean) (Nov 2018 Council motion requested PI) (reported to central government)	Data only	Not reported	TBC	Data only				This will be reported annually once raw data has been verified by DEFRA.
Number of times particulate matter levels exceed national air quality objectives (50 µg/m3 24 hour ave) (Nov 2018 Council motion requested PI) (reported to central government)	35		1	No more than 8				There has been only 1 occasion (Needlemakers car-park) when the number of times 24-hour mean 50 µg/m3 exceeded. The target is less than 35 times a year.
Percentage of household waste sent for reuse, recycling and composting (N*- old national indicator)	37.00%	36.26%	41.84%	At least 37.00%			32.00%	Performance in Q1 increased from 36.26% in Q4 and also shows an increase from the same period last year. In Q2, there will be an intensive project to look at making the administration of our waste service more efficient and effective. This will primarily look at the back office processes with an objective of improving customers' experience of Lewes waste services.


KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
Number of EV charging points within planning applications (Nov 2018 Council motion requested PI)		New	160	Data only			New for 19/20	This figure represents the number of EV charging points that have been proposed through the application process (27 applications).
Number of planning permissions given where some form of renewable energy is included and conditions discharged		New	0	Data only			New for 19/20	<p>A number of applications that we have determined have planning conditions attached requiring further details of the Renewable energy facilities.</p> <p>However in Q1 there were 0 applications where these conditions had already been discharged (cleared). We expect there to be a time-lag between determining applications which have conditions attached and then being able to report that these conditions have been discharged (i.e. the further information that is required by the conditions has been submitted and the planning authority has then confirmed that the conditions have been met).</p>
Total number of reported fly-tipping incidents	Max 200	70	50	No more than 50			Not reported as new PI- previously PI was number of days to clear	<p>The total number of fly-tipping incidents for Q1 is 50. Our analysis shows that most of the fly tips were in Lewes town and the rural part of Lewes district. In May, there was also particular hot spot in the Ditchling Beacon area. Most of the fly tips were of small van load size.</p>

CPR LDC 2 Regeneration and Growth:

2.1 Regeneration and Growth Projects and Programmes

2.1 Regeneration and Business Projects and Programmes

Project / Initiative	Description	Target completion	Status	Update
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 floorspace, refurbishing 15,000m ² of existing employment floorspace and creating / sustaining up to 2,000 FTE jobs over a 25-year period.	Q4 2041/42		<p>Transitional arrangements for the EZ have been agreed between Coast to Capital and South East LEP.</p> <p>Work is continuing. The new work plan was discussed at the EZ Board on 30 July and it was agreed a workshop would be held in September to prioritise the actions.</p> <p>The Board has now been expanded to include a number of key business and social enterprise representatives.</p>
Newhaven Town Centre	Delivery of mixed use regeneration scheme within NEZ.	Q4 2020/21		<p>Plans are evolving. We were successful in the first round of the Future High Streets Fund and are now working with central government on the next stage.</p>
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>North Street Quarter Ltd (NSQL) commenced marketing the scheme for a developer (for all three phases) on 22 June 2019. NSQL aims to appoint a developer by the end of this year, with the developer appointing a build contractor in the Spring of 2020.</p> <p>The land collaboration (legal) agreement between NSQL and LDC will require that the prospective developer provides a range of information to satisfy the landowners that it has the financial capacity and experience to deliver the scheme. As soon as a developer has been identified, a more detailed development programme / timelines will be available. Both landowners will remain actively involved in the scheme following appointment of a developer.</p> <p>LDC continues to work to secure the remaining third party freehold land interests at the site.</p>
Seaford Health Hub formerly Downs Leisure Centre	Project to renovate the Downs Leisure Centre to better serve the community's health needs.	Q3 2020/21		<p>Progress on this project is subject to further consideration. A Scrutiny panel is working to consider options. A further Cabinet report on this can be found elsewhere on the agenda.</p>
Railway Quay Newhaven	Delivery of mixed use regeneration scheme within NEZ.			<p>We are currently reviewing the development options for Railway Quay to ensure that it complements the future operations of the UTC building and the overall development of the town centre – linking with the Future High Streets Fund bid. We are expecting to have</p>

				further clarity this autumn.
Springman House- Blue light services hub	Relocation of key emergency services to create a blue light services hub that supports delivery of the North Street Quarter.	Q3 2019/20		The Council issued draft Heads of Terms for a shared Blue Light Hub to the emergency services (fire, police and ambulance) on the 5 April 2019, based on the shared scheme that had been agreed. ESFRS subsequently expressed a preference for a stand-alone fire station on the site. ESFRS has identified a final preferred design which we will now review in terms of affordability, planning and highways matters, and phasing in the context of the wider scheme.


CPR LDC 3 Finance and Corporate

3.1 Finance and Corporate Projects and Programmes

3.2 Finance and Corporate Key Performance Indicators

3.1 Finance and Corporate Projects and Programmes

Page 56



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.	Q3 2019/20		<p>Devolution sites to Newhaven Town Council:</p> <p><i>Valley Road Recreation Ground:</i> Successfully completed in March 2019.</p> <p><i>East Side Recreation Ground:</i> LDC now holds full set of signed documentation. An updated open space disposal advertisement (a statutory requirement when a local authority is disposing of open space) has been carried out and LDC is finalising authorisations and this transfer should complete very shortly.</p> <p><i>Lewes Road Recreation Ground:</i> NTC to approve amended boundary (plan sent to NT's solicitor) to reflect the previous landfill site as it has been agreed that NTC will not have responsibility for the landfill.</p> <p><i>Riverside County Park:</i> ESCC has obtained Lead Member approval to transfer this (amongst other) countryside sites. LDC Cabinet had already confirmed approval in March 2019 to enter into a lease/management arrangement with NTC (to be reported back to Cabinet before completion). ESCC will prepare heads of terms so that the LDC arrangements mirror those terms. We await receipt of the draft heads of terms from ESCC to continue to progress matters.</p> <p><i>Drove Park Recreation Ground and Avis Road Recreation Ground:</i> Awaiting regularisation of issues that involve third parties before proceeding further. LDC has asked NTC's solicitor</p>







Project / Initiative	Description	Target completion	Status	Update
				<p>if NTC would consider progressing devolution of the sites now and to regularise those issues after devolution.</p> <p><i>Castle Hill Nature reserve and Meeching Down:</i> LDC has suggested to NTC that we begin to progress the devolution of these sites.</p> <p>Devolution sites to Lewes Town Council :</p> <p><i>Land at Mounfield Road</i> (land not held in Trust), <i>Land at Mounfield Road</i> (land held in Trust), <i>Stanley Turner Recreation Ground</i> (land held in Trust).</p> <p>LDC awaits confirmation from LTC that they wish to proceed with these sites before approaching the Charity Commission. LDC understands that LTC is setting up a devolution committee.</p> <p>Devolution sites to Rural Areas :</p> <p><i>East Chiltington, Hollycroft Field including play space:</i> Recommended for devolution by Cabinet on the 27 March. Report on Title and draft transfer documentation has been sent by LDC to the Parish Council</p>





CPR LDC 4 Finance and Corporate

4.1 Finance and Corporate Key Performance Indicators

4.1 Finance and Corporate Key Performance Indicators

KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
Percentage of Council Tax collected during the year – (Income reported to central government)	98.00%	97.70%	29.47%	29.78%			30.04%	Collection is 0.31% below target due to circumstances beyond the council's control. The main court for the current year arrears is early July this year whereas in 2018 it was in June. This is due to the Court Service changing the Court timetable this financial year. This has impacted on the collection rate for June as there will have been a


KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
								delay in receiving income from this court until July.
Percentage of Business Rates collected during the year – Lewes (Income reported to central government)	98.50%	98.13%	29.48%	28.59%			29.18%	Collection is 0.89% ahead of the profiled target but slightly down from last quarter.
Increase the percentage of calls to the contact centre answered within 60 seconds - Lewes	80%	56.17%	48.98%	At least 80%			38.33%	<p>Latest position (July 2019): 84.4%</p> <p>Apr to Jun commentary for Q1: Performance has shown considerable improvement with 91.37% calls answered in June within target and 84.4% in July.</p> <p>The Customer Advisors have been working hard on improving the performance month on month with June's percentage of calls answered within 60seconds increasing when compared to May. The percentage of calls answered for the quarter has unfortunately gone down from 56.17% for Q4 18/19' to 48.98% for Q1 19/20'. The main reason for this is due to the increased call volumes we received in April following Annual Billing and the 250K pieces of correspondence sent out in March where calls overflowed into the new financial year. This was also on top of the 2 bank holidays and 2 Elections dates we had in May. Although we reached 91.37% of calls answered within 60seconds for June, unfortunately April and May's low percentage has pulled us down lower than anticipated for the first quarter.</p> <p>Performance Improvement Plan: With all Temporary Agency staff now gone from Customer Contact and a change in the IVR phone system being implemented, Customer Contact will focus on ensuring robust training is cascaded to all of the team, both existing members and new starts. With March, April and the majority of Bank Holidays now behind us, we will be looking to get back to business as usual and continue improvement in SLAs across the board.</p> <p>There is further work to look at how call handling is measured. This will focus on the quality of service customers receive including the number of first time resolutions of contact and the correct information being supplied to residents.</p>
Average days lost per FTE employee due to sickness (J)	8.0 days	2.47 days	2.2 days	No more than 2.0 days			1.62 days	<p>2.20 days for Q1 represents a decrease from Q4 which was 2.47 days and HR Business Partners continue to support managers in robustly managing attendance issues.</p> <p>In total there were 138 short-term absences and 28 long-term</p>



KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
								<p>absences (eg more than 4 weeks).</p> <p>The non-manual workforce sickness level is 2.08 days. The sickness level within the manual workforce is 2.96 days.</p> <p>The average national public sector sickness absence for 2017/18 was 8.5 days (these are currently the most up to date figures published) and absence rates nationally remain considerably higher in the public sector than in the private sector (5.6 days), manufacturing and production (6.2) or non-profit (7.3).</p> <p>A detailed analysis around staff sickness is taking place.</p>
Number of new sign-ups to the Councils' social media channels	At least 600	221	251	At least 150			150	Signups continue to increase.
Social media responsiveness rate	80%	NEW PI	88.67%	80%			NEW PI	<p>'Response rate' is the percentage of new messages received via our Facebook page that we respond to on the day the message is received.</p> <p>LDC Q1 twitter analytics</p> <p>Profile visits: 10,847</p> <p>Tweets issued: 2434</p> <p>Impressions (tweets appeared in other users feeds): 264,500</p> <p>Mentions in other tweets: 746</p>

CPR LDC 5 Housing

5.1 Housing Key Performance Indicators

5.1 Housing Key Performance Indicators

KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
DFGs - Time taken from council receiving a fully complete application to the council approving the grant	28 days	10 days	14 days	No more than 28 days			7 days	The handling of DFG applications continues to be processed well within our maximum handling times (28 days).
Number of Licensed HMO's Inspected per Quarter	8	2	2	At least 2			2	The inspection target for this quarter was met. There are more than 16 HMOS in Lewes in total but only 16 require a licence. Legislation changed in October 2018 when the number of storeys for licensing was removed (pre Oct 18 the property needed to be 2 or more storeys). As long as there are 5 or more people sharing some facilities then a licence is required. The licence lasts for 5 years and only has to be inspected once.
Rent arrears of current tenants (expressed as a percentage of rent debit) (L)	3%	4.64%	5.2%	No more than 3%			2%	We have given the team a stretching target in Q1 of no more than 3% (previously 4%) as in Q1 18/19 they achieved 2% rent arrears. In Q1 customers have been impacted by the introduction of universal credit, with delays on payments and we have been implementing a new technological solution that will improve the targeting of rent arrears, through text messages and emails as well as the usual phone calls. In Q2 we have built a new team built around rent collection, with additional staff, including two visiting caseworkers. We are profiling rent collection to improve through Q2 to Q4.
Average void relet time key to key (month & YTD) (L)	20.0	40.6	22.4	No more than 23.0			24.0	The re-let time for the first quarter started off just above target in April. However in May and June figures improved, resulting in the overall figure for the whole quarter being within target. This is a marked improvement in comparison to last year. Neighbourhood Housing, Property Services and Housing Needs continue to attend weekly meetings to manage void and re-let times and this will continue in order to closely manage performance going forward.
Taking everything into account, percentage of tenants satisfied or	Data only	85%	79%	Data only			75%	During Q1, we achieved overall tenant satisfaction of 79%. We have implemented changes in Homes First work-streams to address current challenges in service delivery and anticipate these changes to impact


KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
dissatisfied with overall Homes First service								positively on levels of satisfaction during Q2.
Number of households living in emergency (nightly paid) accommodation (L) (N*)	Data only	48.33	61	Data only			13	<p>The pressures on Housing Needs and Standards remained high throughout Q1.</p> <p>In June a significant review of the Housing Needs and Standards work streams was carried out and a re-alignment went live in July. Amongst other things, the re-alignment introduced six new work streams, including: Housing solutions Hub, Prevention, Assessment, Move On, Private Sector Housing and Temporary Accommodation and Commercial Property.</p> <p>From initial data the re-alignment of work streams has brought about a number of benefits for the service, most significantly making savings through the introduction of the Housing solutions Hub. The Hub aims to prevent and relieve homelessness on the day, providing a better service for customers.</p> <p>In the first month we had 115 household present to the Housing solutions Hub. 71 of these households were in Priority Need, requiring a placement into Temporary Accommodation however due to the preventative and relief work of the Hub, 31 placements were made. The remaining 40 (54%) households were either supported into a property in the private rented sector, able to remain in their property, stay with friends or family or referred directly into supported accommodation. Additionally, households that have been seen by the Hub are having shorter stays in EA as they are provided better information on how to find accommodation in the private rented sector in the first instances.</p> <p>On 5 August our Temporary Accommodation (TA) and Commercial Property work stream went live in full. This work stream will provide intensive focus on the management of households in this type of accommodation, helping them to move more quickly out of it. A new structured team will be working to move those in emergency accommodation more quickly into settled accommodation. Additionally, discussion with EA providers is now underway to explore opportunities for them to provide a combination of nightly paid and other temporary accommodation.</p>


CPR LDC 6 Planning

6.1 Planning Projects and Programmes

6.2 Planning Key Performance Indicators





6.1 Planning Projects and Programmes

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 NP:</i> The Regulation 16 Consultation has concluded. A high proportion of the representations have queried the absence of <i>Policy SEA10 -Health Facilities</i> in the document at the second Regulation 14 consultation in 2018. The consequential lack of public consultation means that this policy does not meet the basic conditions required to 'make' a Neighbourhood Plan. The steering group have decided to omit the policy before it proceeds to examination. The NPO is in the process of appointing an Examiner; the examination will take place in August.</p> <p><i>Newhaven:</i> The Examination has concluded. The Examiner, has issued the final report listing recommended modifications to the Plan so that it meets the basic conditions. The NPO will issue a decision statement shortly to state whether LDC accepts the proposed modifications and if the Plan will proceed to referendum. The Referendum date has been provisionally set for 10 October.</p> <p><i>Peacehaven and Telscombe:</i> Peacehaven Town Council has applied for technical support from Locality in order to progress with the Sustainability Appraisal and Strategic Environmental Assessment. The appointed consultant, Aecom, are proceeding with the site assessments.</p> <p><i>Ringmer:</i> No changes were made to the Ringmer NP prior to the May elections. Ringmer PC can initiate a Review of the neighbourhood plan at any time to address minor or more moderate changes as required and the Neighbourhood Planning Officer will respond with support as necessary once advised by the Parish Council that a review will take place.</p> <p><i>Chailey :</i> The Regulation 14 Consultation concluded on 28 June. The NPO is due to discuss the consultation responses with the Parish Council.</p> <p><i>Newick :</i> The Parish Council are considering making modifications to the NP.</p> <p><i>Lewes Town (SDNPA-led and will form part of the SDNPA development plan, not LDC's) :</i> The Lewes Neighbourhood Plan was made on 11 March. The Plan is now part of the SDNP Development Plan.</p>

Project / Initiative	Description	Target completion	Status	Update
				<p><i>Barcombe</i> – The Chair of the Barcombe NP confirmed the group do not feel that the time and effort required to produce an NP will be met by the community and have disbanded the NP.</p> <p><i>General Neighbourhood Plan</i> : The Town/Parish Councils and Steering Groups will be advised of the updated five year housing land supply position..</p>
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		The main modifications recommended by the Inspector were out for consultation in August.

6.2 Planning Key Performance Indicators





Page 63

KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
Percentage of major applications determined within 13 weeks (LDC only) (N*)	65%	66.67%	60%	65%			TBC	<p>Q1 performance of 60% was slightly lower than the target of 65% with 3 out of 5 major applications determined within 13 weeks. In Q2 we have added the following additional resource into the team that will improve the performance across all applications.</p> <ul style="list-style-type: none"> · Senior (Special Projects) · Specialist advisor (Planning) · Case worker (Planning) · Caseworker (Enforcement) · Authorised overtime payments for a three month period
Percentage of minor planning applications determined within 8 weeks (LDC/SDNP combined) (N*)	75.00%	54.93%	58.75%	75.00%			69.64.%	<p>Q1 performance of 58.75% was below the target of 75% with 47 out of 80 minor planning applications determined within 8 weeks. Additional resource has now been put in to look at minor planning applications.</p> <p>In addition, an action plan to address performance issues has been implemented and this has already resulted in improvements (latest figures showing 71%).</p>


CPR LDC 7 Community and Partners

7.1 Community and Partners Projects and Programmes







7.2 Community and Partners Key Performance Indicators

KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
Processing of other planning applications within 8 weeks (LDC/SDNP combined) (N*)	75.00%	56.12%	70.95%	75.00%			82.44%	Q1 performance of 70.95% was slightly under the target of 75% with 149 applications out of 210 processed within 8 weeks.
Percentage of all planning appeals allowed (officer/committee decisions)	10.0%	33.3%	11.1%	10.0%			10.0%	A total of 9 appeal decisions were received : 8 were dismissed (all delegated decisions) and 1 allowed (committee decision) The allowed appeal: The inspector considered that the proposal complied with policy when considered as a whole – access is acceptable, no adverse impact on the European site (Ashdown Forest), no harm in developing the garden, no harm from developing a larger dwelling, size and scale reflects those in the area – not contrary to Newick Neighbourhood plan.

7.1 Community and Partners Projects and Programmes

Project / Initiative	Description	Target completion	Status	Update
Lewes District Lottery	A lottery for good causes for Lewes District	Q4 2018/19		We are aiming for a launch date of mid October. We will advertise the launch this through the local press, website and at meetings, for example the Joint Action Group, attended by those organisations likely to be interested. Work on the design for the Logo is in progress. A communications plan is being drawn up and work is continuing on identifying those local organisations that may wish to be part of the lottery. Once we have identified the organisations we will contact them to give them details of how they may benefit from being a part of the lottery.

7.2 Community and Partners Key Performance Indicators

KPI Description	Annual Target 2019/20	Q4 2018/19	Q1 2019/20				Q1 2018/19	Latest Note
		Value	Value	Target	Status	Performance Trend	Value	
Average number of days to process new claims for housing/council tax benefit (reported to Central Government)	22.0	25.1	22.9	No more than 22.0			20.0	While performance for Qtr 1 is slightly above target at 22.9 days compared to 22.00 the outturn shows an improvement on the last two quarters of 2018/19 which were 36.9 and 25.1 days.
Average days to process change of circs. (Housing/Council Tax Benefit) (reported to Central Government)	8.0	3.1	7.2	No more than 8.0			8.0	Performance for the 1st quarter of 19/20 is ahead of target.
Improve our ranking compared to similar authorities in relation to all crime	5	1	2	Within top 5			5	<p>Our aim is to be within the top 5 (eg have the lowest number of crimes per 1,000 population) compared to those in our most similar group. The top 5 (from lowest number of crimes to highest) for Q1 was as follows:</p> <ol style="list-style-type: none"> 1.South Nottinghamshire 2. Lewes District 3. Hinckley & Bosworth (Leicestershire) 4.NW Leicestershire 5.Arun, West Sussex <p>Whilst LDC's rank has fallen one place, the difference between the top two authorities is marginal, with LDC reporting 56.2 crimes per 1000 residents and the top ranking authority, South Nottinghamshire DC, 55.4 crimes per 1000 residents.</p>

This page is intentionally left blank

Report To:	Cabinet
Date:	16 September 2019
Report Title:	Treasury Management
Report of:	Homira Javadi, Chief Finance Officer
Cabinet member:	Councillor Zoe Nicholson, Leader of the Council
Ward(s):	All
Purpose of report:	To present to Cabinet the quarterly Treasury Management Report and the Annual Treasury Management Report for 2018/19.
Decision type	Budget and Policy Framework
Officer Recommendations:	(1) To confirm to Cabinet that Treasury Management Activity for the period 1 March to 30 June 2019 has been in accordance with the approved Treasury Strategies for that period.
	To endorse the following recommendation from Audit and Standards Committee to Council:
	(2) It be recommended to Council that the annual Treasury Management report for 2018/19 be agreed and the 2018/19 Prudential and Treasury Indicators included in the report be approved.
Reasons for recommendations:	Requirement of CIPFA Treasury Management in the Public Sector Code of Practice (the Code) and this has to be reported to Full Council.
Contact Officer(s)-	Name: Stephen Osborne Post title: Principal Accountant E-mail: stephen.osborne@lewes-eastbourne.gov.uk Telephone number: 01273 085286

1 Introduction

1.1 The Council's approved Treasury Strategy Statement requires the Audit and Standards Committee to review details of Treasury Strategy transactions against the criteria set out in the Strategy and make observations to Cabinet as appropriate.

1.2 The Treasury Strategy Statement also requires the Audit and Standards Committee to review a formal summary report after the year end before it is considered by Council, in accordance with best practice and guidance issued by the Chartered Institute of Public Finance and Accountancy. The Audit and Standards Committee considered this report on Treasury Management activity for the period 1st March 2019 to 30th June 2019, and the Treasury Management Annual Report at its meeting on 16th July 2019. The Treasury Management Annual Report is attached as Appendix 1, and the the relevant extract of the Audit and Standards Committee is attached as Appendix 2.

2 Treasury Management Activity

2.1 The timetable for reporting Treasury Management activity in 2019/2020 is shown in the table below. This takes into account the timescale for the publication of each Audit and Standrads Committee agenda and is on the basis that it is preferable to report on activity for complete months. Any extraordinary activity taking place between the close of the reporting period and the date of the Audit and Standards Committee meeting will be reported verbally at that meeting.

