

**Policy and Performance
Advisory Committee
30 June 2021**



Lewes District Council

Time and venue:

3.30 pm in the Ditchling and Telscombe Rooms at Southover House, Southover Road, Lewes, BN7 1AB

Membership:

Councillor Joe Miller (Chair); Councillors Liz Boorman (Deputy-Chair) Robert Banks, Nancy Bikson, Roy Clay, Stephen Gauntlett, Isabelle Linington, Christine Robinson, Adrian Ross, Steve Saunders and Richard Turner

Quorum: 3

Published: Tuesday, 22 June 2021

This meeting is open to the public to attend. Whilst seating is currently very limited due to social distancing guidelines, we ask that if you are planning to attend and observe the meeting, you register in advance (by midday Monday 28 June 2021) by emailing committees@lewes-eastbourne.gov.uk. We would request that you do not attend unless you have received an email from us confirming your seat reservation. Priority seating will be given to speakers.

Agenda

1 Minutes of the previous meeting

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 Written Questions from Councillors

To deal with written questions from councillors pursuant to Council Procedure Rule 12.3 (page D8 of the Constitution).

POLICY INPUT AND DEVELOPMENT

6 Requested reports due for consideration by the Cabinet on 8 July 2021

- (a)** Portfolio progress and performance report quarter 4 - 2020-2021 and end of year summary (Pages 5 - 24)

Report of Deputy Chief Executive and Director of Regeneration and Planning

- (b)** Investing in Green Energy Initiatives (Pages 25 - 36)

Report of Deputy Chief Executive and Director of Regeneration and Planning

- (c)** Provisional Revenue and Capital Outturn - 2020/2021 (Pages 37 - 52)

Report of Chief Finance Officer

- (d)** Treasury management annual report 2020/21 and latest treasury management monitoring (Pages 53 - 86)

Report of Chief Finance Officer

- (e)** Re-imagining Newhaven (Pages 87 - 96)

Report of Deputy Chief Executive and Director of Regeneration and Planning

- (f)** Community Grants Policy (Pages 97 - 102)

Report of Deputy Chief Executive and Director of Regeneration and Planning

- (g)** Housing Development Update (Pages 103 - 114)

Report of Deputy Chief Executive and Director of Regeneration and Planning

7 Forward Plan of Decisions (Pages 115 - 136)

To receive the Forward Plan of the Cabinet.

8 Policy and Performance Advisory Committee Work Programme (Pages 137 - 142)

To receive the Policy and Performance Advisory Committee Work Programme.

9 EXCLUSION OF THE PUBLIC

Community Grants Prospectus The Chief Executive considers that discussion of the following items is likely to disclose exempt information as defined in Schedule 12A of the Local Government Act 1972 and may therefore need to take place in private session. The exempt information reasons are shown beneath the items listed below. Furthermore, in relation to paragraph 10 of Schedule 12A, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. (The requisite notices having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

(Note: Exempt papers are printed on pink paper).

10 Investing in Green Energy Initiatives - EXEMPT appendix (Pages 143 - 180)

Report of Deputy Chief Executive and Director of Regeneration and Planning

Exempt information reasons 3 – Information relating to the financial and business affairs of any particular person (including the authority holding that information).

11 Re-imagining Newhaven - EXEMPT appendix 1 (Pages 181 - 182)

Report of Deputy Chief Executive and Director of Regeneration and Planning

Exempt information reasons 3 – Information relating to the financial and business affairs of any particular person (including the authority holding that information).

12 Community Grants Prospectus EXEMPT appendix 1 (Pages 183 - 186)

Report of Deputy Chief Executive and Director of Regeneration and Planning

Exempt information reasons 3 – Information relating to the financial and business affairs of any particular person (including the authority holding that information).

13 Housing Development update EXEMPT appendix 1 (Pages 187 - 190)

Report of Deputy Chief Executive and Director of Regeneration and Planning

Exempt information reasons 3 – Information relating to the financial and business affairs of any particular person (including the authority holding that information).

