

Meeting: Council
Date: Wednesday 20 July 2016
Subject: Employee code of conduct
Report of: Councillor Troy Tester on behalf of the Cabinet

The Council is asked to consider the minute and resolution of the Cabinet meeting held on 13 July 2016 as set out below.

Further copies of the report to Cabinet are available on request – please see end of this report. A copy may be seen on the Council’s website by following the link below:

<http://democracy.eastbourne.gov.uk/ieDocHome.aspx?bcr=1>

The Council is asked to approve the revised code of conduct for employees of the borough council.

**Minute extract
Cabinet 13 July 2016**

***16. Employee code of conduct.**

16.1 Cabinet considered the report of the senior head of corporate development and governance. The code of conduct laid out the standards of behaviour expected of council employees. The code formed part of the contract of employment and must be followed. A breach of the code could lead to disciplinary action and even dismissal depending on the severity of the breach.

16.2 Minor revisions to the code were proposed and included reference to safeguarding, the use of loyalty cards when purchasing items on behalf of the council and the form for declaring personal relationships at work. A copy of the revised code was appended to the report. These revisions had been undertaken in consultation with Unison and with consideration to ACAS best practice guidance and the needs of the business.

*** 16.3 Resolved:** That full council be recommended to approve the revised code of conduct for employees of the borough council.

For a copy of the report please contact Local Democracy at 1 Grove Road, Eastbourne, BN21 4TW. Tel. (01323) 415022 or 415021.
E-mail: localdemocracy@eastbourne.gov.uk

For further information please contact:
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Tuesday, 12 July 2016
at 6.00 pm



Conservation Area Advisory Group

PRESENT:-

Councillor Rodohan (Chairman), Councillor Swansborough and Smart

OFFICERS:

Mr Palmer, Senior Specialist Advisor

ADVISORS:

Mr Howell, Eastbourne Society

10 Minutes of the meeting held on 24 May 2016.

The minutes of the meeting held on 24 May 2016 were submitted and approved and the Chairman was authorised to sign them as a correct record.

11 Apologies for absence.

Apologies for absence were reported from Councillor Belsey and Mr Crook.

12 Declarations of Disclosable Pecuniary Interests (DPIs) by members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct.

None were declared.

13 Planning Applications - Decisions of the Borough Council.

The decisions of the Planning Committee on applications in Conservation Areas were reported.

NOTED.

14 Planning Applications for Consideration.

The Senior Specialist Advisor reported on planning applications for consideration in Conservation Areas. The Group's comments were set out in the schedule below.

1) 160048, (PPP), STREET RECORD, NORTH STREET, EASTBOURNE
Cons Area: Town Centre and Seafront

Proposal: New alley gate to replace existing gate in alleyway in North Street to include: three 150 x 150 steel posts, a 1M wide x 2.2M high pedestrian gate and a single vehicle swing gate 3M high and 2.2M high.

CAAG Comments: No objections raised.

2) 160409, (HHH), WOODEND, 20 PARK CLOSE, EASTBOURNE, BN20 8AG

Cons Area: Park Close

Proposal: To replace existing single glazed steel windows with new thermally efficient, ultra slim profile, double glazed, powder coated aluminium windows in black. Window fitting to remain the same i.e fitted into existing wooden frames.

CAAG Comments: The Group raised no objections to the proposal in principle subject to clarification from the applicant over the design and specifications of the replacement windows and ensuring that it matched the existing design.

3) 160606, (HHH), VAILIMA CROFT, 9C GRANVILLE ROAD, EASTBOURNE, BN20 7HE

Cons Area: College

Proposal: Proposed part single and part two storey extension.

CAAG Comments: The Group had no objections to an extension to the property however raised several concerns to the proposal. They requested that the proposed side door be upgraded to be more reflective of the existing door and that a parapet wall be installed at the front entrance to hide the pitched roof to the lobby. Concerns were raised around the quantity of roof pitches over the building.

4) 160623, (HHH), 1 OLD MOTCOMBE MEWS, EASTBOURNE, EAST SUSSEX, BN21 1QF

Cons Area: Old Town

Proposal: Proposed 2 no. new windows with the replacement of all windows and internal alterations to include new staircase, internal doors, skirtings and stud walls (In conjunction with Listed Building Consent 160624).

CAAG Comments: No objections raised.