Meeting date	Reporting period for transactions
16 July 2019	1 March to 30 June 2019
23 September 2019	1 July to 31 August 2019
18 November 2019	1 September to 31 October 2019
20 January 2020	1 November to 31 December 2019
17 March 2020	1 January to 29 February 2020

2.2 Fixed Term Deposits pending maturity

The following table shows the fixed term deposits held at 30 June 2019 and identifies the long-term credit rating of counterparties at the date of investment. It is important to note that credit ratings are only one of the criteria that are taken into account when determining whether a potential counterparty is suitable. All of the deposits met the necessary criteria the minimum rating required for deposits made after 1 April 2018 is long term A- (Fitch).

Ref	Counterparty	Date From	Date To	Days	Principal £	Int Rate %	Long-term Rating
243419	Thurrock Borough Council	14 Jun 19	16 Mar 20	276	3,000,000	0.88	*

*UK Government body and therefore not subject to credit rating

2.3 Fixed Term Deposits which have matured in the reporting period

The table below shows the fixed term deposits which have matured since 1 March 2019, in maturity date order. It is important to note that the table includes sums reinvested and that in total the Council's investments have not increased by £32m over this period.

Ref	Counterparty	Date From	Date To	Days	Principal £	Int. Rate %	Long-term rating
242018	Eastbourne Borough Council	03-Dec-18	01-Mar-19	88	3,000,000	0.75	*
243018	Eastbourne Borough Council	01-Mar-19	13-Mar-19	12	3,000,000	0.65	*

Ref	Counterparty	Date From	Date To	Days	Principal £	Int. Rate %	Long-term rating
240618	Thurrock Borough Council	02-Oct-18	02-Apr-19	182	2,500,000	0.90	*
240618	Thurrock Borough Council	02-Oct-18	02-Apr-19	182	2,500,000	0.90	*
243119	Debt Management Office	02-Apr-19	11-Apr-19	9	4,000,000	0.50	*
243219	Debt Management Office	01-May-19	13-May-19	12	5,000,000	0.50	*
241418	Thurrock Borough Council	14-Nov-18	14-May-19	181	3,000,000	0.90	*
241418	Thurrock Borough Council	14-Nov-18	14-May-19	181	3,000,000	0.90	*
243319	Debt Management Office	13-May-19	22-May-19	9	3,000,000	0.50	*
243519	Derbyshire County Council	14-May-19	14-Jun-19	31	3,000,000	0.57	*
Total					<u>32,000,000</u>		

*UK Government body and therefore not subject to credit rating

At no stage did the total amount held by any counterparty exceed the approved limit set out in the Investment Strategy. The average rate of interest earned on deposits held in the period 1 March and 30 June 2019 was 0.72%, slightly below the average bank base rate for the period of 0.75%. Those made during the period averaged 0.61%.

2.4 Use of Deposit accounts

In addition to the fixed term deposits, the Council has made use of the following interest bearing accounts in the period covered by this report, with the average amount held being £3.328m generating interest of approximately £3,300.

	Balance at 30 June '19 £'000	Average balance £'000	Current interest rate %
Santander Business Reserve Account	£2,000	1,374	0.65
Lloyds Bank Corporate Account	£2,517	1,955	0.65

2.5 Use of Money Market Funds

Details of the amounts held in the two Money Market Fund (MMF) accounts used by the Council are shown below. The approved Investment Strategy allows a maximum investment of £3m in each fund, and at no time was this limit exceeded.

	Balance at 30 June '19 £'000	Average balance £'000	Average return %
Goldman Sachs Sterling Liquid Reserves Fund	£1,000	1,562	0.86
Deutsche Managed Sterling Fund	£1,500	1,779	0.82

2.6 Treasury Bills (T-Bills)

There were no Treasury Bills held at 30 June 2019, and there was no activity in the period.

2.7 Secured Investments

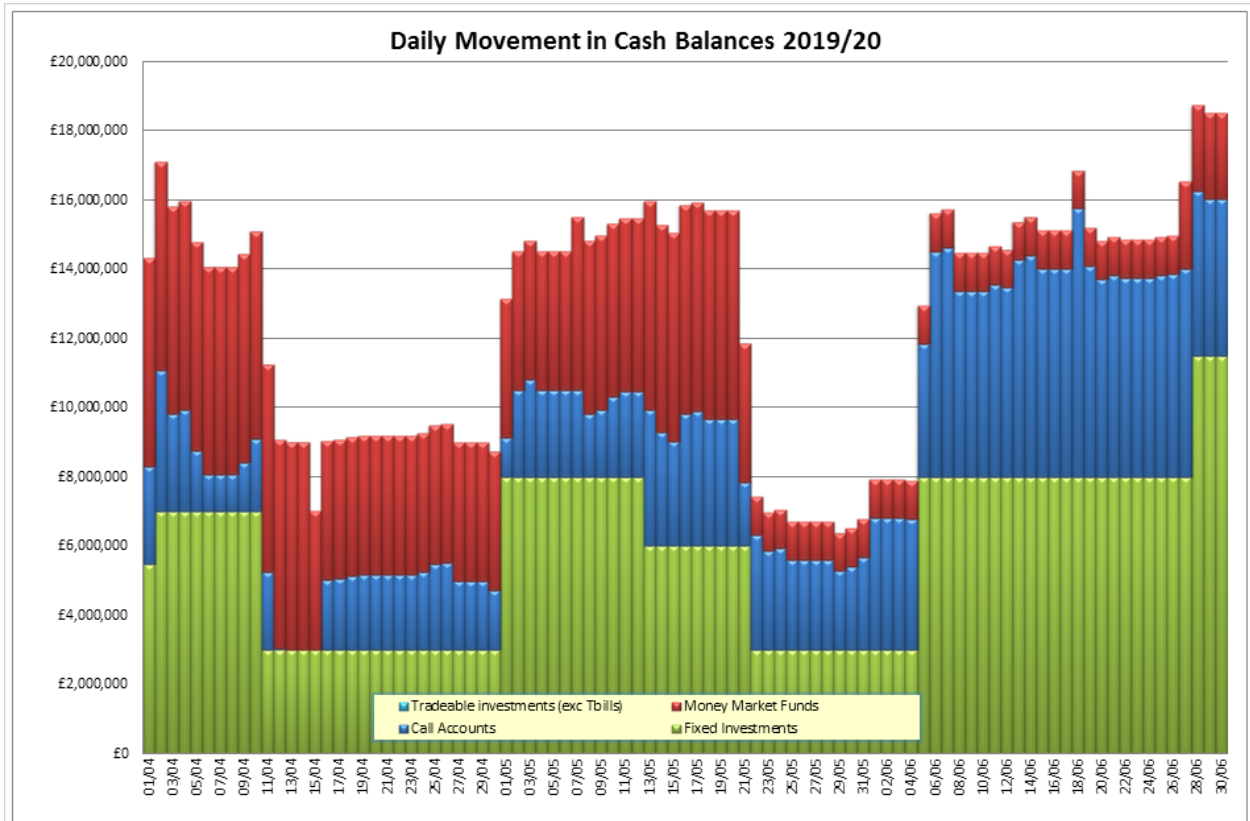
There were no Secured Investments at 30 June 2019.

2.8 Tradeable Investments

There were no Tradeable Investments at 30 June, and there was no activity in the period.

2.9 Overall investment position

The chart below summarises the Council’s investment position over the period 1 March to 30 June 2019. It shows the total sums invested each day as Fixed Term deposits, Treasury Bills, amounts held in Deposit accounts, Money Market Funds and Tradeable Investments.



2.10 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.

3 Non-treasury investments

3.1 At its previous meeting, the Audit and Standards Committee requested that information should be included in this report about the Council’s ‘non-treasury’ investment activity e.g. loans to Council-owned companies or the purchase of property assets for the purpose of income generation.

3.2 Lewes Housing Investment Company

3.2.1 Lewes Housing Investment Company (LHIC) is a wholly owned subsidiary of the Council. Incorporated in July 2017, LHIC has been set up to acquire, improve and let residential property at market rents. Although the 2018/19 Capital programme included £2.5m as potential commercial loan funding to facilitate property purchases, this facility was not drawn down and has rolled forward into 2019/20. No payments were made to, or monies received from, LHIC during 2018/19 and no amounts were owing to, or owed by, LHIC at the end of the year. There have been no transactions during the period 1 March 2019 to 30 June 2019.

3.3 Aspiration Homes LLP

3.3.1 Aspiration Homes LLP (AH) is a limited liability Partnership owned equally by Lewes District Council and Eastbourne Borough Council. Incorporated in June 2017, AH has been set up for the purpose of developing housing to be let at affordable rent. Although the 2018/19 Capital programme included £17.5m as potential commercial loan funding to AH to facilitate property purchases, this facility was not drawn down and has rolled forward into 2019/20. During the period 1 March 2019 to 30 June 2019, £121,300 was drawn down for the purchase of Gray's School, Newhaven.

3.3.2 A working Capital facility loan of £100,000 has been agreed, at an interest rate of 2% above Base Rate. As at 31 March 2019 £10,000 of the working Capital facility loan had been drawn down. During the period 1 March 2019 to 30 June 2019, a further £35,000 has been drawn down against the loan facility.

4 Annual Treasury Management Report

4.1 As well as reviewing details of Treasury transactions during the course of the year, the Audit and Standards Committee is required to review a formal summary report after the year end before it is considered by Council in accordance with best practice and guidance issued by the Chartered Institute of Public Finance and Accountancy.

4.2 The Annual Report is attached at Appendix 1. It should be noted that this report has been drafted prior to the final closure of the Council's accounts and, as a result, some minor changes may be necessary. If so, the changes will be reported verbally at the meeting.

Financial Implications

5 All relevant implications are referred to in the above paragraphs.

Risk Management Implications

- 6 The risk management implication associated with this activity is explained in the approved Treasury Management Strategy. No additional implications have arisen during the period covered by this report.

Equality Screening

- 7 This is a routine report for which detailed Equality Analysis is not required to be undertaken.

Sustainability implications

- 8 No implications arising directly from this report. However, the issue of climate change had been raised at the previous meeting of the Audit and Standards Committee, and although the Council had no direct investments with a climate change risk (for example fossil fuel companies) a watching brief would be maintained as there was a potential for very marginal indirect investments to be made in these areas.

Legal implications

- 9 None arising directly from this report.

Appendix

Appendix 1: Annual Treasury Management Report 2018/2019

Appendix 2: Audit and Standards Committee 16th July 2019 Minutes Extract

Background Papers

Treasury Strategy Statements 2018/2019 and 2019/2020

APPENDIX 1

Lewes District Council

Annual Treasury Management Report 2018/2019

Contents

1. Background 1

2. Overall Summary of Activity 2018/2019 1

3. Detailed Analysis – Borrowing 2

4. Detailed Analysis - Investments 5

5. Compliance with Prudential Indicators 7

6. Investment Consultants..... 7

7. Reporting and Training..... 8

8. Local Authority Regulatory Changes instigated in 2018/2019..... 8

Appendix A – Prudential Indicators 2017/2018..... 11

Appendix B – Economic Background explained by Arlingclose 16

Appendix C – List of Investments made and/or maturing in 2018/2019 18

Glossary of Terms 20

1. Background

1.1 The Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury management report. The report must review treasury management activities and set out the final position of the Council's Treasury Prudential Indicators. This report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.

1.2 The Council defines its Treasury Management activities as:

“the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.3 The Council agreed its Treasury Management Strategy Statement and Investment Strategy 2018/2019 to 2020/2021 at its meeting in February 2018.

2. Overall Summary of Activity 2018/2019

2.1 The table below lists the key elements of the 2018/2019 Strategy and records actual performance against each one of them.

Key Element	Target in Strategy	Actual Performance	
Borrowing			
Underlying need to borrow (CFR) at year end	£109.930 million	£82.030 million	-
Internal borrowing at year end	£20.206 million	£35.357 million	-
New external long-term borrowing in year	None anticipated	None undertaken	✓
Debt rescheduling in year	Review options but not anticipated	Options kept under review, none undertaken	✓
Interest payments on external borrowing	£1.722 million	£1.743 million	✓
Investments			
Minimum counterparty credit ratings for unsecured investments	Long-term BBB+- (does not apply to Government and other local authorities which have the highest ratings)	At least Long-term A	✓
Interest receipts from external investments	£0.100m	£0.150m	✓
Appointment of Investment Consultants			
Independent Treasury Adviser to be retained	Arlingclose to be retained as Treasury Adviser	Arlingclose retained as Treasury Adviser	✓

Key Element	Target in Strategy	Actual Performance	
Reporting and Training			
Reports to be made to Audit and Standards Committee and Cabinet	Every regular meeting	Every regular meeting.	✓
Briefing sessions for Councillors and Staff	Treasury Adviser to provide	Staff training September 2018	-

2.2 The remainder of this report explores each of the key elements in more depth. Appendix A gives details of the final position on each of the Prudential Indicators, and Appendix B explores the Economic Background to the year's activity. A glossary appears at the end of the document to explain technical terms which could not be avoided when writing this report.

3. Detailed Analysis – Borrowing

- 3.1 Other than for temporary cash flow purposes, local authorities are only allowed to borrow to finance capital expenditure (e.g. the purchase of property, vehicles or equipment which will last for more than one year, or the improvement of such assets). Prior to 2018/19, the Government limited the amount of borrowing by local authorities for housing purposes by specifying 'debt caps'. The Council's underlying debt cap was fixed at £72.931m. In 2014/2015 local authorities were able to bid for an increase in the housing debt cap in order to enable specific projects. A bid from the Council was successful and the debt cap was increased to £75.248m to match expenditure incurred in building new houses on specified former garage sites. The Government removed the 'debt cap' during 2018/19, which enables the Council to further invest in the provision of new social housing.
- 3.2 In accounting terms, the underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR) while usable reserves and working capital are the underlying resources available for investment.
- 3.3 The CFR is, in simple terms, the amount of capital expenditure which has been incurred by the Council but which has not yet been paid for (by using, for example, grants, capital receipts, reserves or revenue income) and in the meantime is covered by internal or external borrowing. 'External borrowing' is where loans are raised from the Public Works Loans Board (PWLB) or banks. Alternatively it is possible to 'internally borrow' the significant levels of cash which has been set aside in Balances and Reserves and which would otherwise need to be invested with banks or other counterparties.
- 3.4 As noted above, the level of CFR increases each year by the amount of unfinanced capital expenditure and is reduced by the amount that the Council sets aside for the repayment of borrowing. The original CFR projection for 2018/2019, the revised position reported at the time of producing the Treasury Strategy 2019/2020 (February 2019) and the final position for the year are shown in the table below. The variation between the revised and

final position reflects the changing profile of capital spend across financial years, particularly allocations in the capital programme in respect of facilitating loans to Lewes Housing investment Company, which was not called on in 2018/19, and a loan to Aspiration Homes LLP, which was called on in 2018/2019 to the extent of £10k.

	2018/19 Original	2018/19 Revised	2018/19 Outturn
	£m	£m	£m
Opening CFR	86.482	77.210	77.210
Capital expenditure in year	32.407	71.585	15.010
Less financed	(7.508)	(15.400)	(9.874)
Less amount set aside for debt repayment	(1.451)	(0.316)	(0.316)
Closing CFR	109.930	133.079	82.030

- 3.5 The overall CFR can be split between the General Fund and the Housing Revenue Account as follows:

	2018/19 Revised	2018/19 Outturn
CFR Component	£m	£m
General Fund	65.560	16.270
Housing Revenue Account	67.519	65.760
Total	133.079	82.030

- 3.6 The following table compares the CFR with the amount that the Council holds in balances and reserves as well as working capital (day to day cash movements as well as grants, developer contributions and capital receipts held, pending their use).

	31/3/19 Revised	31/3/19 Outturn
	£m	£m
(a) Capital Financing Requirement	133.079	82.030
(b) Actual external long-term borrowing	(56.673)	(56.673)
(c) Borrowing required in year	(56.200)	-
(d) Use of Balances and Reserves and working capital as alternative to borrowing (a)-(b)-(c)	20.206	25.357

3.7 The Council's long-term loan portfolio at 31 March 2019 was:

Lender	Interest	Amount £m	Rate %	Maturity
PWLB	Fixed	4.000	2.70	01-03-2024
PWLB	Fixed	5.000	3.30	01-03-2032
PWLB	Fixed	2.000	3.05	01-09-2027
PWLB	Fixed	2.000	2.76	01-09-2024
PWLB	Fixed	4.000	2.97	01-09-2026
PWLB	Fixed	5.000	3.28	01-09-2031
PWLB	Fixed	4.000	2.63	01-09-2023
PWLB	Fixed	5.000	3.44	01-03-2037
PWLB	Fixed	6.673	3.50	01-03-2042
PWLB	Fixed	5.000	3.43	01-09-2036
PWLB	Variable	5.000	0.92	28-03-2022
PWLB	Fixed	4.000	3.01	01-03-2027
	Sub-total	51,673		
Barclays	Fixed	5.000	4.50	06-04-2054
	Sub-total	5.000		
	Total	56.673		

- 3.8 In the table above the Barclays loan was taken out in April 2004 with a term of 50 years. In June 2016 the bank decided to permanently waive its contractual right to vary the interest rate on this loan, which was effectively fixed at the rate of interest applicable at that time, 4.5%.
- 3.9 Total interest paid on external long-term borrowing in the year was £1.743m, which was consistent with the revised budget for the year. No new long-term borrowing was undertaken. The Council remained eligible to access the Government's 'Certainty Rate' allowing the Council to borrow, had it been appropriate to do so, at a reduction of 0.2% on the Standard Rate.
- 3.10 Through the year, officers, supported by Arlingclose, monitored opportunities for the rescheduling of external loans and the possibility of repayment utilising cash balances that would otherwise be invested. No beneficial rescheduling opportunities were identified and the loan portfolio remained unchanged through the year.
- 3.11 As determined by the Council, two separate Loans Pools operated in 2018/2019, for the General Fund and HRA respectively. At 31 March 2019 the balance on internal loans from the General Fund to the Housing Revenue Account (HRA) was £8.795m, an increase of £0.601m compared with the previous year, which comprised new lending as funding for the construction of new homes. Interest was charged on internal borrowing at 1.67% (equivalent to a one-year maturity loan from the PWLB at the start of the financial year).
- 3.12 No temporary borrowing was undertaken during the course of the financial year and consequently, there were no temporary loans outstanding at 31 March 2019.

4. Detailed Analysis - Investments

4.1 The Council held an average of £18.7m as cash during the year. This comprised working cash balances, capital receipts, earmarked reserves and developer contributions held pending their use.

4.2 The Council's general policy objective is to invest its surplus funds prudently. Throughout 2018/2019, the Council's investment priorities continued to be:

Highest priority - Security of the invested capital;

Followed by - Liquidity of the invested capital;

Finally - An optimum yield commensurate with security and liquidity.

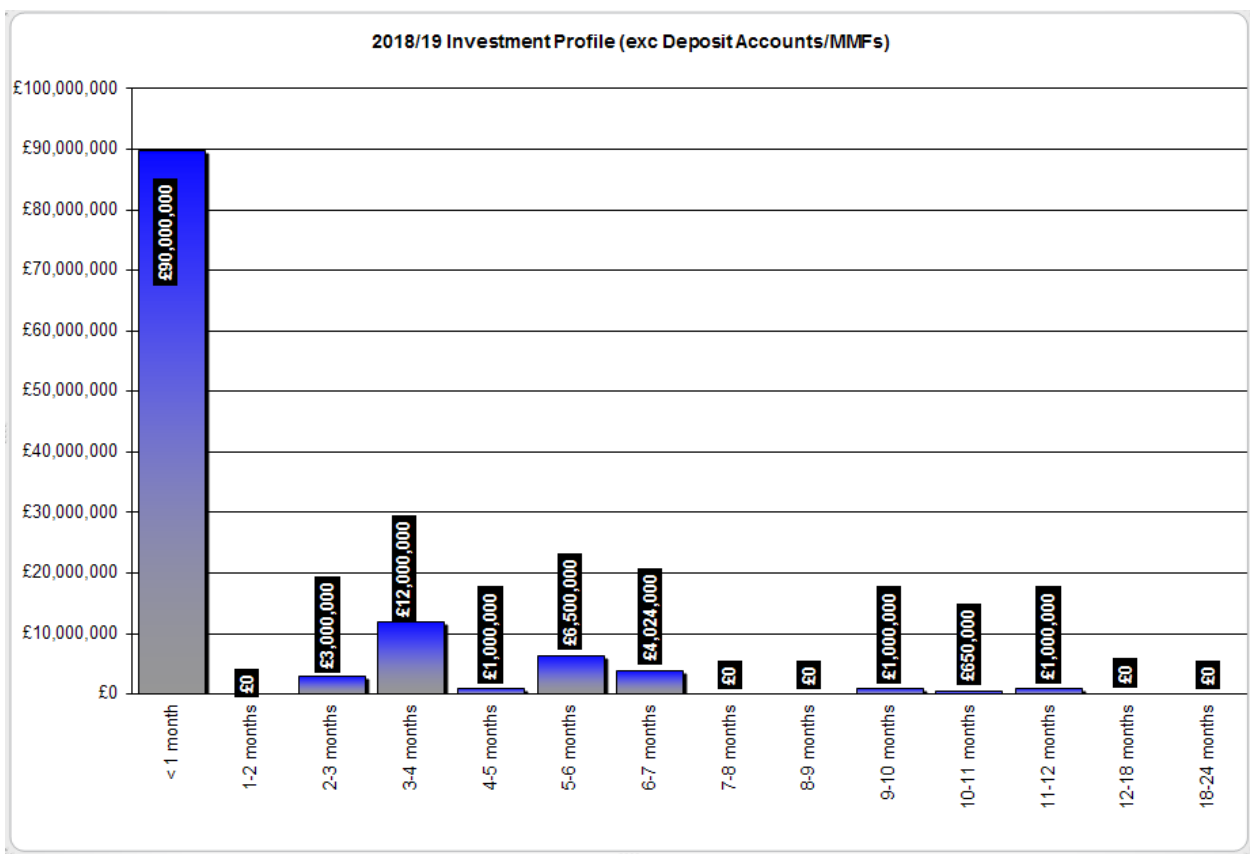
4.3 All of the Council's investments were managed in-house. Security of capital was maintained by following the counterparty policy set out in the Investment Strategy for 2018/2019. Investments made during the year included:

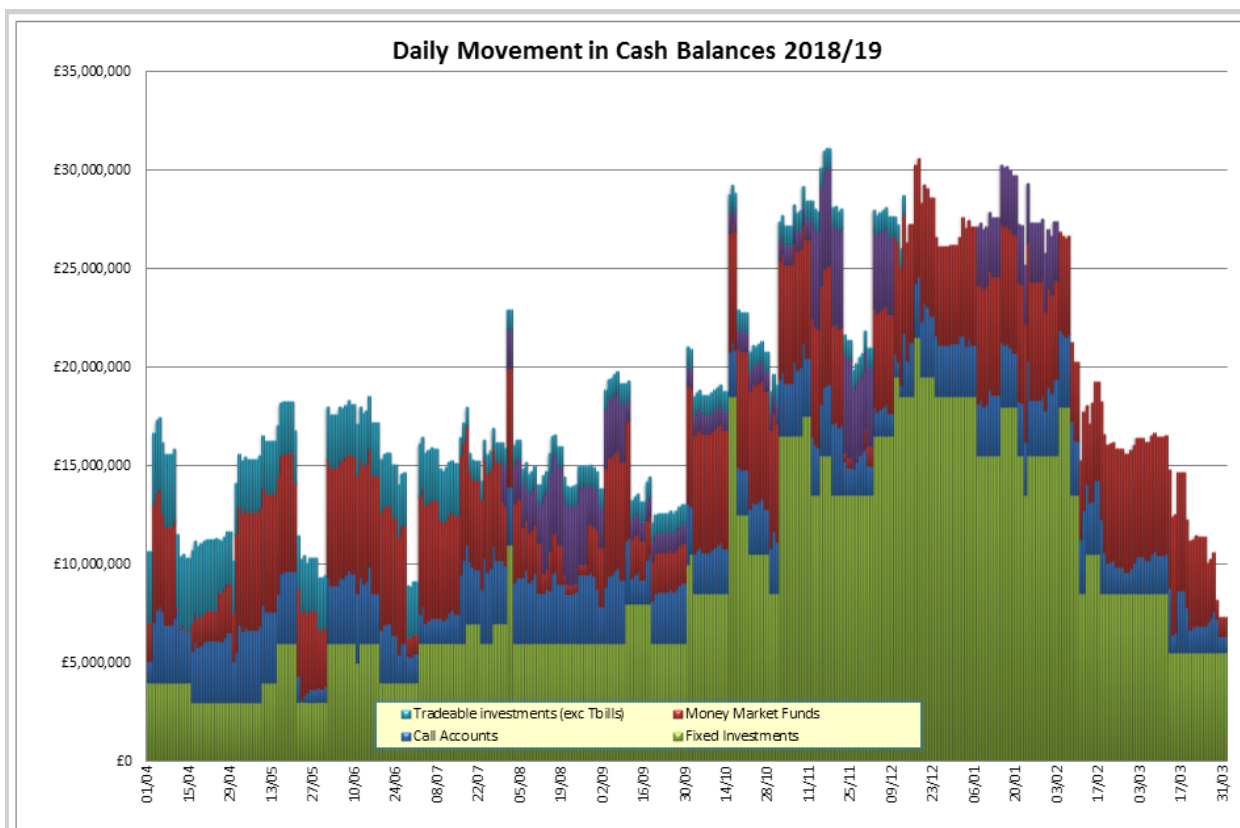
- Fixed Term Deposits with the Debt Management Office (DMO) (a total of £73 million – 27 occasions);
- Fixed Term Deposits with other Local Authorities (a total of £27.524 million – 11 occasions);
- Fixed Term Deposits with UK Banks and Building Societies (a total of £1 million – 1 occasion);
- Investments in Money Market Funds (MMFs) (average daily balance held in year £2.303 million);
- United Kingdom Treasury Bills (a total of £14 million – 14 occasions);
- Tradable Investments - Floating Rate Notes, Certificates of Deposit, Bonds (a total of £3.65 million – 4 occasions);
- Deposit accounts with UK Banks (average daily balance held in year £1.222 million);
- Deposit accounts with UK Building Societies (average daily balance held in year £1.374 million);
- Overnight deposits with the Council's banker, Lloyds Bank (average daily balance held in year £1.245 million).

4.4 Counterparty credit quality was assessed and monitored with reference to credit ratings (a minimum long-term counterparty rating of BBB+ across all three rating agencies Fitch, Standard and Poor's, and Moody's applied); credit default swaps; GDP of the country in which the institution operates; the country's net debt as a percentage of GDP; any potential support mechanisms and share price.

4.5 In keeping with Government guidance on investments, the Council maintained a sufficient level of liquidity through the use of Money Market Funds (MMF), overnight deposits and deposit accounts, the average daily balance held being £7.255 million.

4.6 A full list of investments (excluding deposit account or MMF transactions) made or maturing in the year is given at Appendix C. All investments were made with UK institutions, and no new deposits were made for periods in excess of one year. The first chart below gives an analysis of aggregate fixed term deposits by duration. The second chart shows how the total amount invested varied from day to day over the course of the year, from a low of £7.3m to a high of £31.1m. The movement largely reflects the cycle of grant, council tax and business rate receipts and precept payments made.





4.7 The income return generated from investments in the year was £0.150 million, above the total budget for investment income of £0.100 million. This position arose as a result of the requirement to re-profile major projects within the approved capital programme, ensuring an increase in the short-term availability of additional cash for investment.

4.8 The average rate of return from investments at the end of each quarter in 2018/2019 is shown in the table below, along with comparative benchmark information, the 7-day LIBID rate.

Average rate of investments in:	Lewes District Council	7 day LIBID
Quarter 1 ending 30 June 2018	0.57%	0.36%
Quarter 2 ending 30 September 2018	0.84%	0.51%
Quarter 3 ending 31 December 2018	0.43%	0.58%
Quarter 4 ending 31 March 2019	0.38%	0.57%
Whole year 2018/2019	0.83%	0.51%

5. Compliance with Prudential Indicators

The Council can confirm that it has complied with its Prudential Indicators for 2018/2019. A detailed review of each of the Prudential Indicators is at Appendix A.

6. Investment Consultants

- 6.1 The Council appointed Arlingclose as its Treasury Adviser in 2012 following an open procurement. The agreement with Arlingclose was for an initial four-year term expiring on 30 June 2016, with the Council having the option to extend for a further year.
- 6.2 The Council exercised the option to extend the agreement to the end of June 2017 and following discussion with Arlingclose opted to maintain the appointment for a further year. A further year's extension is anticipated prior to a formal review of arrangements in conjunction with Eastbourne Borough Council, given that a shared finance team (with treasury management responsibility) is being established.

7. Reporting and Training

- 7.1 The Deputy Chief Executive and, subsequently, the new Chief Finance Officer reported the details of treasury management activity to each regular meeting of the Audit and Standards Committee and Cabinet held in 2018/2019. A mid-term summary report was issued in November 2018.
- 7.2 The training needs of the Council's treasury management staff were reviewed as part of the annual corporate staff appraisal/training needs assessment process for all Council employees. Members of staff attended, where appropriate, Arlingclose workshops alongside colleagues from other local authorities during 2018/2019.
- 7.3 In 2018/19, Arlingclose met with Council officers with a role in treasury management both to explain developments within the sector, as well as review the Council's own investment and debt portfolios.
- 7.4 The Treasury Strategy had anticipated that Arlingclose would hold a local briefing session for all councillors tasked with treasury management responsibility, including scrutiny of the treasury management function. It did not prove practicable for this session to take place. Following the election in May 2019 of a significant number of new councillors, the next councillor briefing session is now expected to take place in autumn 2019.

8. Local Authority Regulatory Changes instigated in 2018/2019

- 8.1 Revised CIPFA Codes:
- i. CIPFA published revised editions of the Treasury Management and Prudential Codes in December 2017. The timing precluded adoption of the required changes from the 2011 Code in the 2018/2019 Treasury Management Strategy which had already been drafted. Where relevant, the changes were incorporated into the 2018/2019 monitoring reports. All changes were fully implemented in the 2019/2020 Treasury Management Strategy.
 - ii. The 2017 Prudential Code introduced the requirement for a Capital Strategy which provides a high-level overview of the long-term context of capital expenditure and investment decisions and their associated risks and rewards along with an overview of how risk is managed for future

financial sustainability. Where the strategy is produced and approved by full Council, the determination of the Treasury Management Strategy can be delegated to a committee. The Code also expands on the process and governance issues of capital expenditure and investment decisions. CIPFA recognised that authorities may require a lead-in period to create a Capital Strategy and that this requirement may not be able to be fully implemented until 2019/2020: this Council has adopted that timescale.

- iii. In the 2017 Treasury Management Code the definition of 'investments' was widened to include financial assets as well as non-financial assets held primarily for financial returns such as investment property. These, along with other investments made for non-treasury management purposes such as loans supporting service outcomes and investments in subsidiaries, must be discussed in the Capital Strategy or Investment Strategy. Additional risks of such investments are to be set out clearly and the impact on financial sustainability is to be identified and reported.

8.2 MHCLG Investment Guidance and Minimum Revenue Provision (MRP):

- i. In February 2018 the MHCLG (Ministry of Housing, Communities and Local Government) published revised Guidance on Local Government and Investments and Statutory Guidance on Minimum Revenue Provision (MRP).
- ii. Changes to the Investment Guidance include a wider definition of investments to include non-financial assets held primarily for generating income return and a new category called 'loans' (e.g. temporary transfer of cash to a third party, joint venture, subsidiary or associate). The Guidance introduces the concept of proportionality, proposes additional disclosure for borrowing solely to invest and also specifies additional indicators. Investment strategies must detail the extent to which service delivery objectives are reliant on investment income and a contingency plan should be in place if investment yields on investments fall.
- iii. The definition of prudent MRP was changed to 'put aside revenue over time to cover the Capital Financing Requirement (CFR); it cannot be a negative charge and can only be zero if the CFR is nil or negative. Guidance on asset lives has been updated, applying to any calculation using asset lives. Any change in MRP policy cannot create an overpayment; the new policy must be applied to the outstanding CFR going forward only.

8.3 MiFID II:

- i. As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3rd January 2018 local authorities were automatically treated as retail clients but could 'opt up' to professional client status, providing certain criteria was met which includes having an investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the authority have at least a year's relevant professional experience. In addition, the regulated financial services firms to whom this directive applies have had to assess that that person(s) have the expertise, experience and knowledge to make

investment decisions and understand the risks involved.

- ii. The Council has met the conditions to opt up to professional status and has done so in order to maintain its professional client status. The Council will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.

Appendix A – Prudential Indicators 2018/2019

1. Background:

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators. Some of the Prudential Indicators relate directly to the Council's Capital Programme. These Indicators are also included below for completeness of reporting.

2. Net Borrowing and the Capital Financing Requirement

- 2.1 This is a key indicator of prudence. In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that the net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.
- 2.2 The Chief Finance Officer reports that the Council has had no difficulty meeting this requirement in 2018/2019, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the budget for 2019/2020.

3. Estimates of Capital Expenditure (direct link to Capital Programme)

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax and in the case of the HRA, housing rent levels.

No.	Capital Expenditure	2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
1a	Non-HRA	26.913	62.319	9.436
1b	HRA	5.494	9.266	5.574
	Total	32.407	71.585	15.010

4. Ratio of Financing Costs to Net Revenue Stream (direct link to Capital Programme)

- 4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs.
- 4.2 The ratio is based on costs net of investment income. Where investment income exceeds interest payments, the indicator is negative.

No.	Ratio of Financing Costs to Net Revenue Stream	2018/19 Original %	2018/19 Revised %	2018/19 Actual %
2a	Non-HRA	1.47	1.47	1.30
2b	HRA	15.82	15.82	11.28

5. Capital Financing Requirement

5.1 The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing. The amounts shown are as at 31 March.

No	Capital Financing Requirement	2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
3a	Non-HRA	43.951	65.560	16.270
3b	HRA	65.979	67.519	65.760
	Total CFR	109.930	133.079	82.030

5.2 The year-on-year change in the CFR is set out below.

Capital Financing Requirement	2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
Balance B/F	86.482	77.210	77.210
Capital expenditure financed from borrowing	24.899	56.185	5.136
Revenue provision for Debt Redemption.	(1.451)	(0.316)	(0.316)
Balance C/F	109.930	133.079	82.030

6. Actual External Debt

This indicator is obtained directly from the Council's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. The Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit (see 8 below).

No.	Actual External Debt as at 31/03/2019	Revised £m	Actual £m
4a	Borrowing	112.858	56.673
4b	Other Long-term Liabilities	0.392	0.704
4c	Total	113.250	57.377

7. Incremental Impact of Capital Investment Decisions Stream (direct link to Capital Programme)

This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and Housing Rent levels. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved Capital Programme with an equivalent calculation of the revenue budget requirement arising from the proposed Capital Programme.

No.	Incremental Impact of Capital Investment Decisions	2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
5a	Increase in Band D Council Tax	47.96	47.96	59.97
5b	Increase in Average Weekly Housing Rents	0.82	0.82	4.22

The increase in Band D council tax/average weekly rents reflects the funding of the capital programme: for example, new borrowing increases interest payable, and funding from reserves utilises resources which could have otherwise been used to fund revenue expenditure. The actual indicators are less than the revised as a result of significant capital projects being deferred from 2018/2019 into 2019/2020.

8. Authorised Limit and Operational Boundary for External Debt

- 8.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.
- 8.2 The Authorised Limit sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases.
- 8.3 The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.
- 8.4 The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit). The 2018/2019 Actual values shown below are the maximum levels of borrowing, including temporary borrowing, experienced at any time during the year.

No.	Authorised Limit for External Debt	2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
6a	Borrowing	106.500	121.300	63.67
6b	Other Long-term Liabilities	0.532	0.392	0.704
6c	Total	107.032	121.692	57.004

- 8.5 The Operational Boundary links directly to the Council's estimates of the CFR and estimates of other cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

- 8.6 The Chief Finance Officer has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Cabinet. The 2018/2019 Actual values shown below are the maximum levels of borrowing, including temporary borrowing, experienced at any time during the year.

No.	Operational Boundary for External Debt	2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
7a	Borrowing	111.500	111.300	56.300
7b	Other Long-term Liabilities	0.532	0.392	0.704
7c	Total	112.032	111.692	57.004

9. Adoption of the CIPFA Treasury Management Code

This indicator demonstrates that the Council has adopted best practice.

No.	Adoption of the CIPFA Code of Practice in Treasury Management
8	The Council approved the adoption of the CIPFA Treasury Management Code in 2002. Following revisions to the Code published in December 2009, reconfirmed its adoption of the Code in February 2010.

10. Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- 10.1 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. This Council calculates these limits on net principal outstanding sums i.e. fixed rate debt net of fixed rate investments.
- 10.2 The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget.

No.		2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
9	Upper Limit for Fixed Interest Rate Exposure	110.0	110.0	100.0
10	Upper Limit for Variable Interest Rate Exposure	(27.5)	(27.5)	(27.5)

- 10.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's Treasury Management Strategy.
- 10.4 Because the Council's investments are substantially in excess of its variable rate borrowing, the Upper Limit for Variable Interest Rate exposure is shown as a negative figure.

11. Maturity Structure of Fixed Rate borrowing

11.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

11.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

No.	Maturity structure of fixed rate borrowing	Lower Limit %	Upper Limit %	Actual %
11a	under 12 months	0	75	0
11b	12 months and within 24 months	0	75	0
11c	24 months and within 5 years	0	75	0
11d	5 years and within 10 years	0	100	44
11e	10 years and above	0	100	56

12. Upper Limit for total principal sums invested over 364 days

The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested. No investments of more than 364 days were made during 2018/19.

No.	Upper Limit for total principal sums invested over 364 days	2018/19 Original %	2018/19 Revised £m	2018/19 Actual £m
12	Upper limit	50	2	-

13. HRA Limit on Indebtedness

The indicator is associated with self-financing for housing. It indicates the residual capacity to borrow for housing purposes, while remaining within the overall HRA 'Debt Cap' specified by the Government. The Government removed the 'debt cap' during 2018/19. The Council has retained the indicator 2018/19 for reporting to show the position if the 'debt cap' had remained in place.

No	Capital Financing Requirement	2018/19 Original £m	2018/19 Revised £m	2018/19 Actual £m
13a	HRA CFR	65.979	67.519	65.760
13b	HRA Debt Cap	75.248	75.248	75.248
	Difference	9.269	7.729	9.488

Appendix B – Economic Background explained by Arlingclose

Economic background: After spiking at over \$85/barrel in October 2018, oil prices fell back sharply by the end of the year, declining to just over \$50 in late December before steadily climbing toward \$70 in April 2019. UK Consumer Price Inflation (CPI) for February 2019 was up 1.9% year/year, just above the consensus forecast but broadly in line with the Bank of England's February Inflation Report. The most recent labour market data for the three months to January 2019 showed the unemployment rate fell to a new low 3.9% while the employment rate of 76.1% was the highest on record. The 3-month average annual growth rate for pay excluding bonuses was 3.4% as wages continue to rise steadily and provide some upward pressure on general inflation. Once adjusted for inflation, real wages were up 1.4%.

After rising to 0.6% in the third calendar quarter from 0.4% in the second, fourth quarter economic growth slowed to 0.2% as weaker expansion in production, construction and services dragged on overall activity. Annual GDP growth at 1.4% continues to remain below trend. Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy have been made since.

The US Federal Reserve continued its tightening bias throughout 2018, pushing rates to the 2.25%-2.50% range in December. However, a recent softening in US data caused the Fed to signal a pause in hiking interest rates at the last Federal Open Market Committee (FOMC) meeting in March.

With the 29th March 2019, the original EU 'exit day' now been and gone, having failed to pass a number of meaningful votes in Parliament, including shooting down Theresa May's deal for the third time, MPs voted by a majority of one (313 to 312) to force the prime minister to ask for an extension to the Brexit process beyond 12th April in order to avoid a no-deal scenario. Recent talks between the Conservative and Labour parties to try to reach common ground on a deal which may pass a vote by MPs have yet to yield any positive results. The EU must grant any extension and its leaders have been clear that the terms of the deal are not up for further negotiation. The ongoing uncertainty continues to weigh on sterling and UK markets.

While the domestic focus has been on Brexit's potential impact on the UK economy, globally the first quarter of 2019 has been overshadowed by a gathering level of broader based economic uncertainty. The US continues to be set on a path of protectionist trade policies and tensions with China in particular, but with the potential for this to spill over into wider trade relationships, most notably with EU. The EU itself appeared to be showing signs of a rapid slowdown in economic growth with the major engines of its economy, Germany and France, both suffering misfires from downturns in manufacturing alongside continued domestic/populist unrest in France. The International Monetary Fund downgraded its forecasts for global economic growth in 2019 and beyond as a consequence.

Financial markets: December was a month to forget in terms of performance of riskier asset classes, most notably equities. The FTSE 100 (a good indicator of global corporate sentiment) returned -8.8% assuming dividends were reinvested; in pure price terms it fell around 13%. However, since the beginning of 2019 markets have rallied, and the FTSE 100 and FTSE All share indices were both around 10% higher than at the end of 2018.

Gilt yields continued to display significant volatility over the period on the back of ongoing economic and political uncertainty in the UK and Europe. After rising in October, gilts regained their safe-haven status throughout December and into the new year - the 5-year benchmark gilt yield fell as low as 0.80% and there were similar falls in the 10-year and 20-year gilts over the same period dropping from 1.73% to 1.08% and from 1.90% to 1.55%. The increase in Bank Rate pushed up money markets rates over the year and 1-month, 3-month and 12-month LIBID (London Interbank Bid) rates averaged 0.53%, 0.67% and 0.94% respectively over the period.

Recent activity in the bond markets and PWLB interest rates highlight that weaker economic growth is not just a UK phenomenon but a global risk. During March the US yield curve inverted (10-year Treasury yields were lower than US 3 month money market rates) and German 10-year Bund yields turned negative. The drivers are a significant shift in global economic growth prospects and subsequent official interest rate expectations given its impact on inflation expectations. Further to this is world trade growth which collapsed at the end of 2018 falling by 1.8% year-on-year. A large proportion of this downturn in trade can be ascribed to the ongoing trade tensions between the US and China which despite some moderation in January does suggest that the International Monetary Fund's (IMF) and Organisation for Economic Co-Operation & Development's (OECD) forecasts for global growth in 2019 of 3.5% might need to be revised downwards.

Credit background: Credit Default Swap (CDS) spreads drifted up towards the end of 2018 on the back of Brexit uncertainty before declining again in 2019 and continuing to remain low in historical terms. After hitting around 129 basis points in December 2018, the spread on non-ring-fenced bank NatWest Markets plc fell back to around 96bps at the end of March, while for the ring-fenced entity, National Westminster Bank plc, the CDS spread held relatively steady around 40bps. The other main UK banks, as yet not separated into ring-fenced and non-ring-fenced from a CDS perspective, traded between 33 and 79bps at the end of the period.

The ring-fencing of the big four UK banks (Barclays, Bank of Scotland/Lloyds, HSBC and RBS/NatWest Bank plc) transferred their business lines into retail (ring-fenced) and investment banking (non-ring-fenced) entities.

In February, Fitch put the UK AA sovereign long-term rating on Rating Watch Negative as a result of Brexit uncertainty, following this move with the same treatment for UK banks and a number of government-related entities.

There were minimal other credit rating changes during the period. Moody's revised the outlook on Santander UK to positive from stable to reflect the bank's expected issuance plans which will provide additional protection for the senior unsecured debt and deposits.