14 Date of Next Meeting

To note that the next meeting of the Policy and Performance Advisory Committee is scheduled to be held on 16 September in the Ditchling/Telscombe Rooms, Southover House, Southover Road, Lewes commencing at 3:30pm.

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 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 Sub-Committee.

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.

Other 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.

Democratic Services

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

Email: committees@lewes-eastbourne.gov.uk

Telephone: 01323 410000

Council website: <https://www.lewes-eastbourne.gov.uk/>

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| | |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Policy and Performance Advisory Committee |
| Date: | 30 June 2021 |
| Title | Portfolio progress and performance report 2020/21- quarter 4 and end of year summary |
| Exemption: | None |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning |
| Ward(s): | All |
| Purpose of Cabinet report: | To consider the Council's progress and performance in respect of key projects and targets for the fourth quarter of the year (Jan-March 2021) as shown in Appendix 1. |
| Officer recommendations to the Cabinet: | (1) To note progress and performance for Quarter 4 and 2020-21 performance. To note the targets for 2021-22 |
| Recommendations to the Committee | The recommendations are detailed at 1.3 of this report |
| Reasons for recommendations to the Committee: | To provide a critical friend challenge to the Cabinet decision and policy making process. |
| Contact Officer(s): | Name: Nick Peeters Post title: Committee Officer E-mail: nick.peeters@lewes-eastbourne.gov.uk Telephone number: 01323 415272 |

1 Introduction

- 1.1 In its role as a provider of public scrutiny and as critical friend, the Policy and Performance Advisory Committee has a duty to provide a challenge to the executive decision and policy makers.
- 1.2 The Policy and Performance Advisory Committee is able to provide this challenge through the inclusion of the Council's Forward Plan of Decisions as a standing item on each of the Committee's agendas, allowing the Committee to request the inclusion of reports due for consideration by the Cabinet on its agenda and by asking that the relevant officers, heads of service or directors, attend the Committee meetings and discuss the content of the reports.

1.3 Following consideration of each item, where the Members will be able to ask questions of the relevant officers, heads of service, directors and other stakeholders, the Policy and Performance Advisory Committee will provide one of the following three recommendations to the Cabinet:

- 1) To support the recommendations in the report in full; or
- 2) To support the recommendation in the report subject to the consideration by the Cabinet of any amendments agreed by Committee; or
- 3) To not support the recommendations in the report and give reasons.

1.4 The Cabinet will be provided with the recommendations from the Policy and Performance Advisory Committee when it considers the main report.

2 Financial / Legal / Risk Management / Equality Analysis/ Environmental Sustainability Implications/ Background Papers

2.1 All implications are addressed in the Cabinet report attached at Appendix 1.

3 Appendix

- Appendix 1 – **Portfolio progress and performance report 2020/21-quarter 4 and end of year summary** and appendices (Q4 Performance report and Key Performance Indicators report).

| | |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Cabinet |
| Date: | 8 July 2021 |
| Title: | Portfolio progress and performance report 2020/21- quarter 4 and end of year summary |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and 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 fourth quarter of the year (Jan-March 2021) as shown in Appendix 1. |
| Decision type: | Non-key |
| Officer recommendation(s): | To note progress and performance for Quarter 4 and 2020-21 performance. To note the targets for 2021-22 |
| Reasons for recommendations: | To enable Cabinet members to consider specific aspects of the Council's progress and performance. |
| Contact Officer(s): | Name: Millie McDevitt Post title: Organisational Effectiveness 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.

2 Overview

2.1 Despite the district being in lockdown during this quarter, albeit with restrictions easing with schools and colleges opening, performance continues to remain at a high level.