5) 160624, (LBC), 1 OLD MOTCOMBE MEWS, EASTBOURNE, EAST SUSSEX, BN21 1QF

Cons Area: Old Town

Proposal: Proposed 2 no. new windows with the replacement of all windows and internal alterations to include new staircase, internal doors, skirtings and stud walls (In conjunction with Householder application 160623).

CAAG Comments: No objections raised.

6) 160688, (PPP) 7 CAREW ROAD, EASTBOURNE, EAST SUSSEX, BN21 2AU

Cons Area: Upperton Gardens

Proposal: Demolition of existing garage and minor alterations to existing dwelling to facilitate the erection of a single storey granny annexe with pitched roof, linked to the main dwelling via shared entrance porch.

CAAG Comments: The Group accepted the proposal in principal however raised concerns regarding the proposal scale of the gable on the annexe compared to the gable on the existing dwelling. It was requested that officers seeks clarification with the applicant over the drawings submitted and negotiate over the width of the front room to provide a better proportion.

7) 160690, 18-22 TERMINUS ROAD, EASTBOURNE, BN21 3LP

Proposal: Proposed conversion of top floor to provide a self-contained residential unit including the addition of 2 no. pitched roof dormers on the front elevation and 1 no. flat roof dormer to the rear.

CAAG Comments: The Group raised objections to the size of the proposed dormers on the front elevation as it would be disruptive and overbearing when considered in context of the area and neighbouring properties. The Group suggested that the applicant consider installing roof lights as was the case for other properties in the immediate vicinity. There were no objections to the roof dormer to the rear of the property.

NOTED.

15 New Listings

The Senior Specialist Advisor advised that there were no new listings.

NOTED.

16 Dates of future meetings - All at 6.00 p.m. at the Town Hall.

The date of the next meeting was confirmed as the 23 August 2016. Councillor Rodohan provisionally gave his apologies for the meeting.

The meeting closed at 6.34 pm

Councillor Rodohan (Chairman)

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Cabinet



Minutes of meeting held on Wednesday, 13 July 2016 at 6.00 pm

Present:-

Councillors **Councillor David Tutt (chairman and leader of the council), Gill Mattock** (deputy chairman and deputy leader of the council), **Margaret Bannister, Alan Shuttleworth, Troy Tester and Steve Wallis.**

12 Minutes of of the meeting held on 25 May 2016.

The minutes of the meeting held on 25 May 2016 were submitted and approved and the chairman was authorised to sign them as a correct record.

13 Declarations of interests by members.

Declarations of disclosable pecuniary interests (DPIs) by members as required under section 31 of the Localism Act and other interests as required by the council's code of conduct and regulation 12(2)(d) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Councillors Tutt and Shuttleworth both declared personal (and non-prejudicial) interests in matters the subject of minute 18 (Housing and economic development programme - Acquisition of housing by Eastbourne Housing Investment Company Ltd.) as they were council appointed non-executive directors of Eastbourne Housing Investment Company Ltd. (EHICL). Councillor Tutt chose to withdraw from the meeting and take no part in order that he could participate in this matter at EHICL's board meeting. Councillor Shuttleworth chose to remain and participate on the basis that he would withdraw and not participate at EHICL's board meeting.

14 Annual accounts 2015/16 (KD).

14.1 Cabinet considered the report of the financial services manager presenting the annual accounts and final budget outturn figures for the financial year ending 31 March 2016. Under the Accounts and Audit Regulations 2011 the deadline for the council to approve the annual accounts was 30 September, after the external audit had been completed.

14.2 A report to cabinet on 25 May 2016 set out the provisional outturn for 2015/16. The forecast was for a credit variance of £195,000 on service expenditure. Since that time the work on closing the accounts had been completed and the final outturn confirmed. The general fund service outturn was a favourable variance of £204,835. The main change from the details of the service variances reported to the 25 May cabinet meeting related to an adjustment to the provision for bad debts

relating to housing benefits overpayment, accrual adjustments for the building control management fee, the Steria IT contract and an increase in the legal fees chargeable to the housing revenue account. The general fund balance at 31 March 2016 was £3.3m. Details of other reserves were included in the accounts.

14.3 In addition to the transfers to and from reserves as approved by cabinet in May, a transfer of £575,381.51 had been made to the capital programme reserve in line with the budget strategy representing the balancing mechanism on capital financing costs. This included savings on external interest payable due to the continued use of internal balances and the actual timing of capital spending incurred compared to the expected cash flow profile.