Appendix C – List of Investments made and/or maturing in 2018/2019

Counterparty	Principal £	From / To		Interest/Return £
--------------	----------------	-----------	--	----------------------

Term Deposits				
Nationwide Building Society	1,000,000	15-Dec-18	16-Apr-18	1,304
Thurrock Borough Council	3,000,000	12-Feb-18	14-May-18	4,114
Debt Management Office	1,000,000	10-May-18	22-May-18	85
Thurrock Borough Council	3,000,000	14-May-18	14-Nov-18	9,528
Debt Management Office	2,000,000	15-May-18	22-May-18	96
South Heighton Parish Council	24,000	29-May-18	29-Nov-18	76
Debt Management Office	3,000,000	01-Jun-18	11-Jun-18	205
Debt Management Office	2,000,000	11-Jun-18	19-Jun-18	109
Surrey Heath Borough Council	1,000,000	12-Jun-18	12-Dec-18	3,008
Thurrock Borough Council	2,000,000	02-Jul-18	02-Oct-18	2,521
Debt Management Office	1,000,000	18-Jul-18	23-Jul-18	34
Debt Management Office	1,000,000	27-Jul-18	03-Aug-18	54
Debt Management Office	4,000,000	01-Aug-18	03-Aug-18	74
Debt Management Office	2,000,000	10-Sep-18	19-Sep-18	247
Thurrock Borough Council	2,500,000	02-Oct-18	02-Apr-19	11,219
Debt Management Office	2,000,000	01-Oct-18	03-Oct-18	55
Debt Management Office	2,000,000	01-Oct-18	08-Oct-18	192
Debt Management Office	2,000,000	08-Oct-18	18-Oct-18	274
Debt Management Office	6,000,000	15-Oct-18	22-Oct-18	575
Debt Management Office	4,000,000	15-Oct-18	18-Oct-18	164
Eastbourne Borough Council	2,000,000	22-Oct-18	23-Jan-19	3,567
Debt Management Office	2,000,000	22-Oct-18	29-Oct-18	192
Thurrock Borough Council	3,000,000	14-Nov-18	14-May-19	13,389
Debt Management Office	8,000,000	01-Nov-18	05-Nov-18	438
Debt Management Office	4,000,000	05-Nov-18	09-Nov-18	219
Debt Management Office	4,000,000	05-Nov-18	12-Nov-18	384
Thurrock Borough Council	5,000,000	09-Nov-18	11-Feb-19	9,400
Debt Management Office	2,000,000	15-Nov-18	19-Nov-18	110
Eastbourne Borough Council	3,000,000	03-Dec-18	01-Mar-19	5,425
Debt Management Office	3,000,000	10-Dec-18	17-Dec-18	288
Debt Management Office	1,000,000	17-Dec-18	24-Dec-18	96
Debt Management Office	3,000,000	17-Dec-18	02-Jan-19	658
Debt Management Office	2,000,000	17-Dec-18	19-Dec-18	55
Debt Management Office	3,000,000	02-Jan-19	07-Jan-19	205
Debt Management Office	2,500,000	15-Jan-19	21-Jan-19	205
Debt Management Office	2,000,000	24-Jan-19	08-Feb-19	411
Debt Management Office	2,500,000	04-Feb-19	08-Feb-19	140
Debt Management Office	2,000,000	13-Feb-19	18-Feb-19	137
Eastbourne Borough Council	3,000,000	01-Mar-19	13-Mar-19	641

Counterparty	Principal £	From / To	Interest/Return £
--------------	----------------	-----------	----------------------

Treasury Bills

UK Treasury Bill 0% 28-Aug-2018	1,000,000	30-Jul-18	28-Aug-18	457
UK Treasury Bill 0% 28-Aug-2018	1,000,000	30-Jul-18	28-Aug-18	452
UK Treasury Bill 0% 10-Sep-2018	1,000,000	13-Aug-18	10-Sep-18	534
UK Treasury Bill 0% 10-Sep-2018	1,000,000	13-Aug-18	10-Sep-18	524
UK Treasury Bill 0% 01-Oct-2018	1,000,000	3-Sep-18	1-Oct-18	557
UK Treasury Bill 0% 29-Oct-2018	1,000,000	1-Oct-18	29-Oct-18	517
UK Treasury Bill 0% 26-Nov-2018	1,000,000	29-Oct-18	26-Nov-18	499
UK Treasury Bill 0% 10-Dec-2018	1,000,000	12-Nov-18	10-Dec-18	477
UK Treasury Bill 0% 10-Dec-2018	1,000,000	12-Nov-18	10-Dec-18	482
UK Treasury Bill 0% 10-Dec-2018	1,000,000	12-Nov-18	10-Dec-18	489
UK Treasury Bill 0% 10-Dec-2018	1,000,000	12-Nov-18	10-Dec-18	475
UK Treasury Bill 0% 04-Feb-2019	1,000,000	7-Jan-19	4-Feb-19	497
UK Treasury Bill 0% 04-Feb-2019	1,000,000	7-Jan-19	4-Feb-19	499
UK Treasury Bill 0% 04-Feb-2019	1,000,000	7-Jan-19	4-Feb-19	505

Other

Daimler AG (Bond - Fixed)	650,000	14-Sep-17	16-Jul-18	12,900
Daimler AG (Bond - Fixed)	1,000,000	4-Oct-17	16-Jul-18	18,545
Nordea AB (Certificate of Deposit)	1,000,000	25-Oct-17	25-Apr-18	18,544
BMW Finance NV (Bond - Fixed)	1,000,000	19-Dec-17	14-Dec-18	6,712

Glossary of Terms

<i>Affordable Borrowing Limit</i>	Each local authority is required by statute to determine and keep under review how much money it can afford to borrow. The Prudential Code (see below) sets out how affordability is to be measured.
<i>Base Rate</i>	The main interest rate in the economy set by the Bank Of England, upon which others rates are based.
<i>Bonds</i>	Debt instruments issued by government, multinational companies, banks and multilateral development banks. Interest is paid by the issuer to the bond holder at regular pre-agreed periods. The repayment date of the principal is also set at the outset.
<i>Capital Expenditure</i>	Spending on the purchase, major repair, or improvement of assets e.g. buildings and vehicles.
<i>Capital Financing Requirement (CFR)</i>	Calculated in accordance with government regulations, the CFR represents the amount of Capital Expenditure that it has incurred over the years and which has not yet been funded from capital receipts, grants or other forms of income. It represents the Council's underlying need to borrow.
<i>Chartered Institute of Public Finance and Accountancy (CIPFA)</i>	CIPFA is one of the leading professional accountancy bodies in the UK and the only one that specialises in the public services. It is responsible for the education and training of professional accountants and for their regulation through the setting and monitoring of professional standards. Uniquely among the professional accountancy bodies in the UK, CIPFA has responsibility for setting accounting standards for a significant part of the economy, namely local government.
<i>Counterparty</i>	Organisation with which the Council makes an investment.
<i>Credit Default Swaps</i>	CDS are a financial instrument for swapping the risk of debt default and are effectively an insurance premium. Local authorities do not trade in CDS but trends in CDS prices can be monitored as an indicator of relative confidence about the credit risk of counterparties.
<i>Credit Rating</i>	A credit rating is an independent assessment of the credit quality of an institution made by an organisation known as a rating agency. The rating agencies take many factors into consideration when forming their view of the likelihood that an institution will default on their obligations, including the institution's willingness and ability to repay. The ratings awarded typically cover the short term outlook, the long term outlook, as well as an assessment of the extent to which the parent company or the state will honour any obligations. At present the three main agencies providing credit rating services are Fitch Ratings, Moody's and Standard and Poor's
<i>Fixed Deposits</i>	Loans to institutions which are for a fixed period at a fixed rate of interest.
<i>Gilts</i>	These are issued by the UK government in order to finance public expenditure. Gilts are generally issued for set periods and pay a fixed rate of interest. During the life of the gilt it will be traded at price decided in the market.

<i>Housing Revenue Account (HRA)</i>	There is a statutory requirement for local authorities to account separately for expenditure incurred and income received in respect of the dwellings that they own and manage.
<i>Lenders' Option Borrower's Option (LOBO)</i>	A long term loan with a fixed interest rate. On pre- determined dates (e.g. every five years) the lender can propose or impose a new fixed rate for the remaining term of the loan and the borrower has the 'option' to either accept the new imposed fixed rate or repay the loan.
<i>LIBID</i>	The rate of interest at which first-class banks in London will bid for deposit funds.
<i>Minimum Revenue Provision (MRP)</i>	The minimum amount which must be charged to an authority's revenue account each year and set aside as provision for the repayment of debt.
<i>Operational boundary</i>	This is the most likely, prudent view of the level of gross external indebtedness. A temporary breach of the operational boundary is not significant.
<i>Prudential Code/Prudential Indicators</i>	The level of capital expenditure by local authorities is not rationed by central government. Instead the level is set by local authorities, providing it is within the limits of affordability and prudence they set themselves. The Prudential Code sets out the indicators to be used and the factors to be taken into account when setting these limits.
<i>Public Works Loan Board (PWLb)</i>	A central government agency which provides long-term and medium-term loans to local authorities at interest rates only slightly higher than those at which the Government itself can borrow.
<i>Treasury Management Strategy Statement (TMSS)</i>	Approved each year, this document sets out the strategy that the Council will follow in respect of investments and financing both in the forthcoming financial year and the following two years.
<i>Treasury Bills (T-Bills)</i>	These are issued by the UK Government as part of the Debt Management Office's cash management operations. They do not pay interest but are issued at a discount and are redeemed at par. T-Bills have up to 12 months maturity when first issued.

**Lewes District Council**

Meeting: Cabinet
Date: 11 September 2019
Subject: Response to Treasury Management Report
Report of: On behalf of the Audit and Standards Committee

The Cabinet is asked to note the minute and resolution of the Audit and Standards Committee held on 16 July 2019 in response to the Treasury Management Report.

The Cabinet is recommended to:-

Note the consideration and resolutions of the Audit and Standards Committee on the Treasury Management Report.

Minute extract**Audit and Governance Committee –16 July 2019.**

The Interim Deputy Chief Finance Officer introduced the report which had been issued as a supplement to the agenda as follows.

The oversight of Treasury Management was a function of the Audit and Standards Committee and the Treasury Management report was one of three reports considered by Full Council on an annual basis, including a mid-year review.

A key point in the report was that a Member-briefing session would be undertaken by the Council's treasury management advisors in autumn 2019. Treasury management was an important element of governance for the Council and sets the limits and parameters within which officers operated in terms of borrowing and lending.

The annual report set out the Council's position for 2018/19 and the Council's level of compliance during that period. All of the indicators for that period had been complied with and there had been no risk of those indicators being breached.

The issue of climate change had been raised at the previous meeting and although the Council had no direct investments with a climate change risk (for example fossil fuel companies) a watching brief would be maintained as there was a potential for very marginal investments in this area.

Members discussed the item and highlighted the following points and officers responded:

- Did the Committee discuss the strategies behind the investments as there appeared to be a number of investments with other local authorities, which might not be as

effective as investing in external companies? - It was not a deliberate policy. Local authorities had varying cash-flow requirements at different points in time. Some councils would be investing while others would be borrowing and often the best rates could be found among local authorities with the risk element mitigated by the Councils being sovereign backed.

- There had not been any investment activity on treasury bills, secured investments and tradeable investments during the recent period. Were the returns in this area less productive? There was generally limited investment in these instruments, and the recent departure of the Principal Accountant had also limited activity in this area.
- Were daily or monthly interest rates looked when approaching the market with deposits? - The Council's investments were dictated by its cash-flow and this was monitored and analysed, ensuring that the Council's obligations were being met. Page 15 of the report provided a graph which detailed the Council's investments. The Council's priority when looking at investments with marginal returns was to ensure security.
- Which debts or loans did the Council have and was there a breakdown of all the Council's investments? - The Council had a long term debt relating to the Housing Revenue Account. This was an historic debt for the Council to acquire its own housing and was taken out with the Public Works Loan Board; a government loan scheme for local authorities. Appendix C to the report listed the Council's investments. Further details on individual investments could be provided, if needed.
- There was difficulty in supporting the recommendations without a clearer understanding of whether the indicators were being complied with. - The prudential indicators had been set out in a standard format. However, a paragraph could be added to future reports which included the Chief Finance Officer's assurance that the Treasury Management indicators were being complied with and this would be reflected in the resolution. It was also be recognised that further, strategic training to enable evaluation of the Treasury Management indicators was needed.
- The indicators and targets in future reports should be made clearer for Members, possibly through the use of red, amber, green (RAG) indicators, in much the same way as the quarterly performance reports were presented.

RESOLVED that:

- 1) The Chief Finance Officers assurance that the Treasury Management Indicators were being complied with, be noted and accepted;
- 2) It be confirmed to Cabinet that Treasury Management Activity for the period 1 March to 30 June 2019 has been in accordance with the approved Treasury Strategies; and
- 3) It be recommended to Council that the annual Treasury Management report for 2018/19 be agreed and the 2018/19 Prudential and Treasury Indicators included in the report be approved.

For a copy of the report please contact Democratic Services:

Tel. (01273) 471600.

E-mail: committees@lewes-eastbourne.gov.uk

A copy may be downloaded on the Council's website by following the link below:
(to be inserted).

This page is intentionally left blank

Report to:	Cabinet
Date:	16 September 2019
Title:	Wave Leisure Trust – LDC Contract Annual Review 2018/19
Report of:	Phil Evans, Director of Tourism and Enterprise
Cabinet member:	Councillor Ruth O’Keeffe, Cabinet member for tourism and devolution
Ward(s):	All
Purpose of report:	For Cabinet to approve the 2018/19 Annual Service Delivery Plan from Wave Leisure Trust and the annual service delivery objectives for 2020/21.
Decision type:	Non-Key
Officer recommendation(s):	(1) To note and approve Wave Leisure Trust’s performance against the LDC contract Annual Service Delivery Plan for 2018/2019. (2) To approve the annual service delivery objectives for 2020/21
Reasons for recommendations:	The agreement between the Council and Wave Leisure Trust requires Cabinet to approve a review of the LDC contract Annual Service Delivery Plan on an annual basis and to receive a report on the performance of the Trust. Additionally, Cabinet is required to approve the joint objectives proposed for the forthcoming financial year.
Contact Officer(s):	Name: Mark Langridge-Kemp Post title: Head of Property, Delivery and Compliance E-mail: mark.langridge-kemp@lewes-eastbourne.gov.uk Telephone number: 01323 415876

1 Introduction

- 1.1 Wave Leisure Trust (WLT) run four leisure sites on behalf of the Council – Lewes Leisure Centre, Downs Leisure Centre, Seahaven Swim and Fitness Centre and Peacehaven (Meridian) Leisure Centre, as well as Newhaven Fort. WLT also runs other sites on behalf of other clients that are not the subject of this report.
- 1.2 On an annual basis the Council gives WLT service delivery objectives that provide the Trust with a framework to produce an Annual Service Delivery Plan (ASDP). WLT’s ‘Chief Executives Twelve Month Report’ for 2018/19 has

recently been published and the summary report of the 2018/19 ASDP achievements against core outcomes is attached at Appendix A (Leisure sites) and Appendix B (Newhaven Fort). Visitor numbers for the wet and dry sites overall for the Trust have increased to 1,036,857 and there are currently 5,247 Live memberships.

2 Annual Service Delivery Plan 2018/19 Outcome

2.1 WLT is required to report on its performance against a series of performance indicators agreed with the Council. Performance targets are set taking account of the aims and objectives of the Council and are a means for encouraging the Trust to help meet the Council's overall priorities in line with Corporate Plan aspirations.

Performance monitoring is undertaken by officers throughout the year; there are no ongoing concerns about the performance of the Trust to be raised.

2.2 Leisure

Highlights of the report against the previous year are set out below.

2.2.1 Outcome 1: Increasing participation and reducing health inequality

Key priority 1: Provision of activities to meet the needs of the aging population of the District, inclusive of outreach work, to provide opportunities of increasing participation and wellbeing, particularly in the rural communities where people need them.

- Older people participation increased to over 1,030 individuals within centres and through outreach with 42,579 attendances – an increase of 12.5%;
- Walking Football participation up 35.5%;
- Walking Netball introduced;
- 3,925 individuals attended Strength and Balance Programmes;
- 27 additional walks delivered in Seaford, Newhaven and Peacehaven in partnership with South Downs National Park Authority.

Key priority 2: Seek to develop new partners as well as enhancing existing relationships with the Council and other key partners to increase the availability and take up of positive activities for children and young people with the aim of encouraging greater participation by young children and families on a low income.

- Children and Young People attendance in health and wellbeing activities reached 375,488;
- Continued participation in Children, Young People and Family Forums and networks;
- Community and Health Improvement Team continued engagement with disengaged children and young people;
- Whole family participation activities and events up to 30,098.

Key priority 3: Provide a varied programme of activities, including taster sessions, that positively promote physical activity, particularly amongst those that are not currently active.

- Referrals for individuals with a diagnosed health condition up to 597, an increase of 431 people;
- Continued active participation within Community, Voluntary Sector and Stakeholder led Health Partnerships;
- Development for activities for those with special educational needs and disability enabled 692 attendances by 182 people.

Key priority 4: Provision of a range of holiday activities for children and young people of all age ranges.

- 13,761 participants in holiday activity programmes;
- 1,409 attendances by children and young people unable to otherwise access a Wave site;

Key priority 5: Give due regard to the Equality Act 2010, particularly where there is a change to Policy, project development or where new services are being provided/existing services discontinued.

- No claims made.

Key priority 6: Provide opportunities and activities for residents on low income, which are either outreach or centre based and which include rural communities.

- 26,835 attendances from those who would otherwise have experienced barriers to participation, an increase of 5%;
- 3,143 attendances at open space community events;
- 4 residential care homes being worked with through the Community and Health Improvement Team.

Key priority 7: Provide opportunities to engage with the rural population, increasing access to activities.

- 1,034 Strength and Balance classes targeted at three rural communities

2.2.2 Outcome 2: Improving accessibility and social inclusion

Key priority 1: Ensuring activities are accessible by the whole community but working particularly with people and families on a low income, ensuring that activities are provided in such a way to meet the needs of specific groups within the community.

- Attendance for disabled people increased to 14,351;
- Increase in access to activity for those with a disability or SEND by 5%;
- 7th Seahaven Para Games held;
- 30% increase in attendance in targeted free/low cost holiday activities.

Key priority 2: Working with partners to identify appropriate funding to support sessions and activities that could be offered free to users at the point of delivery as a means of overcoming lack of income as a barrier to participation.

- Worked with 72 delivery partners for targeted programmes;
- Successful with a £3000 grant for the Wave Leisure Community Trust Fund;
- Continued work with Active Sussex to support access for young people and young adults at low or no cost.

Key priority 3: Promote opportunities for workforce development to encourage training and skills development for individual staff.

- Continued Apprenticeship scheme providing employment opportunities;
- Volunteers increased by 12.5% on the previous year.

Key priority 4: Explore opportunities to increase non-centre based activity to further reduce access barriers and to encourage participation from current non-users.

- 8310 attendances in community settings;
- 824 children supported through breakfast, lunch and after school clubs;
- Continued support for access to transport and journey planning.

Key priority 5: Assist LDC with undertaking ongoing equalities assessments and monitoring.

- 100% co-operation

2.2.3 Outcome 3: Reducing Environmental Impact

Key priority 1: Continue to look for opportunities to increase recycling for customers and staff wherever possible.

- Facilities continue to be audited for effectiveness each year as part of Wave's Internal Environmental Audits programme;
- Mixed recycling has now replaced specific ones across all sites, including for recycling plastic bottles.

Key priority 2: When planning future investment with the Council, identify opportunities to reduce energy usage and help to reduce CO2 emissions. When replacing plant and equipment, cleaner and energy efficient technology should be considered that will help generate future efficiency savings.

- Lighting replaced with LED's;
- Aerating showers installed at Lewes Leisure Centre;
- Energy use measured through half-hourly automatic meter readings;
- Social Enterprise Mark retained

2.3 Newhaven Fort

Outcome 1: Improve the overall visitor experience at the Fort making it a great destination for all the family and one which encourages repeat visits.

- Newhaven Fort visitors increased 1.5% to 30,720;
- Over 89% of people said their experience of the Fort was Excellent or Good;
- Tea Room offer further developed.

Outcome 2: Ensure that the educational offer for schools is current, relevant and one which children will find interesting and fun. Ensure that the exhibits and displays are well presented to maximise their educational value.

- The number of schools visiting the Fort increased by almost 5%;
- 5,026 visits from school pupils;
- 1,314 language students.

Outcome 3: Provide and promote a wide range of appealing events to attract more visits.

- Worked with a marketing company on plans and materials;
- External hire and partnership events increased;
- Popular Halloween event organised;
- Talks and weddings held.

2.4 It is proposed that the outcomes outlined above will form the annual service delivery objectives for 2020/21.

3 Corporate plan and council policies

3.1 Meets the aims of the Corporate Plan 2017-2020 – Thriving Communities: Resilient, healthy and engaged communities: increasing participation in leisure activities amongst older people and in rural areas and increasing visitors to Leisure Centres.

4 Financial appraisal

4.1 In return for WLT providing services and undertaking activities that meet the Council's stated objectives, the Council provides the Trust with an Annual Service Fee. The service fees for 2019/2020 are:-

Leisure Management Contract £100,000
Newhaven Fort Contract £104,200

4.2 As agreed with the Council in 2014, the Service Fee for the leisure management contract will reduce in 2019/2020 by £108,900 compared with 2018/2019. 2019-2020 will be the final year fees are paid as by 2020/2021 the Council will provide no annual funding for this element of the service. The service fee for Newhaven Fort will remain fixed through to 2024-25. This represents an overall

saving to the Council of £2.3m over the 10 year period 2015-16 to 2024-25.

5 Legal implications

5.1 There are no legal implications as a result of this monitoring report.

6 Risk management implications

6.1 There are no risks identified as a result of this monitoring report.

7 Equality analysis

7.1 An equality analysis has been undertaken and and has not identified any equality impacts .

8. Appendices

- Appendix A – Leisure Summary Report
- Appendix B – Newhaven Fort Summary Report

9 Background papers

None



Wave Leisure Trust

Annual Service Delivery Plan 2018/2019

"Inspiring Active Lifestyles"



www.waveleisure.co.uk

Contents

Annual Service Delivery Plan (2018/19).....114
Strategy.....115

Table of Figures

Figure 1: "Inspiring Active Lifestyles" Strategy.....115
Figure 2: Delivering to National Outcomes.....116
Figure 3: Outcome 1 - Increasing Participation and Reducing Health Inequality118
Figure 4: Outcome 2 - Improving Accessibility and Social Inclusion.....134
Figure 5: Outcome 3 - Reducing Environmental Impact.....142

Annual Service Delivery Plan (2018/19)

On an annual basis Lewes District Council (LDC) is required to furnish Wave Leisure Trust (Wave) with an "Annual Service Statement" that provides the Trust with a framework to produce an Annual Service Delivery Plan.

The Annual Service Delivery Plan that Wave produces complements and supports the Council's objective to promote healthy lifestyles by developing a district wide leisure strategy. The Council recognises that reducing hazards like cold houses and falls in homes could save the NHS over £1 million in treatment costs.

The Council have committed to improve the condition of both private and council homes to prevent accidents and ill health. They will continue to work with the NHS and other partners in the county to improve the health and wellbeing of Lewes District residents.