2.2 **2020/21:** This has been a year of exceptional performance, despite the Covid-19 pandemic. All service areas very quickly changed how they delivered their services to ensure that staff were able to work efficiently and productively in a Covid-safe way. At the same time, residents' needs and those of other customers have been at the forefront of the council's operations, with service areas ensuring that they were able to meet needs. In particular, our front line services (including customer contact; waste and recycling; account management; housing and neighbourhood first) all went out of their way to ensure that the needs of Lewes District continued to be met despite the difficult conditions imposed by the pandemic in 2020/21.

Performance targets have all been met wherever possible. The few areas which have not met their targets have been unable to do so due to pandemic related factors. So, for example, in the case of turnaround times for council lettings and repairs, these were severely impaired by staff being unable to access properties due to Covid-19.

2.3 **2021/22 Measures:**

Appendix 2 lists the projects and performance targets for 2021/22. These remain largely the same to allow for a year of reset following the pandemic however there are a modest number of additional sustainability related PIs which will complement a more detailed annual report in November (as agreed by Cabinet previously).

3 Corporate plan and council policies

3.1 This report sets out the Council's performance in the fourth quarter of 2020/21 against its aspirations as set out in the Corporate Plan 2020-24.

4 Financial appraisal

4.1 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.

5 Legal implications

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

6 Risk management implications

- 6.1 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.

7 Equality analysis

- 7.1 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.









8 Appendices

- Appendix 1 – Portfolio Progress and Performance Report (Quarter 4 2020/21)
- Appendix 2- Performance targets 2021/22







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Lewes District Council Portfolio Progress and Performance Report Quarter 4 2020-2021 (January to March 2021)

- **Councillor James MacCleary**, Leader of the Council, Chair of Cabinet and Cabinet member for regeneration and prosperity
- **Councillor Zoe Nicholson**, Deputy leader of the Council and Cabinet member for finance and assets
- **Councillor Matthew Bird**, Cabinet member for sustainability
- **Councillor Julie Carr**, Cabinet member for recycling, waste and open spaces
- **Councillor Chris Collier**, Cabinet member for performance and people
- **Councillor Johnny Denis**, Cabinet member for communities and customers
- **Councillor William Meyer**, Cabinet member for housing
- **Councillor Emily O'Brien**, Cabinet member for planning and infrastructure
- **Councillor Ruth O'Keeffe**, Cabinet member for tourism and devolution



















| 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 |

Key Performance Indicators

| KPI Description | Q4 2019 Value | Q1 Value | Q2 Value | Q3 Value | Q4 Value | Q4 Target | Q4 Status | Q4 Short Trend | Overall annual out-turn | Annual target 2020/21 | Overall annual status | Latest Note |
|-------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|----------|----------|-----------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-------------------------|-----------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1.(Finance) Maximise amount of Council Tax collected during the year</p> <p>Page 12</p> | 97.34% | 28.48% | 56.51% | 84.05% | 96.88% | 97.34% |  |  | 96.88% | 97.34% |  | <p>Despite Covid-19 challenges in the last year, collection is only 0.46% below our annual target of 97.34% which was revised down in September to take account of the expected reduction in income. This equates to being below our annual target by £363,143. Lewes District receives 10% council tax collected (remainder collected on behalf of East Sussex County Council, Sussex Police and Crime Commissioner, East Sussex Fire and rescue service, Town & Parish councils) and so the shortfall for LDC is £36,314. Collection against the initial target of 98% which was set pre-pandemic would have been 1.12% below.</p> <p>Although the collection rate is below target and despite the suspension of all Council Tax Liability Order Hearings by HMCS throughout the entire year, measures were put in place very early on in the pandemic to try and limit and manage the expected fall in Council Tax income. This included customer debt profiling to tailor collection approaches including sending different types of 'soft' reminder letters targeted around ability to pay. A small team of caseworkers and customer advisors was also set up to help residents who were struggling to pay, but also to make outbound calls to chase late payment where it was identified from customer financial profiling that there was ability to pay.</p> <p>The decision to send statutory reminder and final notices at certain periods during the pandemic has also helped to limit the impact.</p> |
| <p>2.(Finance) Maximise amount of Business Rates collected during the year</p> | 96.51% | 27.91% | 54.78% | 82.99% | 95.39% | 96.51% |  |  | 95.39% | 96.51% |  | <p>Collection is 1.12% below the target of 96.51% which was revised down in September to take account of the anticipated reduction in income resulting from the Covid-19 pandemic. This equates to £177,656 shortfall for the annual target. Collection against the initial target of 98.50% set pre-pandemic would have been 3.11% below.</p> <p>Business Rates collection has mainly centred around the statutory cycle of sending reminder and final notices when lockdown restrictions have been eased and through targeted outbound calling. Collection has proved to be extremely challenging during the pandemic as many businesses have either been forced to close due to Covid restrictions or have had to continue to trade during the pandemic but have been financially impacted as they have not had access to government support schemes but experienced a financial downturn.</p> |