14.4 The housing revenue account (HRA) figure previously reported to the cabinet in May set out a favourable variance of £218,000. The final net expenditure for the year was a surplus of £527,929 a favourable variance against budget of £231,979, due to an accounting adjustment for capital funding from revenue. The HRA balance as at 31 March 2016 was £3.7m. In addition to the transfers to and from reserves approved by Cabinet on 25 May, a transfer of £793,000 had been made to the housing regeneration and investment reserve in line with the budget strategy and the 30 year housing business plan. This represented the variance between the budgeted and actual depreciation allowance.

14.5 The final capital expenditure for the year was £18.0m compared to a revised budget of £19.9m a variance of £1.9m (general fund (£0.3m) and HRA (£2.2m)) or 9.5%.

14.6 The outturn formed part of the draft statement of accounts reported to the audit and governance committee on 22 June 2016. The committee would be asked to formally approve the accounts at their September meeting. The draft statement of accounts was available on the council's website and copies could be obtained from financial services. An overview and key points of interest was given in appendix 1 to the report.

14.7 It was the chief financial officer's responsibility to ensure the preparation of the statement was in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. The council's chief financial officer was also responsible for certifying that the accounts represented a true and fair view of the authority's financial position by 30 June 2016. The external auditor was due to commence work on 11 July and the accounts would be open for public inspection between 1 July and 11 August 2016.

14.8 Members congratulated the chief finance officer and his team for their work in preparing the accounts and highlighted the council's consistent record of delivery.

14.9 Resolved (key decision): (1) That the final outturn for 2015/16 be agreed

(2) That the transfer to reserves and provisions as set out in paragraphs 2.3 and 3.2 of the report be approved.

15 Medium term financial strategy (MTFS) (KD).

15.1 Cabinet considered the report of the deputy chief executive (and chief finance officer) giving an update on the council's financial strategy which focussed on the general fund for the period up to 2020. A separate report on the 30-year housing revenue account business plan would be presented to cabinet in the autumn. The council was faced with reducing support from government and in order to protect front line services needed to find efficiency savings and new income streams to maintain a balanced budget. The ability to raise council tax was limited to 2% (or £5 per band D property) per annum. The use of reserves was only valid for one off expenditure in order to keep the budget sustainable.

15.2 The medium term financial strategy (MTFS) was a rolling 4 year strategy that took into account:

- The external financial environment.
- The overall financial demands of services.
- The council's existing and projected financial resources.
- The council's political priorities and stated aims.
- The council's sustainable service delivery strategy.
- The council's corporate plan.
- The major service strategies and plans.

The MTFS had last been approved in July 2015 and set the backdrop for the 2016/17 budget setting process as well as a informing a 3-year rolling service and financial planning cycle.

15.3 Over the life of the last parliament the government effectively reduced the general support to the council by some 50% in cash terms which equated to over 60% in real terms. Government funding was expected to fall a further 30% over the current parliamentary cycle to 2020.

15.4 To protect front line services the council had put in place a priority based budget system that had kept pace with the scale of cuts to funding and made provision for reinvestment in services. The council aimed to become less dependent on day to day revenues to run services, instead opting to use any spare financial capacity to enhance the capital programme. The council's DRIVE programme provided the programme to deliver efficiencies that support the council's corporate plan. The MTFS and capital strategy identified and directed resources at a strategic level, which were then compounded via the service and financial planning and budget setting process.

15.5 In setting recent annual budgets the council had achieved its "golden rule" of meeting its ongoing budget requirement from ongoing resources in each year. Technically, the rule applied to the cycle of the MTFS, and it was reasonable to use reserves to smooth out the budget

as savings accrued over the cycle. By not using reserves in this manner it had meant that reserves over the minimum level were available for one off investments in services decided via the service and financial planning process.

15.6 The council, as a registered social landlord, was obliged to run a housing revenue account (HRA) that was statutorily ring-fenced from its general fund. A 30-year rolling business plan had been adopted for the HRA. The council was working in partnership with Eastbourne Homes Ltd. (EHL), a wholly owned subsidiary, to deliver efficiency savings in partnership using shared services. All savings accruing to the HRA were reinvested in housing services. During the last 2 years over £600,000 of ongoing efficiencies had been realised with £500,000 built into the EHL repairs budget and an overall reduction of £100,000 being realised in the management fee paid to EHL by the HRA.