Besides the major contributions to ill-health prevention from housing programmes, LDC will work with local communities and companies to provide sport and recreation facilities where people need them. As a result, the Council has set the following objectives for Wave in relation to the Leisure contract.

The LDC Annual Service Statement framework focuses on three core outcomes, namely:

- 1. Increasing Participation and Reducing Health Inequality.**
- 2. Improving Accessibility and Social Inclusion.**
- 3. Reducing Environmental Impact.**

Within each of the three core outcomes, LDC has provided a number of "Key Priorities" that define the requirements further.

Aligned to the LDC Outcomes and Key Priorities, Figures 3 to 5 presents Wave's response to the LDC Service Statement, presenting the specific actions to be implemented to ensure that the LDC's requirements are achieved. The Plan is also a demonstration of Wave's shared commitment to the priorities and the valuable partnership that exists between LDC and Wave.

At the end of 2018/19 the Annual Performance and Monitoring Report will provide Key Examples and Outcomes for each of the Wave Actions defining successful delivery.

Strategy

Figure 1: "Inspiring Active Lifestyles" Strategy

Purpose

"Inspiring Active Lifestyles"

Vision

"To be at the heart of the improvement of health and wellbeing in our communities."

Objectives

"By **engaging with partners** Wave Leisure, an established charitable trust, will agree a shared programme of activities to **deliver to the community**. Wave aspires to **achieve excellence** in the delivery of services which will provide **customers with choice** and inspire active lifestyles. The ultimate objective is to create a **sustainable business** contributing towards the long term health and wellbeing of our community.



Figure 2: Delivering to National Outcomes

Wave recognises the influence of Government Outcomes on its “*Delivering to our Community*” objective and as such has developed a model of delivery which encompasses, not only the three core LDC Annual Service Statement outcomes but also, the five outcomes of the Department of Culture, Media and Sport, linking to improved public health and sustainable communities, as shown in Figure 2. With this approach, Wave is also addressing Public Health England’s priorities of Improving health and wellbeing and reducing inequalities.

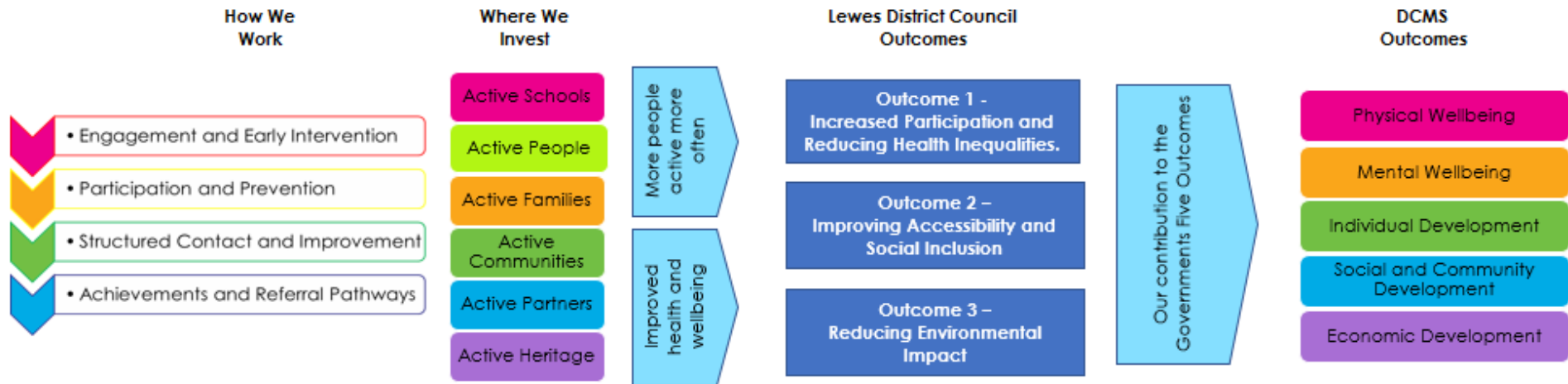


Figure 3: Outcome 1 - Increasing Participation and Reducing Health Inequality

LDC Key Priority 1

“Provision of activities to meet the needs of the aging population of the District, inclusive of outreach work to provide opportunities of increasing participation and wellbeing, particularly in the rural communities, where people need them.”

Wave Actions	Measure	Target	Outcome
Continue to develop and implement activities, which encourages Older Peoples participation, designed to develop confidence and encourage engagement in regular activity both within centres and through outreach.	Number of people engaged	504	1,030 supported individuals
	Total number of attendances	24,958	42,579
	Number of new weekly activities introduced	5	5
	Number of taster sessions introduced	4	9
<p>Across all delivery, Wave now includes 44 weekly timetabled sessions of activity, specifically designed to support participation of older people across the district (Walking Sports age 50 plus and targeted senior activity aged 60 plus) at various levels of intensity from gentle exercise such as Chair Based and Strength and Balance, to higher intensity such as Walking Football and Netball, as well as Senior Gym and Senior Swim sessions, where access to facilities is restricted to support confidence in participation.</p> <p>Across all senior activity there have been a total of 42,579 attendances, which is an increase of 12.5% on previous year.</p> <ul style="list-style-type: none"> In Seaford, at Downs Leisure Centre, Seaford Head Swimming Pool and Seaford Head Sports Hall, 11 weekly activity sessions are timetables with 11,870 attendances (an increase of 12%), of which 2,691 are specifically swimming (an increase of 38%) The Community and Health Improvement Team provide activities in community setting, as well as in centre for supported and guided activity, resulting in 10,598 attendances in activity (an increase of 33%), of which 3,848 attendances were referred into and out in the community activity (an increase of 43%). Peacehaven Leisure Centre provides 7 weekly activity sessions with 5,589 attendances (an increase of 18%). Lewes and Ringmer provides 7 weekly activity sessions with 11,744 attendances (an increase of 5.4%), of which 9,076 are specifically swimming (an increase of 3.5%) In Newhaven at Shakespeare Hall and Seahaven Swim and Fitness Centre, 5 weekly activity sessions are timetabled with 9,528 attendances (an increase of 0.3% on previous year) in activity, of which 6,267 are specifically swimming (a decrease 1%). 			
Deliver and support activity, within rural communities, which supports the participation of older people to gain, regain or maintain participation in physical activity, as part of a healthy lifestyle both mentally and physically.	Number of rural locations engaged.	6	3
	Number of weekly activities available	4	3
	Number of wellbeing events attended	6	0
	Number of people engaged.	54	59

	Total number of attendances.	543	1,034
	%age of participants identified as engaging in further activity.	74%	47%
<p>Wave continues to deliver weekly Strength and Balance classes, targeting those at risk of falls in 3 rural communities;</p> <ul style="list-style-type: none"> • Wivelsfield Village Hall has 627 attendances an increase of 41% on previous year. • Rodmell Village Hall has 201 attendances, an increase of 15% on previous year. • Firle Village Hall has 214 attendances, an increase of 9% on previous year. 			
Attend the Seniors Forum meetings and Networking Events, ensuring that Wave is aware of the latest issues relating to the older person’s agenda.	Wave representation at Seniors Forum meetings.	3	9
Continue to provide, and support, opportunities of engagement in activity, as part of National Older Peoples Day particularly aimed at those who are currently not engaged in physical activity.	Number of weekly activities available.	28	10
	Number of new people engaging in activities.	31	5
	Total Number of attendances in activities	1,185	722
	%age of participants identified as engaging in further activity.	74%	0
<p>The National Older Peoples Day is coordinated by East Sussex Seniors Forum and supported by East Sussex County Council. Throughout September and October 2017 opportunities to participate in various workshops and activities are promoted across the county to support engagement of older people in new experiences and opportunities.</p> <p>Following feedback from participants, Wave has changed the offering of activities for Older People’s Day, by seeking to support those individuals who are not currently engaged in activity, as oppose to a wider offering of reduced cost access, this has included attending partner organisations to promote activity and deliver taster sessions, such as chair based classes for lunch clubs and table top activity in care homes and supported housing environments.</p> <p>It has not been possible to identify all those individuals who have attended a promotional event and as such impossible to identify onward participation into activity.</p>			
Continue to provide Walking Football and develop other Walking Sport opportunities with partners, such as Lewes Football Club, Eastbourne Borough Football Club, Sussex Veterans League, Sussex County Cricket Club and Netball NGB.	Number of weekly activities	4	5
	Total number of people registered	72	176
	Total number of attendances	2,274	2,924
Walking Sports continue to grow in popularity and Wave has continued to see an increase in participation in Walking Football.			

- **Downs Leisure Centre**, Seaford, delivered 2 mornings a week with an **attendance of 1,609 by 75 people**
- **Lewes Leisure Centre**, delivered 1 evening a week with an **attendance of 499 by 27 people**
- **Peacehaven Leisure Centre**, delivered 1 evening a week with an **attendance of 676 by 23 people**

The introduction of sessions at both Peacehaven and Lewes during 2017/18 have had an obvious impact on **increased participation in Walking Football by 35.5%** on previous year.

The introduction of **Walking Netball**, in January 2019, at **Downs Leisure Centre** has resulted in a new attendance by women aged 50 years over, seeking more active participation in exercise, resulting in **151 attendances by 39 people**.

Continue to provide and develop Wave’s Strength and Balance Programme (Falls Prevention) alongside commissioned falls prevention services, within Wave facilities and in community settings.	Number of weekly activities.	7	13
	Total number of people registered	105	429
	Total number of attendances	2,352	3,925
	%age of participants reporting feeling more confident to participate in regular activity.	74%	82%

Strength and Balance is a gentle, instructed exercise which support the prevention of falls and provides open access participation for individuals, either through self-motivation or are advised by other organisations, such as GP Practices, support groups or family members. Strength and Balance is delivered within Wave sites, as well as out in community settings.

Wave delivers sessions in Site at:

- **Downs Leisure Centre, Seaford** resulting in **664 attendance**, an increase of 10%.
- **Lewes Leisure Centre** resulting in **363 attendances**, a small increase of 0.5%.
- **Shakespeare Hall, Newhaven** resulting in **121 attendances** an increase of 55%.
- **Peacehaven Leisure Centre** introduced Strength and Balance in July 2018 and resulted in an **attendance of 68**.

Working with community partners, sessions are delivered in community setting at:

- **Rodmell Village Hall** has **201 attendances**, an increase of 15% on previous year.
- **Firle Village Hall** has **214 attendances**, an increase of 9% on previous year.
- **Wivelsfield Village Hall** has **627 attendances** an increase of 41% on previous year.
- Responding to a need identified in Eastbourne, a class has been introduced at **All Saints Church, Eastbourne** in October 2018 resulting in **43 attendances**.

The introduction of both Peacehaven and Eastbourne classes has had an obvious impact on **increased participation by 24%** on previous year to **2,305 attendances**.

In addition, Wave Instructors deliver **Postural and Stability Instruction (PSI)** 17 week course, in partnership with East Sussex Healthcare NHS Trust, as part of the falls prevention service delivered within Eastbourne, Seaford and Hailsham CCG area, linked to the areas defined under Better Together. PSI is accessible via referral to the Community Falls Development Team and is currently delivered in Seaford and Eastbourne by Wave.

- **Downs Leisure Centre, Seaford** resulting in **557 attendances**.
- **Kings Church, Eastbourne** resulting in **583 attendances**
- **Venton Centre, Age Concern, Eastbourne** resulting in **450 attendances**

Maintain and expand Healthy Walk opportunities for older people, developing new walking opportunities and sessions to encourage participation from the older person living in rural settings.

Number of weekly walks provided.	4	3
Total number of people registered	120	246
Total number of attendances	3,185	2,724

Health Walks have continued to be delivered in Seaford, Lewes and Peacehaven, at no cost to the participant, by volunteer Walk Leaders as an accredited Walking for Health and the Ramblers Association.

- **Down Leisure Centre, Seaford** has seen a **decrease in attendance of 12.5%, to 1,143**.
- **Lewes Leisure Centre** has seen an **increase in attendance of 14%, to 504**.
- **Peacehaven Leisure Centre** has seen an **increase in attendances of 8% to 624**

Working in partnership with the South Down National Park Authority (SDNPA), 27 additional walks have been delivered in Seaford, Newhaven and Peacehaven supporting small groups and 1:1 engagement, encouraging more people to experience walking as a form of physical activity. In **total 38 attendances** have been made in this new project.

Funded by SDNPA, the walks are delivered as part of an East Sussex County Council project, Active Access for Growth, funded by the Department for Transport.

Key Priority 2

“Seek to develop new partners as well as enhancing existing relationships with the Council and other key partners, to increase the availability and take up of positive activities for children and young people with the aim of encouraging greater participation by young children and families on a low income.”

Wave Actions	Measure	Target	Outcome
Continue to develop and implement activities, which encourages children, young people and family participation, designed to promote positive health and wellbeing activities, including those at risk of involvement in nuisance and anti-social behaviour, across the District.	Total number of attendances from Children and Young People	244,849	375,488
	Number of new weekly activities introduced	42	26
	Number of taster sessions introduced	25	23
Across all delivery, Wave provides sessions and activity specifically designed to support children, young people and family participation, across the District and at various levels of intensity from coached sport for excellence, targeted sessions, where access to facilities is restricted to support confidence in participation, drop in low cost activity access and taster activities. <ul style="list-style-type: none"> • In Newhaven at Shakespeare Hall and Seahaven Swim and Fitness Centre, 60,814 attendances in activity have been made, of which 76% are specifically swimming. • Lewes and Ringmer have provided 153,017 attendances in activity have been made, of which 40% are specifically swimming. • Peacehaven Leisure Centre, 59,820 attendances in activity have been made. • In Seaford, at Downs Leisure Centre, Seaford Head Swimming Pool and Seaford Head Sports Hall, have provided 91,933 attendances of which 22.5% are specifically swimming. • The Community and Health Improvement Team provide activities in community setting, as well as in centre for supported and guided activity, resulting in 14,706 attendances in activity of which 9,461 attendances were out in the community activity. 			
Continue to be an active participant with Children, Young People and Family Forums and networks, ensuring Wave is aware of the latest issues relating to children, young people and family agendas.	Wave representation at Children, Young People and Family Forum meetings.	6	31
Wave continues to work with and develop partnerships which support the engagement of individuals in positive health and wellbeing activities. These relationships support the design of programmes to address barriers to participation, referrals into service or direct delivery for organisations seeking activities for their own groups.			
Continue to implement a diverse programme of “Reach Out” activities, targeting children and young people who are otherwise disengaged from mainstream activities due to low income.	Number of regular activities provided.	12	16
	Number of people	140	545
	Number of attendances	887	1,230
The Community and Health Improvement Team continue to engage with children and young people within community settings and by providing targeted activity, for those least likely to engage due to lack confidence, opportunities, income or knowledge.			

<p>Activities have included delivery within in primary, secondary and tertiary settings, as well as engagement out in the community across Lewes District, resulting in 64% of all attendances happening within a community setting.</p>			
<p>Continue to work with East Sussex County Council Youth Services, and other youth service providers, to offer reduced cost access and/or targeted sessions for “Drop In”.</p>	<p>Number of children and young people’s groups engaged.</p>	<p>10</p>	<p>11</p>
	<p>Number of weekly activities available</p>	<p>4</p>	<p>26</p>
	<p>Number of taster sessions delivered</p>	<p>10</p>	<p>28</p>
	<p>Number of People engaged.</p>	<p>190</p>	<p>767</p>
	<p>Total number of attendances.</p>	<p>965</p>	<p>1,976</p>
	<p>%age of participants identified as engaging in further activity.</p>	<p>25%</p>	<p>42%</p>
<p>Working with Youth Service delivery partners, both voluntary sector and East Sussex County Council Youth Development Service, Wave has provided access passes as well as targeted engagement for supported access into activity.</p> <p>An increase in the provision of supportive engagement is reflective of partner organisations seeking support for delivery of activity for children and young people needing additional support to make positive health and wellbeing choices, as well as a decline in services available to access.</p>			
<p>Deliver funded initial engagement courses, such as diversionary and Health and Wellbeing activities, targeting young people who are less physically active and not engaged in regular activity.</p>	<p>Number of funded courses.</p>	<p>13</p>	<p>10</p>
	<p>Number of people</p>	<p>270</p>	<p>326</p>
	<p>Number of attendance</p>	<p>1,913</p>	<p>891</p>
	<p>%age of participants progressing into further activity.</p>	<p>55%</p>	<p>47%</p>
<p>Previously funded by Active Sussex Sportivate programme, a reduction in funding is reflected in the drop in number of weekly sessions being delivered for those currently not active.</p> <p>The number of individuals reached has increased by 34% and transfer into onward activity has remained high, even with less sessions being available.</p>			
<p>Continue to organise a range of taster courses for children and young people to try new activities and feed into established Clubs, linked to schools and colleges.</p>	<p>Number of taster courses.</p>	<p>82</p>	<p>44</p>
	<p>Number of people</p>	<p>454</p>	<p>595</p>
	<p>Total number of attendances.</p>	<p>4,368</p>	<p>9,681</p>
	<p>Number of children transferring into established Clubs.</p>	<p>55%</p>	<p>46%</p>

Taster sessions and in school activity continues to be delivered as part of the Active Schools Programmes, to include primary and second days settings.			
A large proportion of attendances are attributed to the introduction of Purposeful Play and Activity Lunch Time sessions, which are delivered during the lunchtime breaks at both Chyngton and Cradle Hill Primary Schools in Seaford, enabling children to come together in structured and fun activity, with Wave’s Activators and Sports Coaches.			
Expand the programme offerings into Schools by introducing new activities, for example; “Drop In” and Inset Days activity sessions.	Number of new activities	9	4
	Number of people	60	543
	Number of attendances.	480	6,660
Working with local primary schools, “Lunch Time Purposeful Play” has been introduced as well as “Golden Time”, an opportunity for students to be rewarded for achievements and positive behaviour to participate in fun sport and activity sessions.			
Continue to expand and develop whole of family participation activities and events, across sites and in communities	Number of regular activities provided	6	36
	Number of activity events	4	6
	Total number of attendances	1,440	30,098
<p>To enable children and young people to be active with their parents or carers, Wave continues to offer a range of activities which enable families to be physically active together, including Fit Families to enable in the gym participation, play sessions, swimming, sporting and out reach.</p> <ul style="list-style-type: none"> • Lewes and Ringmer have provided 16,410 attendances in activity have been made. • In Newhaven at Shakespeare Hall and Seahaven Swim and Fitness Centre, 9,507 attendances in activity have been made. • Peacehaven Leisure Centre, 1,794 attendances in activity have been made. • In Seaford, at Downs Leisure Centre, Seaford Head Swimming Pool and Seaford Head Sports Hall, have provided 2,387 attendances. • The Community and Health Improvement Team provide activities in community setting, as well as in centre for supported and guided activity, resulting in 264 attendances in activity. <p>The significant jump in attendance is reflective of improved data capture and reporting of family activity.</p>			

Key Priority 3

“Provide a varied programme of activities including taster sessions that positively encourage and promote physical activity, particularly amongst those who are not currently active.”

Wave Actions	Measure	Target	Outcome
Develop and implement referred into activity opportunities with partner organisations, for those with a diagnosed health condition.	Total number of referrals made.	180	597
	%age of refferals attending an activity opportunity.	70%	87%
	%age of participants reporting feeling more confident in attending regular activity.	75%	79%
	%age of participants identified as engaging in further activity.	60%	36%
<p>Exercise referral is provided for individuals who would benefit from participating in physical activity, to achieve an identified health outcome either physical or mental.</p> <p>Working with GP’s, physiotherapists, rehabilitation teams, as well as other health professions, a number of different programmes are provided by the Community and Health Improvement Teams to support participation either on a 1:1 basis, for example through referral in the gym or in a group environment for those with Dementia or to support falls prevention.</p> <p>A significant increase of referrals has been identified for this year, by 431 people. This has been due to increased opportunities to participate, a change in how engagement is made with health professional and improved data capture to identify those who are being supported though dedicated health and fitness professionals delivering on the GP Exercise Referral programme.</p>			
Continue to be an active participant within Community, Voluntary Sector and Stakeholder led Health Partnerships, ensuring Wave is aware of the latest issues related to supporting people for improved health and wellbeing, both physically and mentally.	Wave representation at Health Partnership events	12	18
<p>Wave continues to work with, and develop, partnerships which support the engagement of individuals in positive health and wellbeing activities. These relationships support the design of programmes to address barriers to participation, referrals into service or direct delivery for organisations seeking activities for their own groups.</p>			
Deliver “Change4Life” days providing opportunities for children and families to participate in activity at no cost.	Number of Events	4	3
	Total number of participants.	850	167
<p>Three Change4Life events were delivered, providing free trial session in physical activity, advice, information and guidance from community partners and literature provided by Public Health’s Change4Life Campaign, related to “10 minute Shake Ups” and “Sugar Swap”, promoting healthy eating and physical activity for children and families.</p>			

Activities were delivered at Peacheaven Leisure Centre and Shakespeare Hall for all families, and Downs Leisure Centre had a supported engagement day for children and young people with Special Educational Needs, to enable families to experience and participate in activity as a family.

Attendance at these events are down, primarily due to moving Downs Leisure Centre’s whole of day event into the next reporting year, downsizing delivery at Peacehaven Leisure Centre due to staff changes and no event being delivered at Lewes Leisure Centre.

Increase the number of programmes to support those with a diagnosed health condition, for adults, children, young people and families.	Total number of attendances	3,744	7,472
	Number of new regular weekly activities introduced	3	4
	Number of regular activities provided	8	19
	Number of people	104	837

Wave provides points of access for those with a diagnosed health condition or need, including children, young people and adults with SEND, adults with Dementia, those at risk from falls and weight management, across Lewes District and Easbourne.

Activities delivered include short courses, as well as ongoing weekly activity, enabling onward participation for those needing additional support to access.

Further development of activity for those with SEND, has enabled **692 attendances** by **182** people in supported social sports and activities.