| KPI Description | Q4 2019 Value | Q1 Value | Q2 Value | Q3 Value | Q4 Value | Q4 Target | Q4 Status | Q4 Short Trend | Overall annual out-turn | Annual target 2020/21 | Overall annual status | Latest Note |
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| 3.(Community and Customers) Average number of days to process new claims for housing/council tax benefit | 17.3 | 15.2 | 13.0 | 12.5 | 9.1 | 22.0 | | | 12.7 | 22.0 | | An outturn of 9.1 days is the best quarterly performance that the team has delivered in 20 years. Considering the challenges that the pandemic has brought this is a magnificent achievement. |
| 4.(Community and Customers) Average days to process change of circumstances (Housing/Council Tax Benefit) | 2.2 | 6.8 | 5.0 | 10.0 | 6.1 | 8.0 | | | 6.2 | 8.0 | | As above |
| 5.(Community and Customers) Increase the percentage of calls to the contact centre answered within 60 seconds Page 13 | 89.95% | 88.78% | 96.94% | 92.83% | 79.78% | 80% | | | 89.16% | 80% | | <p>Although quarter 4 sees the most contact from customers due to Year End activity (350K pieces of correspondence sent in March alone), the performance has remained strong where quarter 4 saw 79.78% of all calls being answered within 60 Seconds – this compares to 92.83% for quarter 3.</p> <p>Overall, performance in this area has been impressive given the additional demands imposed by Covid-19. Performance levels have surpassed those of previous years with target levels being reached, or very slightly under, in all quarters.</p> |
| 6.(Housing) Decrease total number of households living in emergency (nightly paid) accommodation | 36 | 45 | 45 | 31 | 37 | NA | | | | Data only | | <p>In Q4 we continued to have a high number of people accessing our services; the rise following the Christmas period did not ease up. Despite this, we moved 16 families out of emergency accommodation and moved 20 in.</p> <p>Our Specialist Advisor (Landlord Liaison) started in Q4. This role will focus on procuring properties for homeless households and help design our new Landlord Incentive Scheme. We are also exploring how we can offer homeless households a guarantor, which often an obstacle for homeless households securing accommodation, through an external provider.</p> <p>We are redesigning the way we deliver our housing needs service so that new way of working will better focus our resources on the most vulnerable, in anticipation of seeing an increase in demand once government restrictions (e.g. ban on evictions) end.</p> <p>We have also continued to look at further technology improvements to make our services more efficient.</p> |