15.7 Members highlighted the potential impact of the government's recent housing reforms and in particular the levy on 'high value' asset sales to be paid to government to fund housing association right to buy sales. An estimated £6-8m per annum would be taken out of the housing revenue account at a time when the council faced rising demand for accommodation and the provision of temporary and emergency accommodation was increasing.

15.8 The government had set an objective to eliminate the nation's budget deficit by the end of the parliament. This would involve various measures that would reduce the amount of resources to local government including:

- A further reduction in general central government support 2017-2020.
- Reducing the amount of resource available to the Department for Communities and Local Government as it was not a "protected department" which would impact on specific grants.
- Increasing in the funding for new homes bonus (NHB) paid for by further reducing the revenue support grant (RSG) which was set to be zero for the council by 2019.
- A further year on year reduction in housing benefit administration grant (on top of the £250,000 cumulative reduction in the last 5 years).

15.9 The actual effect of the national deficit reduction programme to this council had been the amount made available via the revenue support grant (RSG). The council received £8.9m in RSG in 2010/11, £2.8m in 2016/17 and reducing to zero by 2019. Whilst a scheme to retain an element of business rates was introduced in 2013 with an announcement due in the coming year of a move to increase retention to 100%, there was little or no prospect that this would achieve an increase in the overall level of funding available.

15.10 The report set out the council's strategy in relation to dealing with the effects of inflation in the costs of goods and services and pay, pension costs, fees and charges, interest rates, council tax, government

grants and retained business rates, savings, the scope for new or enhanced service provision, the housing revenue account, reserves and the mitigation of risks. Appendix 1 to the report set out the potential risks and mitigating measures available to the council.

15.11 Taking all known factors and assumptions, as outlined in the report, the council needed make an average level of new additional savings and/or new income streams of around £3m over the next 3 years. Savings would chiefly come from the council's joint transformation programme, procurement and new income streams. Although this was in line with the average of savings that the council had achieved over the last 6 years, new ideas and initiatives would be required. It was noted that there were often significant lead-in periods to achieving savings so targets would need to be set at a higher level internally to offset any such delays.

15.12 The 2015/16 draft accounts showed the balance available to the general fund to be c.£3.6m. This was the assumed starting point for the MTFS. There was a planned draw on reserves to meet non-recurring expenditure in subsequent years at around £100,000 per annum. No assumption on underspends was made in the strategy. The previous MTFS recommended a minimum general fund reserve of at least £2m. The budget paper in February 2016 itemised the risks and as they had not changed significantly in the interim, it was assumed that the minimum level of reserves should be fixed at £2m for the MTFS. The MTFS summary (appendix 2) showed that the general reserve would be reduced over the life of the MTFS to an estimated £2.8m excluding any windfalls or underspends. The council had set aside £500,000 from general reserves in the economic regeneration reserve to pump prime initiatives aimed at promoting the local economy and creating new income streams for the council to help offset the reductions in government funding.

15.13 The council's service and financial planning process would further refine the strategy and a draft budget for 2017/18 would be presented to cabinet in December. Cabinet was advised that the paper had been written prior to the 23 June EU referendum and that resolution 3 below had been worded to allow for an update to the MTFS in the event that there were material changes to the assumptions in the paper. The council was likely to be affected by changes in the nation's financial circumstances and was sensitive to a wide range of factors including interest rates, pay and prices among others.

15.14 Resolved (key decision): (1) That the updated medium term financial strategy and associated plan 2016-20 as summarised in appendix 2 of the report be approved.

(2) That the balance of assumptions made in the strategy be agreed.

(3) That that the emerging budget proposals for 2017/18 be brought to cabinet in December prior to detailed consultation and that the MTFS be re-presented if material changes arise in the interim.

(4) That the principal risks of the strategy set out in appendix1 of the report be agreed.

16 * Employee code of conduct.

16.1 Cabinet considered the report of the senior head of corporate development and governance. The code of conduct laid out the standards of behaviour expected of council employees. The code formed part of the contract of employment and must be followed. A breach of the code could lead to disciplinary action and even dismissal depending on the severity of the breach.