Continue to provide a range of supporting mechanisms to encourage activity participation to address barriers accessing activity.	Number of sites with Journey Plans available	4	8
	Number of sites offering creche and childcare facilities.	3	4
	Number of regular offsite exercise programmes being delivered.	16	13

Wave continues to develop programmes and work with partners to address barriers to accessing activity:

- **Journey Planning**
Wave has an active partnership with Community Transport Lewes Area (CTLA) and can provide their contact details across all facilities, to support people to access CTLA as a transport provider. In addition, targeted activities, particularly for those with limited mobility, are provided in consultation with CTLA to ensure co-ordination between activity programmes and transport timetables.
- **Creche and Childcare**
Supervised sessions are provided within Wave Sites, to enable those with children under 8 to participate in activity at **Downs Leisure Centre, Lewes Leisure Centre, Peacehaven Leisure Centre**
- **Offsite Activity**

Offsite programmes being delivered are primarily linked to targeted activity to enable greatest reach to those least likely to participate in activity. These programmes include; Rural Group Exercise, Active Schools, Holiday Programmes and activity provided within community centres, village halls, open spaces, schools and colleges

Continue to proactively reach out into GP Surgeries across the District to encourage participation and provide patient engagement opportunities on site.

Number of engagement opportunities delivered.	26	23
Number of participants engaged on GP referral pathway.	123	233
%age participants attending a further wellbeing activity.	54%	30%

Working directly with GP practice staff, consultation has been undertaken to review the delivery of exercise on referral, to provide the most appropriate engagement for those taking their first steps into physical activity to achieve positive health outcomes.

A new approach to engaging with individuals to access activity has seen **an increase of 45% of participants** engaged on a GP referral pathway, compared to last year.

With changes to reporting and data capture, it has not been possible to fully identify those who have continued to engage and participate in activity, however 30% have continued to engage through a membership opportunity.

Key Priority 4

“Provision of a range of holiday activities for children and young people of all age ranges.”

Wave Actions	Measure	Target	Outcome
Continue to deliver and support holiday activity programmes in Seaford, Lewes, Newhaven and Peacehaven.	Total number of activities.	45	67
	Total number of participants.	8,770	13,761
<p>Wave provides holiday programmes across Sites and in the community, during all school holidays. Provision is made for whole of day Holiday Clubs and drop in sessions, to enable the greatest opportunity for participation, recognising the need for childcare as well as fun and engaging activity.</p> <p>All of the reportable activities are coached or instructed, to support engagement.</p> <ul style="list-style-type: none"> • In Newhaven at Shakespeare Hall and Seahaven Swim and Fitness Centre, 4,832 attendances in activity have been made. • Lewes and Ringmer have provided 3,382 attendances in activity have been made. • Peacehaven Leisure Centre, 372 attendances in activity have been made. • In Seaford, at Downs Leisure Centre, Seaford Head Swimming Pool and Seaford Head Sports Hall, have provided 4,579 • The Community and Health Improvement Team provide activities in community setting, as well as in centre for supported and guided activity, resulting in 596 attendances in activity. <p>The significant jump in attendance is reflective of improved data capture and reporting of family activity.</p>			
In order to diversify the holiday programme, ensuring the delivery remains fresh and dynamic, Wave will continue to engage with partners involved in the delivery of each holiday programme.	Total number of delivery partners.	16	11
<p>Recruiting partners for holiday programme provision has enabled better pathways into activity to be established, to include reduced cost access to sessions, taster opportunities and engaging coaches and delivery teams from partner organisation to deliver activity during the holiday periods.</p>			
Ensure that funding is secured for all holiday programmes for each of the towns in the District.	Funding secured.	60%	60%
<p>Funding has been applied for and received from Newhaven, Peacehaven and Telscombe Councils for holiday activities.</p>			
Work with resident and community associations to be able to make a holiday activity available to children and young people who are unable to access a Wave site.	Number of activities	14	6
	Number of People	30	91
	Number of attendances	389	1,409
<p>The Community and Health Improvement Team engage with participants, not just within Wave Sites but also out in the community to include open spaces and community halls, as well as supporting community events.</p>			

Wave also supports participants to access drop in activity in centre, though the provision of funded places during the school holiday period, for those who may not otherwise be able to participate.			
To develop and implement holiday activities which are inclusive of parents and/or carers to encourage family participation in regular activity.	Number of activities.	8	14
	Number of people	15	124
	Total number of attendances.	90	174
Beyond the regular whole of family activities, additional coached activities are provided during the school holidays for families to participate together, to include archery, orienteering and adventurous activity.			

Key Priority 5

“Give due regard to the Equality Act 2010, particularly when there is a change to Policy; project development or where new services are being provided or where existing services are discontinued.”

Wave Actions	Measure	Target	Outcome
Wave recognises that discrimination can occur and will ensure that no individual will be unjustifiably discriminated against. This includes, but not exclusively, on the basis of gender, race, nationality, ethnic or national origin, religious or political beliefs, disability, marital status, social background, family circumstance, sexual orientation, gender re-assignment, spent criminal convictions, age or for any other reason.	Number of Claims	0	0
No claims were made against Wave on grounds of gender, race, nationality, ethnic or national origin, religious or political beliefs, disability, marital status, social background, family circumstances, sexual orientation, gender re-assignment, spent criminal convictions, age or for any other reason under the Equality Act 2010.			

Key Priority 6

“Provide opportunities and activities for residents on low income, which are either outreach or centre-based and which include rural communities.”

Wave Actions	Measure	Target	Outcome
Through 2017/18 Wave will continue to initiate and develop programmes of activity in isolation and by partnering key stakeholders, for example LDC Housing Services, Tenants of Lewes District (TOLD), Action in rural Sussex, 3VA and Active Sussex. Sport, Physical Activity and Health and Wellbeing Programmes will be both centre based and in other community and rural settings.	Number of programmes provided.	25	38
	Number of people engaged	1,157	2,373
	Total number of attendances	25,456	26,835
Wave continues to provide targeted and supported activity for those experiencing barriers to participation, though supported and coached engagement as well as providing in the community opportunities to participate.			
By expanding the offering from the Community and Health Improvements Team, as well as developing in centre targeted activity, an increase of 5% for attendances in activity has been achieved on previous year.			
Continue to support and develop ‘Open Spaces’ community events particularly using spaces near areas of social housing, working with Lewes District Council Housing Services, social housing landlords, tenant and resident participation groups and local community groups.	Number of Open Spaces events.	13	20
	Number of attendances	1,560	3,143
More “Open Space” opportunities have been delivered, enabling greater participation in activity outside. Activities included working with Peacheaven Town Council to support participants to use outdoor gym equipment for activity, family orienteering providing support which enables families to explore together and working with SDNPA provide guided health walks to explore local surroundings.			
As well as coached and supported activity, Wave teams can often be found a community events providing challenges, sports days and advice about accessing activity. These events are not included within attendance numbers.			
Seek to develop further activity programmes in or accessible to residential care settings (such as warden controlled, care and rest homes).	Number of residential care settings engaged	5	4
	Number of activities delivered in a residential setting	20	12
	Number of people engaged	40	33
	Total number of attendances	149	95
The Community and Health Improvement Team have been working with 4 residential care home setting, where activities and support are provided for residents.			

Parris Lawns in Ringmer and Alfriston Court, near Seaford, are both residential nursing and care homes with residents who have multiple conditions, including dementia. With in each setting social sports and activities are provided enabling wider engagement and participation in physical activity.

Currently at Parris Lawns activity is provided twice weekly, to include strength and balance sessions to support falls prevention. At Alfriston a weekly session of seated sport is provided to enable greater movement of residents who are less active or able to participate.

In addition, two residential homes for younger adults with physical disabilities and learning needs have been engaged in seated sports and activities. Webb House in Newhaven received weekly sessions within their communal lounge and Chaisly Trust in Eastbourne accesses activities as part of a varied activity programme.

[Continue to work with Resident and Community Associations to support consultation and engagement activities, to further support to development of activities which are accessible to those less likely to engage with physical activity.](#)

Number of events.	3	8
Number of engagements	30	163
Total number of attendances	60	163

Wave has attended consultations to engage with tenants and residents across the Lewes District, to identify areas of need and barriers to participation, supporting development of engaging and accessible activities across communities.

Key Priority 7

“Provide opportunities to engage with the rural population, increasing access to activities.”

Wave Actions	Measure	Target	Outcome
Continue to work with Action in rural Sussex, South Down National Park Authority (SDNPA), Parish Councils and Community Transport Lewes Area (CTLA) to rural proof provision of services by identifying barriers to accessing services and creating opportunities for participation in regular activity.	Number of activities provided	10	3
	Number of people	54	59
	Total number of attendances	543	1,034
Wave continues to deliver weekly Strength and Balance classes, targeting those at risk of falls in 3 rural communities; <ul style="list-style-type: none"> • Rodmell Village Hall has 201 attendances, an increase of 15% on previous year. • Firle Village Hall has 214 attendances, an increase of 9% on previous year. • Wivelsfield Village Hall has 627 attendances an increase of 41% on previous year. 			

Figure 4: Outcome 2 - Improving Accessibility and Social Inclusion

Key Priority 1

“Ensuring activities are accessible by the whole community but working particularly with people and families on a low income, ensuring that activities are provided in such a way to meet the needs of specific groups within the community.”

Wave Actions	Measure	Target	Outcome
Continue to work with partner organisations to expand the range of accessible activities available for disabled people.	Number of targeted activities provided.	26	55
	Number of people engaged (supported access)	171	182
	Total number of attendances across all activities by disabled people.	13,240	14,351
<p>Beyond the Para Games, Wave has continued to expand and develop provision which is accessible or targeted for the participation of people with special educational needs and disabilities.</p> <p>Community and Health Improvement Team</p> <ul style="list-style-type: none"> • SEND Activities Children and Young People: 632 attendances. • SEND Family Fund Day: 29 attendances • SEND Activities Adults: 96 attendances <p>Partners</p> <ul style="list-style-type: none"> • Seaford Downs Syndrome Special Needs Group (SDSSNG) – Seaford 95 attendances (Play), 315 attendances (Swimming) • Newhaven 3,040: attendances (Swimming) • Down Syndrome Development Trust 480 attendances (Sport and Activities) • Kurling 960 attendances (based on attendance of 20 per week) <p>Sites</p> <ul style="list-style-type: none"> • Downs Leisure Centre and Seaford Head Swimming Pool: 2,082 attendances (Sport, Gym, Swim, Class, Soft Play) • Lewes Leisure Centre and Ringmer Swimming Pool: 4,747 attendances (Sport, Gym, Swim, Class, Soft Play) • Peacehaven Leisure Centre: 215 attendances (Sport, Gym, Swim, Class, Soft Play) • Seahaven Swim and Fitness Centre: 1,675 attendances (Swim, Gym) <p>Wave continue to develop and introduce new SEND supportive access sessions for Children and Yong People, as well as adults. The introduction to these new sessions has supported the increase in access to activity for those with a disability or SEND need by 5%.</p>			
Continue to develop and expand on the activities available which are mixed activities at low or no cost, specifically engaging children and young people with additional education needs such	Number of sessions delivered.	72	91
	Number of people	39	149

as Autism and Asperger’s, their sibling and parents or carers to access regular activity.	Total number of attendances.	660	632
	%age of participants reporting they are engaging in a new regular activity.	38%	40%
<p>During this reporting year, Wave appointed a new Community and Activities Coordinator, with a particular focus on developing initiatives which support engagement from those with SEND.</p> <p>More opportunities are now available with Wave for children and young people needing additional support to participate and have resulted in an increase of individuals accessing activity by 45% on previous year.</p>			
To further develop and deliver low or no cost access to Holiday Schemes, specifically targeting those in low income households.	Number of attendances	3,233	3,228
<p>Targeted and low cost holiday activities have continued to be provided across Lewes District to enable free or low cost access for those who would otherwise not be able to participate, resulting in an increase of 30% attendance in targeted holiday activities.</p>			
To continue to provide the Para Games, in active partnership, at Downs Leisure Centre, providing competitive opportunities for people with disabilities to engage in activities.	Number of participants.	30	29
	%age of participants reporting engaging in further activity.	45%	63%
<p>Wave held its 7th Seahaven Para Games in 2018. 29 participants took part in a variety of activities which included basketball, boccia, football, new age curling, table tennis and the wheelchair slalom. The event was held at the Downs Leisure Centre and was supported by partners including; Seaford Rotary Club, Sainsburys, Fitzroy House, Active Sussex, CTLA. Volunteers included Seaford Curlers and Wave Volunteers.</p> <p>In addition, a SEND Family Funday has also been delivered at Downs Leisure Centre, enabling 29 participants to try new activities and identifying 50% as transferring into further activity with Wave.</p>			

Key Priority 2

“Working with partners to identify appropriate funding to support sessions and activities that could be offered free to users at the point of delivery as a means of overcoming lack of income as a barrier to participation.”

Wave Actions	Measure	Target	Outcome
Continue to work in partnership with key stakeholders to develop targeted programmes designed to encourage greater levels of physical activity by individuals and groups of people for whom lack of income is a barrier to participation.	Number of delivery partners	30	72
Wave continues to develop partnerships which support engagement for positive health and wellbeing, to include local sports clubs to diversify offering, specialist support organisation particularly therapeutic, to support mental and emotional wellbeing and alternative activity providers such as arts and crafts to be able to develop other interests for participants, as an introduction to activity.			
Identify and apply for funding to support activity diversification and delivery	Number of funds applied for.	12	18
	Number of successful applications	6	9
Excluding commissioned services and tendering, 9 grants have been successfully applied for to support targeted delivery.			
Continue to provide and promote the “Wave Leisure Trust Community Fund” to enable individuals and groups to obtain funding to support activity.	“Wave Leisure Community Trust Fund” provided and funds distributed.	£3,000	£3,000
A Community Fund of £3,000 per annum provides funding to individuals, clubs or organisations which meet certain criteria. Advertised in all Wave managed facilities, and on the Wave website, the fund received 18 applications, of which, 10 this year were successful.			
Continue to work with local Councils to provide Summer Holiday Schemes at low or no cost to those where income is a barrier to participation.	Number of Council’s participating.	4	3
	Number of Holiday Schemes.	4	4
	Total number of attendances	4,150	2,479
Newhaven, Telscombe and Peacehaven Councils, continue to support the delivery of activities for children and young people, including holiday activities enabling funded places, reduced cost and a diversified offer for activities locally.			
Continue to offer a wide range of discounted and subsidised rates across the product range to encourage participation.	Price list published with discounted rates applied.	Completed	Completed
Wave continues to offer a wide range of discounted and subsidised rates across activities, enabling opportunities for participation for those who cost most maybe a barrier.			
Continue to work with Active Sussex to support access for young people and young adults at low or no cost.	Number of funded programmes.	7	4
	Total number of participants.	200	179
Active Sussex have supported Satalite Clubs, delivering weekly sport and physical activity opportunities. Courses have included SEND students at Eastbourne College, Girls Can Club at Seahaven Academy and drop in fitness sessions at Peacehaven.			

<p>Working with partners, develop resources which provide information and instructions to participate in free to access activities, to include instructional and ideas.</p>	<p>Number of seperate activity topic resources created.</p>	<p>4</p>	<p>8</p>
<p>Take away work sheets and information resources have been developed for schools and outside sessions, enabling individuals to continue to participate in activity without the need of an instructor or sports coach. Activities have included work out programmes for outdoor gyms, orienteering fact sheets, fun family games and resources for walking the Saouth Down National Park.</p>			

Key Priority 3

“Promote opportunities for workforce development to encourage training and skills development for individual staff.”

Wave Actions	Measure	Target	Outcome
Work in partnership with Albion in the Community and Swim UK to implement the Apprenticeship Scheme with a target of providing 8 placements each year.	Number of placements.	8	8
	Average number of participants moving into permanent employment.	80%	80%
Wave’s partnership with Albion in the Community continues to provide employment opportunities with 80% of those completing obtaining a full time role within Wave.			
Provide placements on the Aspiring Managers programme to ensure Wave has a robust succession plan which will guarantee the continued and uninterrupted expected service delivery standards and provide career enhancement and progression opportunities to the staff.	All statutory training requirements achieved.	100%	100%
	No of placements.	5	0
No course was provided for Aspiring Managers this year. A Business Development Programme and Aspiring Managers programme are schedule to commence in July and September 2019.			
Provide specific training and qualification opportunities for all contracted staff.	Number of participants graduating.	100%	100%
Training and qualification requirements are broken down by job function and stored on a central training matrix. The matrix ensures 100% compliance with statutory training requirements and identifies development opportunities to all levels of staff through a broad range of activities: classroom training, Apprenticeships, coaching, in house development programmes.			
Capture data in all key areas to inform and guide the ongoing development of HR Strategy.	Key areas.	6	6
	%age of key areas captured.	100%	100%
The six key areas reflect a broad range of measurements and have been selected as they provide data on areas that need specific monitoring to ensure that staff are fully engaged and motivated.			
Continue to provide opportunities for Volunteers and ensure that they feel valued and part of the Wave Team.	Number of volunteers.	74	96
	Number of volunteer events.	2	2
Volunteers are a valued part of Wave and have increased by 12.5% on previous year . Volunteer roles include providing peer support for participants, engagement opportunities in activity, as well as support within other areas of the business.			

Key Priority 4

“Explore opportunities to increase non-centre based activity to further reduce access barriers and to encourage participation from current non-users.”

Wave Actions	Measure	Target	Outcome
Deliver activities in community settings, targeting people who have no access or currently do not access centres.	Number of activities delivered in community settings.	20	22
	Number of people engaged	374	505
	Total number of attendances	7,480	8,310
Delivering out of centre and in community settings, the community and health improvement team have identified 3,180 attendances in activity away from Wave facilities.			
Improved reporting and data capture have enabled better recording of activity and excludes 5,130 attendances in drop in lunch time activities at local primary schools where it is more difficult to identify those who are unable to access a Wave facility.			
Continue to work with Schools to provide a range of; breakfast, lunch and after school clubs within schools and outdoor play areas.	Number of clubs.	31	99
	Number of people	413	824
	Total number of attendances	4,325	8,588
Delivery with schools includes curricular delivery, such as orienteering for Geography and Active Science sessions exploring the environment as well as the affects of activity on physiology.			
Working with primary, secondary and tertiary settings has enabled greater opportunities for children and young people to be active and experience new activities which otherwise may not be available.			
Seek to develop further activity programmes in or accessible to residential care settings (such as warden controlled, care and rest homes).	Number of residential care settings engaged	5	4
	Number of activities delivered in a residential setting	20	12
	Number of people engaged	40	33
	Total number of attendances	149	95
The Community and Health Improvement Team have been working with 4 residential care home setting, where activities and support are provided for residents.			

Parris Lawns in Ringmer and Alfriston Court, near Seaford, are both residential nursing and care homes with residents who have multiple conditions, including dementia. With in each setting social sports and activities are provided enabling wider engagement and participation in physical activity.

Currently at Parris Lawns activity is provided twice weekly, to include strength and balance sessions to support falls prevention. At alfriston a seekly session of seated sport is provided to enable greater movement of residents who are lesss active or able to participate.

In addition 2 residential home for younger adults with physical disabilites and learning needs have been engaged in seated sports and activities. Webb House in Newhaven received weekly sessions within their communal lounge and Chaisly Trust in Eastbourne accesses even activities as part of a varied activity programme.

<p>Work with CTLA to address transport as an identified barrier for individuals to participate in regular activity, where an activity is centre based.</p>	<p>Number of centres offering journey plans for participation in session.</p>	<p>All</p>	<p>All</p>
--	--	-------------------	-------------------

As part of condition based and supported access delivery, participants are supported to access transport and journey plans.

Key Priority 5

"To assist Lewes District Council with undertaking ongoing equalities assessments and monitoring."

Wave Actions	Measure	Target	Outcome
Co-operate fully with LDC regarding any required Equalities Assessments and Monitoring.	Number of assessments.	100% Completed	100%
Not requested			

Figure 5: Outcome 3 - Reducing Environmental Impact

Key Priority 1

“Continue to look for opportunities to increase recycling for customers and staff wherever possible.”

Wave Actions	Measure	Target	Outcome
Wave will continue to provide recycling facilities for Wave staff to re-cycle paper, cardboard, plastic bottles and printer and photocopier cartridges.	Number of paper recycling bins across Wave.	15	15
	Number of plastic recycling bins across Wave	8	8
	Number of cardboard recycling bins across Wave	5	5
	Number of printer and photocopier cartridge recycling bins.	4	4
	Rating result at each site from internal audit.	Satisfactory	3 x Satisfactory, 1 x Good
	Investigate opportunities for food waste recycling at cafe outlets.	2 sites	Investigated but no service yet
	Rating result from external audit.	Conforming	Conforming
<p>All facilities are audited for effectiveness each year as part of Wave’s Internal Environmental Audits programme and annual external audits conducted by SAI Global.</p> <p>Mixed recycling collections have now replaced specific ones (paper, cardboard and plastics individual bins) across all sites, including for customers to re-cycle plastic bottles.</p> <p>A food waste collection service is currently unavailable.</p>			

Key Priority 2

“When planning future investment with the Council, identify opportunities to reduce energy usage and help to reduce CO₂ emissions. When replacing plant and equipment, cleaner and energy efficient technology should be considered that will help to generate future efficiency savings.”

Wave Actions	Measure	Target	Outcome
Ensure that all works consider “Green” factors including efficiency, CO ₂ emissions, and up to date technology.	“Green factors” to be included as a standing agenda item on all pre-works meeting agendas.	100%	100%
	“Green” factors to be identified and implemented or explained why unachievable.	100%	100%
When replacing current lighting with new LED lights, all old parts were disposed of appropriately.			
In partnership with LDC, investigate energy efficient plant and equipment options. Where possible Wave will obtain grants and/or loans to install more energy efficient equipment and plant.	Number of more energy efficient plant and equipment options identified.	3	3
	Number of more energy efficient plant and equipment options implemented.	1	3
	Number of grants identified.	1	0
<p>Replacement of existing lighting with more efficient LED lighting was identified at Peacehaven Leisure Centre, Lewes Leisure Centre and Seaford Head Pool, which will reduce the amount of electricity used. This has been completed at Peacehaven and Seaford Head, with Lewes due to be completed early in the new financial year.</p> <p>Aerating showers were installed at Lewes Leisure Centre in August 2018 and have resulted in a reduction in water used, plus an associated reduction in the gas required to heat the water.</p> <p>No grant funding opportunities were identified.</p>			
Closely monitor energy use through its half-hourly Automatic Meter Readings (AMR’s) to ensure sound performance monitoring.	Energy measured via half-hourly automatic meter readings (AMRS).	100%	100%
	Energy performance to be reported within the CEO’s quarterly and annual reports.	100%	100%
AMR’s enable Wave to closely monitor it’s energy consumption. They are used for monitoring gas at Lewes Leisure Centre and Seahaven Swim and Fitness Centre, and for monitoring electricity at all the sites.			