Other Performance Indicators

| KPI Description | Q4 2019 Value | Q1 Value | Q2 Value | Q3 Value | Q4 Value | Q4 Target | Q4 Status | Q4 Short Trend | Overall annual out-turn | Annual target 2020/21 | Overall Annual status | Latest Note |
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| 7.Sustainability: Air Quality: Number of times nitrogen dioxide levels exceed national air quality objectives (200 µg/m3 hourly mean ave.) | 0 | 0 | 0 | 0 | 0 | 4 |  |  | 0 | 18 |  | This information covers both Air quality monitoring stations in Lewes district:- Lewes Town and Newhaven. |
| 8.Community & Customers: # of Anti Social Behaviour (ASB) cases | New PI | 419 | 418 | 215 | 254 | Data only |  |  | 1,306 | Data only |  | We have amended this PI to reflect cases which gives a truer picture of ASB in the LDC. In Q1 and Q2 it was reporting internal work reports generated. |
| 9.Community & Customers: Number of bonfire complaints | New PI | 81 | 19 | 21 | 14 | Data only |  |  | 135 | Data only |  | A steady decrease through the year. |
| 10.Community & Customers: Proportion of customer processes initiated online | New PI | 32.88% | 23.87% | 21.39% | 34.74% | Data only |  |  | 28.9% | Data only |  | Slight decrease |
| 11.Community & Customers: Total number of complaints received (L) | 123 | 98 | 149 | 127 | 153 | Data only |  |  | 527 | Data only |  | The number of complaints reduced at the onset of lockdown and Covid 19 but has subsequently returned to pre Covid levels. The highest number of complaints over the quarter related to waste and recycling. There were no complaints escalated to the LGO. |
| 12.Housing: Decrease average number of days to re-let Council homes (excluding temporary lets) | 16 (profiled quarterly) | 8.0 | 67.6 | 35.9 | 37.4 | 15 |  |  | 37.2 | Profiled quarterly |  | 33 properties in total relet in the January to March quarter for Lewes. Void turn round times have been adversely affected by the pandemic, lockdowns, sheltered schemes being closed and a shortage of materials. During 2020/21 void management has been the most challenging area of work-successive lockdowns either prevented or limited access to property and/or customers. Clearly driving void performance in the new financial year will be an area of considerable focus to maximise income and to deliver homes to customers in a more timely manner. |

| KPI Description | Q4 2019 Value | Q1 Value | Q2 Value | Q3 Value | Q4 Value | Q4 Target | Q4 Status | Q4 Short Trend | Overall annual out-turn | Annual target 2020/21 | Overall Annual status | Latest Note |
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| 13.Housing: DFGs - Time taken from council receiving a fully complete application to the council approving the grant | 8 days | 4 days | 10 days | 4 days | 5 days | 28 days | | | 5 days | 28 days | | The DFG process has become more efficient and streamlined now the OT's are working within LDC |
| 14.Housing: Rent arrears of current tenants (expressed as a percentage of rent debit) (L) | 5.72% | 5.02% | 4.31% | 4.18% | 3.82% | 4% | | | 3.82% | 4% | | Through careful monitoring of arrears, proactive calls to residents from council staff and sign-posting tenants to additional help where lockdown was impacting their ability to pay rent, the council has managed to weather the C-19 storm in terms of its impact on rent arrears. |
| 15.Planning: % of appeals allowed against the authority's decision not to grant planning permission (2 year rolling government figures) | 27.3% | 100.0% | 75.0% | Majors - 0% Minors- 1.5% | Majors 3.2% Minors 1.3% | 10% | | Change of measure | Majors 3.2% Minors 1.3% (latest figure as change of measure) | 10.0% | | All appeal decisions are reported to planning committee for information purposes and where appropriate key learning is taken. In terms of the appeals that have been overturned it was decided to follow the published National MHCLG data and the most recent survey period relates to the two years predating October 2019. For this survey period there was one overturned appeal representing 3.2% of all major applications decided and 1.3% of non-major decisions. This remains below the 10% PI recognised nationally. The previous reported quarterly figure reported the result of appeals received, however now as we are reporting the Govt statistics these report appeal overturns as a % of all applications received. Accordingly the percentage is lower. This remains below the 10% PI recognised nationally. |
| 16. Planning: Exceed government targets for the % of major applications determined within 13 weeks - LDC | 66.67% | 75% | 66.67% | 87.5% | 83.33% | 60% | | | 79.17% | 60% | | Performance on track |
| 17.Planning: Exceed government targets for the % of minor applications determined within 8 weeks- LDC | 81.42% | 83.5% | 83.7% | 66.96% | 50.81% | 70% | | | 71.07% | 70% | | This quarter is below target in Q4 however for the whole year we are above target. The annual % remains above the target and the rolling 2 year government statistic for this period as at Sep 2020 was 76%. |