16.2 Minor revisions to the code were proposed and included reference to safeguarding, the use of loyalty cards when purchasing items on behalf of the council and the form for declaring personal relationships at work. A copy of the revised code was appended to the report. These revisions had been undertaken in consultation with Unison and with consideration to ACAS best practice guidance and the needs of the business.

*** 16.3 Resolved:** That full council be recommended to approve the revised code of conduct for employees of the borough council.

17 Planning enforcement policy (KD).

17.1 Cabinet considered the report of the senior head of community. The effective and proper enforcement of planning controls was essential to protect the local environment and interests of residents, visitors and businesses of the borough from the harmful effects of unauthorised works. The council had a duty to investigate alleged breaches of planning control and had powers to remedy proven breaches by statutory and other means. It was the council's policy to exercise these powers appropriately and proportionately so that development took place in accordance with the appropriate legislation or conditions and limitations imposed on any planning permission. National guidance expected local authorities to publish a local enforcement policy. The current policy, in use since 2010, had been updated over the years in line with legislative changes.

17.2 The policy had been endorsed by the council's planning committee (July 2015) and also by the local plan steering group. Cabinet approval was now sought to give formal status to the policy. Members requested that the policy be updated at least annually to reflect legislative and regulatory changes and noted that substantial changes only would require further consideration and approval by cabinet.

17.3 Resolved (key decision): (1) That the revised enforcement policy statement be approved for publication for a 6-week consultation period to receive representations on its content.

(2) That following the end of the representation period, the senior head of community be granted delegated authority, in consultation with the

chair of the council's planning committee, to make any non-substantive change to the policy.

(3) That, subject to the delegation granted above, the enforcement policy statement 2016 be adopted.

18 Housing and economic development programme - Acquisition of housing by Eastbourne Housing Investment Company Ltd. (KD).

18.1 Cabinet considered the report of the senior head of community. In October 2014 Cabinet had approved the establishment of a new asset holding company (trading as Eastbourne Housing Investment Company Ltd (EHICL)) to help maintain progress on housing and economic development. In approving the establishment of the company, cabinet noted that this would create capacity to hold some of the council's property portfolio in a separate vehicle and thereby differentiate between its general needs stock and other forms of housing and tenures.

18.2 The report sought approval for a loan facility up to £5m for EHICL to purchase residential properties on the open market and council homes sold as part of the future high value assets disposal programme being introduced under the Housing and Planning Act. This would allow the purchase of some 30 to 40 properties.

18.3 The council had a statutory duty to provide advice and assistance to households in housing need. The report highlighted a number of factors which had led to this proposal to purchase of suitable residential properties by EHICL for rental:

- Over the past year the demand for accommodation had increased and placements in temporary accommodation had risen.
- Social housing (council housing managed by Eastbourne Homes Ltd and housing managed by registered providers) was under significant pressure and locally the number of homes becoming vacant had reduced.
- Securing private rented accommodation was becoming significantly more difficult, particularly for those on benefits.
- Recent changes to benefit regulation meant that the council was unable to recover all of the costs of arranging accommodation for households that were placed in emergency accommodation.

18.4 Housing provided by EHICL would also assist the council meet its wider economic and regeneration aims by ensuring that accommodation was kept in good condition. In addition, in certain circumstances it might support the purchase of accommodation in areas of deprivation or decline requiring investment through cross subsidy within the wider company property portfolio.

18.5 The financial viability of each prospective acquisition would be assessed as a stand-alone project and continuous monitoring of demand for housing need would be undertaken to mitigate voids and/or capital losses. The report set out key risks and factors to mitigate those risks

and the legal basis under which the acquisitions and loans could be made.

18.6 Resolved (key decision): (1) That the council makes a loan facility available of up to £5m on market terms to Eastbourne Housing Investment Company Ltd (EHICL) for the purpose of enabling the company to purchase residential accommodation.

(2) That the senior head of community, in consultation with the lead cabinet members for community and finance, be granted delegated authority to agree the whole scheme lending parameters for purchases, to include types of property and financial viability.

(Notes: (1) Councillors Tutt and Shuttleworth both declared personal interests in relation to the above minute. See minute 12 above.)

(2) Councillor Mattock took the chair for this item.

(3) Ian Fitzpatrick, senior head of community (and managing director of Eastbourne Homes Ltd.), advised members that he was a board member of EHICL.)

The meeting closed at 6.23 pm

Councillor David Tutt
Chairman