Continue the accreditation to the “Social Enterprise Mark” which demonstrates ongoing commitment to people and plant.	“Social Enterprise Mark”	Retained	Retained
Wave has held the Social Enterprise Mark (SEM) for four years now. Wave retained the Social Enterprise Mark accreditation in May 2018, with the renewal submission being classed as excellent by SEM. The next renewal is due in May 2019.			
Maintain standards in line with ISO 14001.	Maintenance of ISO 14001 registration.	Registration	Retained
Wave has held the ISO 14001 certification since 2010. In January 2018 Wave successfully passed the new ISO standard, which is noted as ISO 14001:2015, and subsequently successfully passed the annual certification audit in January 2019.			



Wave Leisure Trust

Newhaven Fort Annual Service Delivery Plan 2018/2019

"Inspiring Active Lifestyles"

Contents

Annual Service Delivery Plan (2018/2019).....31

Table of Figures

Figure 1: Outcome 1 - Experience 32
Figure 2: Outcome 2 - Education 34
Figure 3: Outcome 3 - Events 36

Background

On an annual basis Lewes District Council (LDC) is required to furnish Wave Leisure Trust Ltd (Wave) with an "Annual Service Statement" that provides the Trust with a framework to produce an Annual Service Delivery Plan.

On 1st May 2015 Wave was granted operational management responsibility for the Newhaven Fort. This plan sets out the key actions that Wave will focus on for the 2018/19 financial year.

The Fort procurement exercise focused on four core outcomes, namely:

1. Enhance the regeneration opportunities in Newhaven by increasing the number of visitors to Newhaven Fort and generating local job opportunities.
2. Maintain and grow the heritage and educational potential of Newhaven Fort in a way which is accessible to the general public.
3. Improve the current facilities on offer.
4. Minimise the ongoing liabilities of the Council and potentially produce a revenue stream for the Council.

Annual Service Delivery Plan (2018/19)

In order to achieve the four LDC outcomes, Wave has identified three separate but interlinked areas for the Fort Management and Operational Team to focus on within this Plan, namely:

1. Experience.
2. Education.
3. Events.

The key actions in this Plan are detailed under these three headings and will, if successfully implemented, meet the LDC four core outcomes. To ensure consistency and a positive compound effect, several of the key actions are a continuation of those used in prior years. The targets are however increasing year on year as the Fort develops.

Heritage Lottery Fund Heritage Grant

It was anticipated that a Round 2 application would be submitted in August 2018 which was then delayed to November 2018. LDC however recognised through the process that the "Renaissance Project" as proposed, was at significant risk because of undercapitalisation. The size of the overall funding required to make the project successful was in reality, greater than the resources currently on offer. Therefore, rather than push ahead with an undercapitalised and potentially compromised project that may well fail to achieve 'take off velocity,' LDC decided to defer a Round 2 HLF submission.

LDC, Wave and other partners need to create a more robust and holistic solution for the Fort during 2019 and assess the long-term viability of the Fort as part of the cultural and visitor economy of Newhaven and Lewes District as a whole.

Figure 1: Outcome 1 - Experience

LDC Key Priority 1

“To improve the overall visitor experience at the Fort, making it a great destination for all the family and one which encourages repeat visits”

Wave Action	Measure	Target	Outcome
Deploy visitor feedback/satisfaction system to track experience and identify areas for improvement.	System deployed with at least 350 responses received.	350	186 surveys completed
Visitor feedback has been consistently monitored although completion rates did not reach target.			
Measure the percentage of visitors rating their visit as “good” or “excellent”.	Percentage of visitors rating their visit as good or excellent	80%	89%
89% of respondents rated their visit as good or excellent.			
Achieve positive Trip Advisor ratings from visitors.	Rating of minimum of 4 out of 5 stars from 2018/19 respondents.	4.0 stars or above	92% 4 star or above
Total 39 reviews, 25 5 stars, 11 4 stars, 2 2 stars, 1 1 star.			
Continue with new Season Ticket pricing strategy based on less than 2 visits per year to encourage sales.	Increase season ticket holders by 5% from 2017/18 numbers. (Target based on 17/18 year end forecast)	290	252
252 live season tickets as of 31/03/19. Although this is under target, family ticket sales were significantly over target. (below). It is therefore possible that visitors are picking the family ticket option over the season ticket option.			
Increase the number of family visits through the implementation of a stimulating and vibrant programme of activities and targeted promotions.	Family ticket sales increase by 5% from 2017/18 levels. (Target based on 17/18 year end forecast)	4,650	5,720
5720 family visits recorded which is very positive. This may be due to a more family focussed approach to the Fort marketing.			
Promote the benefits of Gift Aid on season tickets/admissions to maximise revenue from each UK Taxpayer visit.	Amount of Gift Aid recovered from HMRC.	£6,000	£3,335
Gift Aid uptake has not met target. It’s possible that persuading visitors to pay the additional gift aid charge at a time of austerity is a challenging ask.			
Implement measures in Tea Rooms such as menu development, special offers, to encourage greater usage and spend per head	Spend per head achieved (target based on 5% increase of 2017/18 actual).	£2.10	£2.17
Active development of Tea room has been the responsibility of the Catering Manager with support from Fort staff. This has been managed through menu review, bespoke event offers and development of customer experience through monitoring of standards.			

Implement measures in the Shop such as improved displays, new product ranges, promotional pricing, to encourage greater sales and spend per head.	Spend per head achieved (target based on 2% increase of 2017/18 actual).	£0.85	£0.75
Despite active development of shop and sales through POS refresh and new product ranges the target has not been met. In line with broader spending patterns across the UK, this may be in part due to consumer preference for online shopping.			
Through improved marketing and promotion, increase the visitor sales.	Spend per head achieved (target based on 5% increase of 2017/18 actual).	£4.20	£4.12
Visitor spend per head has not achieved target. This will be due to decreased ticket sales.			
Design and implement new Quiz Trails to enhance the fun/learning and engagement by young people.	Percentage of visitor feedback as good or excellent.	80%	N/A
Feedback on this particular area is not specifically sought but the Barrack Rat trails were designed and launched in the summer holidays. Additionally, seasonal trails were launched at Easter and Halloween as well as a world cup challenge whilst the world cup was on. All initiatives were well attended, and 'soft' feedback was very positive			
HLF Heritage Grant Round 2 application to be completed and submitted	Application submitted by August 2018 deadline	August 2018	N/A
As highlighted on page 5, the HLF Grant is currently on hold.			

Figure 2: Outcome 2 - Education

LDC Key Priority 2

“To ensure that the educational offer for schools is current, relevant and one which children will find interesting and fun.”

LDC Key Priority 3

“To ensure that the exhibits and displays are well presented to maximise their educational value.”

Wave Action	Measure	Target	Outcome
In 2017, Educational Consultants (“Heritec”) were appointed, funded as part of the HLF Transition Fund bid to review all aspects of the educational offer and recommend new activities for implementation. This work included the implementation of a promotional campaign to attract more schools which commenced in the spring of 2017 and remains ongoing.	Maintain alignment to Heritec’s review work and resulting action plan and enhance where appropriate to ensure the programme remains current, relevant and one which children will find interesting and fun.	100%	100%
Heritec review and affiliated action plan has been referenced when planning has been undertaken for programming changes and developments.			
Increase the number of school pupil visits from 2017/18.	School pupil visits to increase (target based on 5% increase from 2017/18 forecast at year end)	5,682	5,026
4872 primary students, 154 secondary students.			
Increase the number of schools that visit the Fort.	Schools visits to increase (target based on 5% increase from 2017/18 forecast at year end)	125	124
88 primary schools 33 language groups 3 Secondary schools			
Implement a tracking system that allows simple analysis of visiting schools.	System to monitor key metrics such as; Local Education Authority, number of children, year group and purpose of visit.	100%	100%
All school and language school visits from 2018/19 are logged and recorded			
Design and prepare updated pre-and post-visit resources for primary school visits covering WW1 and WW2.	Resources developed with good feedback received from schools on relevance to national curriculum.	100%	100%
A range of pre and post visit materials and resources remain available all year including over the summer months via the Fort website in time for the September term. Schools can download all the resources they require to ensure their learning outcomes are delivered.			
Further develop the “Handling Box” experience to enable more than one school to visit concurrently.	To develop 3 more “Handling Boxes” with artefacts/props from WW2/Home Front.	100%	100%

There are a total of 6 boxes so the Fort can offer two schools the experience at any one time. Some limitations to the offer exist in terms of spaces to do it in and technology to support it (currently only one laptop and projector)			
Provide a range of exhibits/objects on a “Hands-On Table” for Fort visitors with interpretation provided from staff/volunteers.	Hands-On Table available every day of public opening.	266 days	266 days
Operated every weekend and school holiday day. In addition, this is offered most weekdays in term time			
Implement a school visit ‘offer’ for the new Ancient History Education Centre.	To attract minimum 10 primary schools (c.300 children) to visit the new resource and using their feedback to make improvements to the visit/learning outcomes.	10 schools 300 children	Delayed
There has been some delay in rolling this out, but 2019 bookings are already in the diary. Ancient History package now complete and ready for launch.			
Recruit volunteers with education experience to assist with education visitors.	Number of volunteers recruited and used on school’s programme.	2	2
Recruitment for volunteers in this area has not been necessary as enough resource currently exists.			
Increase number visits by international/foreign language students by 5%.	Number of international students to increase (target based on 5% increase from 2017/18 forecast at year end)	1,350	1,314
1,314 language students visited. Although only just below target, some reports indicate that the volume of international students coming to the UK is in decline.			
Using the MODES software, to catalogue the Fort exhibits.	To have at least 75% of the Fort’s exhibits catalogued on MODES (c.15,000 exhibits).	11,250	11,250
All the exhibits are catalogued on MODES and are being reviewed and updated individually by the Collections Manager and a team of volunteers.			

Figure 3: Outcome 3 – Events

LDC Key Priority 4

“To provide and promote a wide range of appealing events to attract more visits.”

Wave Action	Measure	Target	Outcome
Develop an events Marketing Strategy for 2018 to clearly identify the approach to external communications with existing and potential customers.	Marketing Strategy developed and implemented.	100%	100%
Worked in partnership with Flamingo Marketing who produced the marketing plan and materials until the end of 2018 season.			
1. Promote a wide number of appealing events. (All targets based on 5% increase from 2017/18 forecast at year end)	Internal (Fort organised)	12	8
	External hire	7	10
	Partnership (Fort/Partner Collaboration)	7	16
Internal - Talks in the tea room, 1940s day External - Fort Process, Newhaven Families Forum Fun day, 7 paranormal investigations Partnership - Belonging Festival, 2 x cinema screenings, Meeching Amateur Dramatics Music Hall shows, 6 x Ghost Walk, 2 x car shows, 2 x Living History events, WW1 Remembrance Bike Ride, Beacon lighting Whilst internal events were down on target, it is encouraging that both external hire and partnership events exceeded target.			
2. Increase attendance at events (All targets based on 5% increase from 2017/18 forecast at year end)	Internal (Fort organised)	800	362
	External hire	1,900	1,220
	Partnership (Fort/Partner Collaboration)	600	3,226
3. Achieve income target for events.	Target achieved (target based on 5% increase from 2017/18 forecast at year end).	£16,800	£15,353
In line with the number of partnership events, income exceeded expenditure. Unfortunately, under performance in the other two categories means that overall total was below target.			
During October half term, promote Halloween activities to attract family visitors.	Increase income generated over the 9 days of half term by 5% above 2017 actual.	£18,342	£18,534
The Halloween event at the Fort was once again popular and exceeded target.			

Promote a Christmas Market and Santa Claus experience to attract visitors and revenue at a time the Fort is normally closed to the public.	Visitor number target achieved.	800	0
This event was run at a loss in 17/18 and, therefore did not go ahead in 18/19.			
Promote the Fort as a venue for Paranormal adventures/ghost hunts.	Increase number of bookings from 2017 by 10%	9	7
9 booked but 2 cancelled by the organisers for internal reasons.			
Actively market the Fort as a wedding venue.	Number of wedding bookings secured.	3	3
3 weddings took place during summer of 2018.			
Promote <i>"Talks in the Tea Rooms"</i> to engage and entertain.	Number delivered.	6	6
6 talks delivered – 65 tickets sold.			

Report to: Cabinet

Date: 16 September 2019

Title: Newhaven Fort

Report of: Ian Fitzpatrick, Director of Regeneration and Planning

Cabinet member: Councillor Ruth O’Keeffe, Cabinet member for tourism and devolution

Ward(s): Newhaven South

Purpose of report: For Cabinet to note the issues regarding the existing Fort bridge and agree that funds be set aside for its replacement from the Council’s capital programme.

Decision type: Key

Officer recommendation(s): (1) To note the existing condition of the Fort bridge.
(2) To approve that up to £350,000 be allocated from the Council’s capital programme and ring-fenced to meet the cost of replacement.

Reasons for recommendations: Newhaven Fort bridge requires replacement at the earliest opportunity.

Contact Officer(s): Name: Mark Langridge-Kemp
Post title: Head of Property, Delivery and Compliance
E-mail: mark.langridge-kemp@lewes-eastbourne.gov.uk
Telephone number: 01323 415876

1 Introduction

- 1.1 Newhaven Fort was built in 1871 and decommissioned in the 1960’s, it is a Scheduled Ancient Monument situated on the cliffs overlooking Seaford Bay. The Fort was run as a tourist attraction briefly in the early 1980’s before the owner went out of business and in 1988 the property passed to the Council.
- 1.2 Since 2015 the property has been part of a management agreement with Wave Leisure Trust (WLT), the Council pays WLT £104,200 per annum for the agreement which ends in May 2025. It was entered into as a means of increasing visitor numbers and reducing the burden of property repairs on the Council. Under Wave’s management, visitor numbers for 2018-19 increased by 1.5% from the previous year to 30,720 people, annual income stood at £322,923, down from £335,141 the previous year. WLT’s costs were £290,752 (employees, premises related and supplies and services) resulting in a surplus of £32,171.

- 1.3 The property has received minimal investment from the Council for some time. A number of the gun emplacements have been fenced off from members of the public in order to ensure continued public safety, and other urgent repairs issues are being managed.
- 1.4 There is an immediate issue with regards to the stability of the bridge into the Fort that now requires attention. The bridge was identified as needing replacement in 2014 and designs for a new moat bridge were incorporated within a Scheduled Ancient Monument consent application, for which consent was granted. Installation of the bridge did not occur following the granting of consent, presumably due to costs, and the bridge has been propped up ever since.
- 1.5 It has now been 5 years since replacement of the bridge was recommended and there is no longer an option to delay decision due to the continued deterioration of the structure. Urgent additional propping has already been installed recently as a temporary measure in order to ensure that the bridge is safe for users and residents of Fort Rise who have to pass underneath the bridge in order to access their private garages.

2 Proposal

2.1 A number of options have been explored.

- Do nothing – this is no longer a viable option as the structure of the bridge is in serious decline. The cost of the additional propping recently installed is around £2500 per week and this solution has a limited 3-5 years lifespan.
- Remove the bridge – this would not be permitted by Heritage England without a new structure going in place due to the property being designated a Scheduled Ancient Monument.
- Repair the bridge – the bridge was declared ‘beyond economical repair’ in 2014. Costs for repair are likely to be at least £160,000, with a 5-10 year life expectancy. However, this option comes with a lot of uncertainty as there are a number of unknowns and therefore there is considerable risk that the required budget would increase.
- Over-bridge could be installed. This would involve a new bridge being placed over the existing structure. The cost of this is likely to be at least £100k for the new over-bridge including costs for temporary light-weight propping and annual monitoring of the existing bridge, which would remain in situ with a 5-10 years life expectancy.
- New bridge –50-60 year life expectancy and costs are likely to be £300k-£350k. Officers would of course work to reduce costs wherever possible.

Having taken into account the various options, it is proposed that renewal of the bridge be undertaken. Cabinet is asked to authorise up to £350,000 from the

Council's capital programme for these works. Although this is the most expensive initial outlay, it is the most cost-effective solution long-term and would provide a permanent solution. Any other solution would just be delaying the inevitable.

- 2.2 Through Wave's event programming, the site is being used for history based talks, family events (festival, pirate fun day, outdoor cinema and spooky experiences) and special interest events (ghost walks and ghost hunting, classic car shows, service of remembrance and beacon lighting events). In order to increase visitor numbers and income generation, further investment will be needed in the future to improve the visitor experience and expand the offer, this could include virtual reality elements and guided tours, however, there are no budgets currently set aside for this expenditure.

3. Corporate plan and council policies

- 3.1 This proposal supports the corporate plan policy of 'Prosperous Economy'. Visitor numbers to the Fort have increased and over 89% of visitors rate their experience as excellent or good. It has a 4.5 star TripAdvisor rating and has been awarded a 'Certificate of Excellence'. The Fort has undoubtedly encouraged visitors to Newhaven who may not otherwise have visited the town. The extent to which visitors may have spent additional funds in the town is unclear though.
- 3.2 In line with the Corporate Plan and Corporate Asset Management Plan priorities, a review of further opportunities for how best to secure long term future of Fort will be explored by officers.

4. Financial appraisal

- 4.1 The existing revenue cost of £2,500 per week or £130k per annum is not considered sustainable. There is a sound financial case for a longterm solution and the capital work to take place. The Council's existing Capital Programme has sufficient budgetary provision to fund the replacement of the Newhaven Fort access bridge.
- 4.2 Additionally, there is a risk that debris from the bridge could cause damage to 3rd parties- either injuries to pedestrians or motor vehicles accessing the garages.
- 4.3 Assuming the recommendations set out in this report are accepted, the work should proceed apace.

5. Legal implications

- 5.1 Legal advice will be taken as the proposals are developed.

23 August 2019 Ref: 008504-LDC-MR

6. Risk management implications

- 6.1 There are risks in not proceeding with the recommended option of renewal of the

bridge. An interim repair option could be explored, however, this in itself comes with risks as identified within the report.

7 Equality analysis

7.1 An equality analysis has been undertaken and has not identified any equality impacts.

8 Appendices

None

9. Background papers

None

Report to:	Cabinet
Date:	16 September 2019
Title:	Affordable Workspace Review
Report of:	Ian Fitzpatrick, Director of Regeneration and Planning
Cabinet member:	Councillor James MacCleary, Cabinet member for regeneration and prosperity
Ward(s):	All
Purpose of report:	To present the findings and recommendations of the Scrutiny Panel Review into the need for affordable workspace across the Lewes District
Decision type:	Key
Officer recommendation(s):	<p>(1) To allocate £10,000 to explore the feasibility of Meanwhile Use Leases for the temporary use of Council assets, subject to statutory, legislative and building constraints.</p> <p>(2) To formally adopt the South East Creative Economy Network's (SECEN) approach to defining affordable workspace.</p> <p>(3) To commit to exploring the potential to facilitate the development of new, affordable 'open workspace within Lewes District.</p> <p>(4) To note that the Council's Regeneration service continues to work closely with Locate East Sussex and other partner agencies to ensure they continue to collaborate effectively with South East Creative Cultural and Digital Support (SECCADS) and the creative sector.</p> <p>(5) That Cabinet adopts a position statement formalising the Council's commitment to supporting the growth of creative industries.</p> <p>(6) To commit all services across the Council to raising awareness of available business support provision across Lewes District.</p>

Reasons for recommendations:

(1) To re-affirm the Council’s commitment to Growth and Prosperity, with specific reference to the local creative sector.

(2) To build upon the extensive strategic collaborative work already underway by SECEN and SECCADS within the SELEP area, which the Council is committed to supporting and working with. This is with a view to addressing barriers for creative industries, including the shortage of appropriate workspace, and specialist business support / advice.

(3) To recognise that Meanwhile Use Leases can offer benefits to both the Council and the local economy, but that such uses may have an opportunity cost attached should higher value uses come forward.

(4) To ensure that existing external agencies and partners are aware of the needs of all aspects of the district’s diverse economy to ensure the Council can support delivery of commercial property solutions for the creative sector.

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 In January 2018, a Scrutiny Panel was formed to better understand how the Council could meet the demand for low-cost and affordable workspace for small and medium sized enterprises (SMEs) in the district, with a particular focus on support for creative industries. The Panel comprised Councillors Carter (Chair), Adeniji, Ient and O’Keeffe (later resigned), with support from Officers from the Regeneration service.
- 1.2 The Review was undertaken in response to the large concentration of SME’s – as well as micro¹ businesses – in the local economy, as well as the limited availability of affordable workspace. The Review also assessed Best Practice examples from other areas to consider how the Council could better support the local creative economy.
- 1.3 At outset, the Scrutiny Panel agreed upon three objectives to review:
1. How can Lewes District Council engage and influence the South East Creative Economy Network (SECEN) and other strategic partnerships to support the development of affordable workspace?
 2. What can Lewes District Council do better to support creative businesses?

¹ A micro business is classed as having 0-9 employees.

3. How effective are the commercial property databases, and the Locate East Sussex service, in searching for affordable and creative workspace.

1.4 The Scrutiny Panel had three focused meetings which included key local stakeholders. Officers from the Regeneration service also held discussions with nominated institutions that were unable to attend a Panel meeting. These meetings were supplemented by three anonymous online surveys that were targeted at:

- Creative businesses
- Affordable, open and creative workspace providers
- Networks and organisations that support local businesses.

1.5 The Affordable Workspace Review concluded with a report to Scrutiny Committee on 21 March 2019, where a number of recommendations were agreed. This is now being presented to Cabinet for approval.

What is meant by 'Affordable Workspace'?

1.6 There are a number of different approaches and definitions for affordable workspace. Having reviewed a number of approaches, the Scrutiny Panel agreed to use the South East Creative Economy Network (SECEN) definition.

1.7 SECEN use the generic term 'open workspace' in line with the IPPR report². Open workspace includes incubators, accelerators, co-working spaces, managed workspace, makerspaces and artist studios. Most users are micro businesses and a significant proportion are creative businesses; 'open workspaces' also bring together professionals working in other sectors, including biotech, business services and the charity sector.

1.8 'Open workspace' is the preferred model for creative businesses because sharing space and resources also reduces costs. Tenants can therefore afford higher-grade workspace which helps to attract staff, customers and additional funding.

1.9 SECEN therefore defines affordable workspace as 'open workspace' whereby most tenants are small in scale, with reduced costs achieved through sharing space, equipment and resources. In essence, affordable or open workspace is where rent / charges are below comparable local market rates.