| KPI Description | Q4 2019 Value | Q1 Value | Q2 Value | Q3 Value | Q4 Value | Q4 Target | Q4 Status | Q4 Short Trend | Overall annual out-turn | Annual target 2020/21 | Overall Annual status | Latest Note |
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| | | | | | | | | | | | | It is recognised that 7 colleagues have started in this survey period. This has required training support from existing staff. New starters will begin to make a significant contribution on the coming weeks and there should be an identified improvement for the next survey period. |
| 18. Recycling & Waste: KG waste collected per household | 146.11 | 112.9 | 112.8 | 111.7 | Tbc | Data only | | | Tbc | Data only | | Awaiting data from 3 rd party |
| 19. Recycling & Waste: Percentage of household waste sent for reuse, recycling and composting | 42.47% | 43.25% | 40.65% | 40.98% | Tbc | 43% | | | Tbc | 43.00% | | Awaiting data from 3 rd party |
| Page 16 20. Recycling & Waste: Total number of reported fly-tipping incidents | 27 | 65 | 103 | 39 | 55 | 50 | | | 262 | 200 | | Fly-tipping is a nationwide issue. Any reported fly tip is investigated by the council to look for evidence. Unfortunately there is often no evidence which makes it very difficult to take further, and with the very rural makeup of LDC CCTV is not always possible, however we are working through the hotspots mentioned below and will react whenever we have evidence. If evidence is found this this is likely to result in a fixed penalty notice (FPN) being served on the offender, if this is not paid we will then consider a prosecution for the offence. A FPN was issued in March 21 in the sum of £400 for a large fly tip. We have deployed CCTV to the Hollow in Newhaven and have a further camera ready to be deployed in one of the hot spot areas listed. Jan – 11, Feb – 17, March – 27 Fly-tip Hot Spots: Seaford North and West Wards, East Saltdean and Telscombe Cliffs Ward, Peacehaven West, Chailey and Wivelsfield Ward, Plumpton, Streat, East Chiltington & St John |
| 21. People & Performance: Number of people | 900 | 2,706 | 3,359 | 1,737 | 5,406 | 501 | | | 13,208 | 2,004 | | This quarter saw a year on year increase of 93% - this was boosted by our uploading emails of customers signing up |

| KPI Description | Q4 2019 Value | Q1 Value | Q2 Value | Q3 Value | Q4 Value | Q4 Target | Q4 Status | Q4 Short Trend | Overall annual out-turn | Annual target 2020/21 | Overall Annual status | Latest Note |
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| registering for our email service | | | | | | | | | | | | for a My Account who opt-in for more information from the council. |
| 22. People & Performance: Number of new sign-ups to the Councils' social media channels | 226 | 403 | 264 | 295 | 236 | 150 |  |  | 1,198 | 600 |  | This quarter saw a year on year increase of 93% - this was boosted by our uploading emails of customers signing up for a My Account who opt-in for more information from the council. |
| 23. People & Performance: Staff: Average days lost per FTE employee due to sickness (J) | 2.72 days | 1.63 days | 1.56 days | 1.46 | 1.72 days | 2.0 days |  |  | 6.37 days | 8.0 days |  | <p>This is the final quarter of reporting average days lost due to sickness for our entire staff group since lockdown and/or other restrictive measures were introduced and the majority of staff who were able, commenced working from home. This has had a positive impact on sickness levels with the councils recording only 1.72 days in Q4, which is a small increase from Q3 which was 1.46 days. We would normally anticipate a slight increase in the final quarter due to the time of year. This final quarter figure means we have come in below our target of 8 days, having only recorded 6.37 days for the year 2020/21.</p> <p>If we remove LDC Waste Services, the Q4 figure reduces to 1.33 days and Waste Services on its own is 4.25 days, which is an increase from 3.47 days in Q3. It is worth noting that Waste Services staff have continued to operate normally during the pandemic.</p> <p>Absences due to Covid-19 for Q4 were 11 (those staff reporting symptoms) which was an increase from 4 in Q3. No staff have recorded an absence due to Covid-19 Isolation (those staff required to self-isolate as they have been in contact with someone showing symptoms). These relatively small numbers will be largely due to the change in ways of working, including working from home and strict social distancing measures within our buildings. In addition we had a further 20 staff absent due to a reaction to drugs which we believe is related to those staff receiving a vaccination. If we remove these absences from our Q4 figure that number reduces to 1.47 days.</p> <p>Although sickness levels have reduced the HR Business Partners continue to support managers and staff in managing any attendance issues that arise.</p> |