The Local SME and Creative Economy

1.10 99.7% of businesses in the Lewes District are classed as SMEs, including micro businesses. This compares to 98.5% across East Sussex and the South East region, and 98.1% across England³.

1.11 Including all businesses, the largest sectors represented are professional,

² Start Me Up: The Value of Workspaces for Small Businesses, Entrepreneurs and Artists in London; IPPR 2016

³ Business enterprises by size of business 2018 – Data from ONS/Inter Departmental Business Register (accessed via East Sussex in Figures)

scientific and technical, and construction. The breakdown of business enterprises by industry is shown in Appendix 1.

- 1.12 There is a larger concentration of creative businesses in the district than at county, regional or national levels. In terms of employment, Lewes District has a lower concentration than regionally, but above the East Sussex average. It should be noted that employment levels represent a low percentage of total employment within the district.

Figure 1: Employment in Creative Industries 2017

	Lewes District			East Sussex		South East Region	
	No. of Creative Jobs	% of All Jobs	% of Creative Jobs	% of All Jobs	% of Creative Jobs	% of All Jobs	% of Creative Jobs
All Creative Sectors	1,750	4.8		3.1		5.1	
Advertising	150	0.4	8.0	0.2	7.5	0.5	9.0
Architecture	150	0.4	8.0	0.2	7.9	0.2	3.5
Crafts	50	0.1	2.9	0.1	2.7	0.0	0.3
Design	100	0.2	5.1	0.2	5.4	0.2	3.5
Film, TV, Video, Radio & Photography	100	0.2	5.1	0.2	7.9	0.3	6.5
IT, Software & Computer Services	500	1.5	31.4	1.1	35.4	3.1	60.0
Publishing	200	0.5	12.0	0.4	11.7	0.4	7.9
Museums, Galleries & Libraries	125	0.3	6.3	0.2	7.1	0.2	3.2
Music, Performing & Visual Arts	400	1.2	24.3	0.6	18.8	0.3	6.5
All Industries	37,000						

Source: East Sussex in Figures (calculated by applying a detailed sector definition provided by DCMS)

- 1.13 It is clear from local surveys⁴ of creative practitioners that much of the sector is small in nature. 14.4% of businesses within the district fall within the creative definition, but together they account for less than 5% of all employment.
- 1.14 The true size of the creative sector is, however, difficult to establish. This is due to a high level of freelancing (many of whom are Sole Traders). Employment estimates should therefore be treated with some degree of caution.

2 Proposal

Objective 1: How can Lewes District Council engage and influence SECEN and other strategic partnerships to support the development of affordable workspace?

- 2.1 SECEN was established in 2013 and works to accelerate growth in the digital, creative and cultural sector across the South East Local Enterprise Partnership area. It is a working partnership between local authorities, creative businesses

⁴ Surveys undertaken by Made in Newhaven and Lewes Phoenix Rising during 2018.

and education bodies.

- 2.2 SECEN identifies barriers to growth and implements practical and scalable initiatives to overcome these barriers. A vision⁵ has been developed and SECEN is also developing a workspace strategy to ensure that fit-for-purpose workspace is available SELEP-wide to enable the scaling up and fostering of creative enterprise zones based on existing creative hubs.
- 2.3 The Council is represented on SECEN by the Strategy and Partnership Lead for Growth and Prosperity. As such, the Council is involved in influencing SECEN priorities. It should be noted that much of this work is at an early stage and it is not currently possible to identify the additional economic benefits of SECEN's activities.
- 2.4 The Council is engaged with all of the relevant strategic bodies and partnerships that operate or have influence in the Lewes District area that relate to the creative industries and economic growth. A list of these bodies and partnerships is provided as Appendix 2.
- 2.5 Lewes District falls within the boundaries of three creative clusters – Brighton, Crawley and Eastbourne. Partnership working is particularly important as creative neighbours appear to grow together, not at each other's expense⁶. To this end, the Council continues to play a key role in partnerships such as the Greater Brighton Economic Board, maximising opportunities for creative sector growth across the district.

Objective 2: What can Lewes District Council do better to support creative businesses?

- 2.6 Working with strategic partners to support the development of affordable workspace is one approach to supporting creative businesses. Other key areas include education and skills; business support and advice; digital connectivity; asset management; and planning policy. These are summarised below.
- 2.7 *Education and Skills:*
- SECEN, Skills East Sussex and the Skills East Sussex Task Group for the Creative and Digital sector all champion education and skills for creative industries, including Lewes District. The Council is already engaged with all three of these partnerships to ensure that the local creative and digital sector is able to benefit from emerging initiatives in this area.
- 2.8 *Business Support and Advice:*
- There is already a wide choice of business support services available to residents and businesses within the district. A mapping exercise identified 37 different providers and networks, of which 13 are dedicated to supporting the creative industries.

⁵ [https://www.southeastlep.com/app/uploads/SE_Prospectus_Low_Res_\(1\).pdf](https://www.southeastlep.com/app/uploads/SE_Prospectus_Low_Res_(1).pdf)

⁶ The Geography of Creativity in the UK; Nesta, 2016

- 2.9 The Council funds and supports a number of these services. Key projects include the [Local Enterprise and Apprenticeship Platform \(LEAP\) programme](#), as well as support for the Government-funded Growth Hubs operating locally – [Business East Sussex](#) and the [Coast to Capital Growth Hub](#).
- 2.10 It is recognised that there is a low level of awareness of some of these offers within the creative industries, and it is recommended that additional PR work is undertaken to ensure that residents and businesses are more aware of the existing business support and advice services.
- 2.11 *Digital Connectivity:*
- The East Sussex Business Survey has identified that just over half (51%) of district businesses feel that broadband speeds needs improving. A range of work has already been undertaken and by March 2020 it is forecast⁷ that East Sussex will benefit from 99% superfast coverage.
- 2.12 *Asset Management:*
- Some local authorities have used their commercial property assets to assist in delivering affordable / open workspace. The Scrutiny Panel heard from different workspace hubs in East Sussex. Key findings that contribute to successful affordable workspace include:
- A range of unit types and sizes that allow different businesses to grow. Shared facilities, networking and training are all vital. Enabling ‘easy in, easy out’ leases means that such workspaces are attractive to smaller businesses.
 - There is a reliance on external funding to set-up and underwrite the initial loss until a commercial plan is fully realised – this is likely to take a number of years.
 - A realistic business plan and sound governance procedures need to be in place.
 - Tenants need business support to help them grow and become financially sustainable.
 - The right physical location is important, both in terms of accessing external funding as well as attractiveness to potential tenants.
- 2.13 The Council has experience of setting up and running affordable workspace. It should also be noted that the Council has actively sought to enhance provision of such space, including the extension to the Newhaven Enterprise Centre that was completed in April 2016 with the aid of Coastal Communities Funding.
- 2.14 An increasing number of local authorities have used Meanwhile Use Leases to fill vacant assets and contribute to driving footfall and economic vitality in places. Such assets are typically utilised on a temporary basis ahead of future commercial redevelopment. Delivery approaches vary, but the Review notes that there is a potential opportunity cost for the Council in terms of loss of a higher –

⁷ [eSussex](#) – a project being led by East Sussex County Council

value commercial use.

2.15 *Planning Policy:*

The Lewes District Local Plan Part 1 Joint Core Strategy 2010-2030 (Core Policy 4) and the emerging Local Plan Part 2: Site Allocations and Development Management Policies (particularly policies DM9 and DM10) identify that the Council will take a flexible and supportive approach to economic development to provide a range of employment space to meet current and future needs, including support for sustainable economic growth in rural areas through the conversion of existing buildings.

2.16 The South Downs National Park Authority is equally supportive. The adopted South Downs Local Plan (Strategic Policies SD34 and SD35) supports development proposals which safeguard and grow jobs without compromising the National Park. This incorporates permitting small, flexible, start-up and move-on business units, including incubator uses for small and micro businesses.

2.17 *Summary:*

2.18 The Council is already active in supporting all businesses through a range of measures, as well as support for external partnerships to help deliver local economic prosperity. This includes working with local creative businesses to host a Natural Materials Day⁸, which was successfully held in July 2019.

2.19 Nonetheless, the Council needs to help increase awareness of the existing business support offer, as well as considering opportunities for Meanwhile Use Leases for empty / under-utilised Council assets.

Objective 3: How effective are the commercial property databases, and the Locate East Sussex service, in searching for affordable and creative workspace?

2.20 There are a vast number of online commercial property databases for businesses to search for suitable premises. This includes national providers (eg. Rightmove) and commercial estate agents. Locally, providers include Locate East Sussex, Wired Sussex, Creatives Across Sussex and the Greater Brighton Commercial Property Database. The Council contributes annually to the activities of Locate East Sussex, as well as the Greater Brighton database.

2.21 The Scrutiny Panel noted that commercial property databases are not inclusive of all available properties. For example, there may be some farm out-buildings that could be brought into use but that are not being actively marketed. This is, however, not just a local problem. It is indicative of the nature of much of the creative sector and its workspace needs, as well as how the commercial property sector typically operates. Locally, this issue is mitigated in part through the Locate East Sussex business managers' knowledge and contacts within the local area.

⁸ <https://makinglewes.org/tag/natural-materials/>

2.22 Based on the evidence obtained by the Scrutiny Panel, there appears to be a lack of awareness of / engagement with commercial property databases from those local businesses seeking affordable and creative workspace. Levels of success in finding suitable space were low, but this was seen as a reflection on a lack of availability rather than the search mechanisms themselves.

2.23 It is worth noting, however, that the Scrutiny Panel received anecdotal evidence that suggested that creative businesses were more successful in securing premises through networking and community links. This reflects Officer findings that the workspace listed on commercial property databases may not be a true reflection of the actual supply.

3 Outcome expected and performance management

3.1 That the Council commits to supporting the recommendations of this report, in line with the findings of the Scrutiny Panel.

3.2 In addition, that all services across the Council continue to raise awareness and inform residents and enterprises of the business support available to them through their business engagement and marketing methods including casework, meetings involving the business community, the Council's online presence and the District News publication.

4 Consultation

4.1 Extensive consultation has already been undertaken as part of the Scrutiny Panel Review. No further consultation is required at this stage.

5 Corporate plan and council policies

5.1 The Scrutiny Panel Review undertaken fits strongly within the *Growth and Prosperity* theme within the Corporate Plan. Creative industries are recognised as a key local sector and the Council's role in enabling new and developing businesses is acknowledged.

5.2 The recommendations of this report also fit with the Newhaven Enterprise Zone Strategic Framework, which highlights opportunities for enhancing the creative sector. The Council is a key partner in delivering the Enterprise Zone, working closely with South East LEP.

6 Business case and alternative option(s) considered

6.1 Not applicable.

7 Financial appraisal

7.1 This report seeks to allocate £10,000 to explore the feasibility of Meanwhile Use Leases for the temporary use of Council assets, subject to statutory, legislative and building constraints. Any actions or proposals arising out of this feasibility work would be subject to full business case appraisal in line with the Council's financial and asset management processes.

8 Legal implications

8.1 A Meanwhile Use Lease is a temporary lease, which permits the use of a vacant property temporarily, while explicitly recognising that the landlord is looking for a commercial use of the property.

The Meanwhile Scheme was set up as part of the Revitalising Town Centres policy launched by the Ministry of Housing, Communities and Local Government (MHCLG). It is a government-led initiative to encourage the temporary occupation of vacant units for non-commercial purposes, in properties that the temporary tenant might not normally be able to afford.

A meanwhile lease can be used across all commercial property sectors, and can be an attractive mechanism for landlords as it enables them to avoid, or minimise, empty rates liabilities.

Typically, a meanwhile use tenant is:

- Prohibited from using the property for any commercial gain or operating a profit-making business from the property.
- Not liable to pay any rent, service charge or buildings insurance (the landlord will cover the tenant's proportion of the service charge and insurance premium), but the tenant will be responsible for the cost of the supply of utilities to the property.
- Responsible for paying business rates though in the case of charity tenants, liability for business rates can be reduced to zero in certain circumstances.
- Granted a short-term lease. However, if a longer term is granted, the landlord must ensure that the lease contains a suitable rolling break clause and is excluded from security of tenure.
- Subject to a basic repair covenant (this may be limited by reference to a schedule of condition).
- Prohibited from assigning or underletting the property.

The MHCLG has developed specimen leases, which are a helpful starting point for any landlords considering the use of Meanwhile Use Leases. Appendix 7 of the Scrutiny Report is a Meanwhile Use Lease case study and picks up on the following lessons for other local authorities who want to use this type of lease:

- The need to link the project to a broad corporate strategic aim, rather than using it as a convenient way of filling empty spaces.
- The need to have an exit strategy from the outset that outlines what will

- happen when the property ceases to be available.
- The need to be clear from the outset as to what types of businesses/tenants are able to occupy premises.

In conclusion, the drafting of the lease documents should be straightforward provided that action is taken in response to the “lessons” mentioned in the Scrutiny Report.

8 August 2019 Ref: 008478-LDC-MR

9 Risk management implications

9.1 The key risks of this report’s recommendations have been considered and are shown in the below table:

Risk	Impact	Likelihood	Mitigation
LDC may not receive best value for its property assets	Low	Med-High	Although the types of meanwhile use considered are likely to generate a lower commercial return, this will be assessed on viability for LDC.
Focus on one economic sector may have detrimental effect on other employment-generating sectors due to limited resource	Low	Low	The interventions proposed in this report are unlikely to be particularly resource-intensive.

9.2 It is considered that the risks highlighted are mitigated sufficiently to minimise impact for the Council.

10 Equality analysis

10.1 A detailed Equality & Fairness Analysis is not required at this stage – this will become necessary once the recommendations of this report are implemented and will be reported to Cabinet at the appropriate time.

11 Sustainability implications

11.1 The recommendations within this report seek to encourage sustainable economic growth. For example, the LEAP programme is highlighted as an example of the type of business support offer already provided within the district. The importance of skills development is noted and reflects current activities being undertaken with a range of skills providers, including the East Sussex College Group.

11.2 There are no recommendations in this report that are considered to have a detrimental effect on the Council’s environmental targets.

12 Appendices

- Appendix 1: Economic Statistics
- Appendix 2: Strategic Bodies and Partnerships

13 Background papers

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

- [Report to Scrutiny Committee of the Scrutiny Affordable Workspace Panel \(21 March 2019\)](#)

This page is intentionally left blank

Report to:	Cabinet
Date:	16 September 2019
Title:	Climate Emergency
Report of:	Ian Fitzpatrick, Director of Regeneration and Planning
Cabinet Member:	Councillor Matthew Bird, Cabinet member for sustainability
Ward(s):	All
Purpose of report:	To agree next steps following the resolution by Full Council to declare a climate emergency and allocate £100k to support the immediate development of a comprehensive Climate Change and Sustainability Strategy to tackle carbon reduction and climate adaptation.
Decision type:	Key
Officer recommendation(s):	That £100k be approved to progress carbon reduction and climate adaptation interventions in 2019/20.
Reasons for recommendations:	Following the declaration of a climate emergency and a commitment by the Council to develop and deliver a comprehensive Climate Change Strategy , this report seeks Cabinet's allocation of funds to enable the progression of all the commitments made at Full Council on 15th July 2019.
Contact Officer(s):	Name: Jo Harper Post title: Head of Business Planning and Performance E-mail: jo.harper@lewes-eastbourne.gov.uk Telephone number: 01273 085049

1 Introduction

1.1 At its meeting on 15th July 2019, Lewes Full Council agreed the following resolution;

1. To develop a comprehensive Climate Change Strategy within 12 months that addresses all inward and outward-facing Council functions and implement appropriate monitoring and reporting mechanisms in order to:

- Ensure that all strategic decisions, budgets and approaches to planning decisions are in line with a shift to net zero greenhouse gas emissions by 2030;

- Ensure that appropriate resources and capacity are put in place to progress the actions needed to address the 'climate emergency'

effectively; and

- Support and work with relevant agencies and stakeholders towards making the entire District zero carbon and climate resilient by 2030.

- 2. To request Scrutiny Committee to set up a Climate Change Scrutiny Panel that receives progress reports on the policy and actions enacted by the Council to address the 'Climate Emergency'. This incorporates the existing request to Scrutiny Committee to monitor the implementation of recommendations made by the Climate Change Action Group. The Panel will also invite appropriate experts to support Council climate change actions.*
- 3. To request that a Community Climate Change Forum is convened with representation and participation from across the district. Invitees to include but not be restricted to representatives from local communities, parish and town councils, organisations, business, education, nature groups, agricultural, food, health and transport groups.*
- 4. To request that the Council is especially proactive in taking steps to include young people in the 'Climate Emergency' process, ensuring that they have a voice in shaping the future.*
- 5. To report on an annual basis to the Audit and Standards Committee on the level of investment in the fossil fuel industry that our pensions plan and other investments have, and review the Council's investment strategy to give due consideration to climate change impacts in the investment portfolio.*
- 6. To ensure that all reports in preparation for the 2020/21 budgeting take into account actions the Council will take to address this emergency.*
- 7. Portfolio Holder to write to the Government to set out the Council's intentions and call on the UK Government to provide the powers, resources and help with funding to make this possible, and ask our local MP to do likewise."*

1.2 This paper sets out a proposed way forward for Cabinet to consider which would enable the council to start to deliver the actions set out in the resolution.

2 Climate Change and Sustainability Strategy

2.1 Central to this work will be the development of a detailed strategy which will set out what action the council will take in relation to carbon reduction, climate adaptation and other issues relating to sustainability. This strategy will build on the existing Sustainability Policy which was adopted in 2018 and thus will be named a Climate Change and Sustainability Strategy. The strategy will be supported by a detailed, fully costed action plan with clear measures to track progress and demonstrate outcomes. Establishing a clear baseline and appropriate metrics against which to measure carbon reduction will be an

essential element of this work.

- 2.2 It is proposed that the Strategy, whose overall aim will be to achieve net zero carbon position by 2030, will focus in particular on areas such as; biodiversity, transport, air quality, waste and recycling, energy, food, water, procurement and planning. The emphasis will be twofold; addressing what the council can do itself to become more sustainable, and also how we will work with partners and the wider community to help tackle climate change issues across the district.

3 Climate Change Scrutiny Panel

- 3.1 Both Council and Cabinet have resolved that the Scrutiny Committee be asked to set up a Climate Change Scrutiny Panel. The Scrutiny Committee on 12 September will be asked to agree to the establishment of this Panel, including the number of Members to participate. It is recommended that the Panel should continue to operate for the full duration of the Climate Change and Sustainability Strategy to ensure a maintained focus on this work.
- 3.2 The Scrutiny Panel will be able to build on the initial work of the previous Climate Action Group and have a key role in scrutinising the progress of work already agreed in this area. The Panel would also play an important function in promoting the councils' work in this area and building partnerships, alongside the Cabinet Member for Sustainability. The Panel would also have a policy development function, assisting with the formulation of proposals prior to recommendations being made to Cabinet when formal decisions need to be taken.

4 Delivering the Climate Change and Sustainability Strategy

- 4.1 The resolution above represents a significant enhancement to the council's work in this area. Although having already adopted a sustainability policy, the proposed Climate Change and Sustainability Strategy will require considerably more data collection, research and expert advice in its development than was the case with the high level sustainability policy.
- 4.2 The required skills, experience and expertise are not currently available within the councils' staff team and therefore it is recommended that Cabinet agree the creation of a dedicated post to develop and support this work. Eastbourne Borough Council also considered a similar proposal for commitment of funds at its Cabinet meeting on 11 September 2019. The combined resource would enable recruitment of an officer with the relevant skills, knowledge and experience to work across the councils to ensure a joined-up corporate approach to addressing the challenges of climate change. It is proposed that the post of Strategy and Partnership Lead for Sustainability be created for this purpose.
- 4.3 It is recognised that the development and delivery of a Climate Change and Sustainability Strategy will cut across the work of many parts of the council. To ensure all relevant functions and services are fully engaged in this process, an officer working group will be established. This would be chaired by the Deputy Chief Executive and would include representation from all relevant teams,

including;

- Business planning
- Commercial business
- Parks and outdoor services
- Fleet management
- Property
- Tourism and enterprise
- Housing (property services)
- Planning policy
- Legal

4.4 The group would work, supported by the Strategy and Partnership Lead for Sustainability, to ensure commitment from across the organisation to take Cabinet and Council's resolutions forward. This would include contributing to the development and delivery of the Climate Change and Sustainability Strategy.

4.5 In order to enable this work to be progressed at pace in the current year, a fund is proposed for carbon reduction and climate adaptation initiatives. Plans for use of these funds would be developed by the officer working group in collaboration with the Cabinet Member for Sustainability. A sum of **£100k** is recommended, the majority of which would fund carbon reduction initiatives in the current year, with the remainder being for the post outlined at 4.2.

4.6 Included in the group's responsibility would be to establish a baseline position against which to measure progress towards carbon reduction targets. Alongside this, the group will make recommendations for a proportionate, sustainable and affordable method of tracking that progress.

4.7 As an initial step, report authors have also been asked to include a sustainability impact statement in all future committee reports. This will aim to provide advice to members about the potential impacts, either positive or negative, to future sustainability of implementing any proposals set out in the report.

5 Financial appraisal

5.1 The Council's approved financial plans include a limited provision for one off initiatives without increasing the demand on the approved budget.

5.2 In addition, application will be made to grant funding bodies or funds from other sources aimed at increasing the financial capacity and reduce reliance on the Council's financial resources.

6 Legal implications

6.1 The EU and UK have adopted ambitious targets and legislation to reduce greenhouse gas emissions, improve energy efficiency and increase renewable energy. In particular, the EU has adopted a framework for climate change and energy policy with targets for 2030, and the UK has adopted the Climate Change Act 2008.

- 6.2 The Council's actions to deliver a Climate Change Strategy and to allocate funds for specific interventions must be consistent with these targets and legislation.

Lawyer consulted 05.08.19

Legal ref: 008476-LDC-OD

7 Risk management implications

- 7.1 Implementing proposals contained in this report would reduce the risk of the council not achieving its aspirations in relation to carbon reduction.

8 Equality analysis

- 8.1 This report has no specific equality implications. Equality analyses will be undertaken of the various proposals developed subsequently to address the climate emergency.

9 Sustainability impact analysis

- 9.1 The proposals in this report, if implemented, will help the council to progress its commitment to achieving net zero greenhouse gas emissions by 2030.

10 Appendices

none

11 Background papers

Sustainability Policy

<https://democracy.lewes-eastbourne.gov.uk/documents/s8839/Sustainability%20policy.pdf>

This page is intentionally left blank