Projects

| Project / Initiative | Description and update | Target completion |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Devolution of Open Spaces | Telscombe & Newhaven devolution: Q4 Update: In this quarter, meeting held with Newhaven Town Council to discuss current sites that are in the devolution phase and new sites that the Town Council may be interested in moving forward. The Town Council has confirmed it would like to take the sites forward and these are now being prioritised for the next phase of devolution. | Q1 2024/25 |
| Progress Local Plan Part 1 Review | Develop progressive planning and infrastructure policy and commission evidence to underpin local plan part 1 review - leading towards late 2023 adoption of greenest local plan. Q4 Update: Call for sites closed and review underway. Issues and options document in prep for Summer deadline. Potential for capacity issues relating to evidential material post the issues and options stage and this may impact upon the delivery of the revised local plan for the 2023 submission date, | Q4 2023 |
| Upper Ouse Flood Protection and Water | 3 year programme of flood protection work across the District: Q4 Update: Discussions held with Ouse and Adur River Trust and Sussex Flow Initiative in respect of the delivery which continues following Covid 19 lockdown. | Q3 2022 |
| North Street Quarter | Update: NSQL, the majority landowner at the NSQ site, has now completed the sale of its land to the developer – Human Nature. In December 2020, the Council's Cabinet agreed Heads of Terms for the sale of its land to this same developer in order that Human Nature can comprehensively redevelop the NSQ site which it is calling 'the Phoenix Project'. The Council and its legal advisors are continuing to work on the land sale and purchase contract with Human Nature. The landowner / developer has confirmed that it will submit a new planning application for the scheme that it wants to deliver. Human Nature has yet to confirm its full programme for delivery of the scheme but is planning a public exhibition to discuss ideas for the site in September 2021. | Q2 2021/22 |
| Springman House- Blue light services hub | The relocation of the Lewes community fire station to the Springman site is an enabling project for the NSQ regeneration scheme. Q4 Update: The relocation of the Lewes community fire station to the Springman site is an enabling project for the NSQ regeneration scheme. The new NSQ landowner / developer (Human Nature) intends to submit a new planning application for the NSQ site. Human Nature is liaising with East Sussex Fire and Rescue regarding the existing community fire station at the NSQ site. The Council is currently preparing a planning application to demolish the Springman House building. Demolition would enable further intrusive ground investigations to take place on the site and would mean that any new development can progress quicker in the future. | Linked to NSQ development |

| Project / Initiative | Description and update | Target completion |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Newhaven Flood Alleviation Scheme (Environment Agency) | <p>Enabling the delivery of key infrastructure projects in Newhaven.</p> <p>Update: The delayed rail possession occurred on 20 June. These works included installation and testing of new power cables, signalling tests and removal of track ballast to enable attachment of a nitrile sheet - which cuts off a flood flow route under the track.</p> <p>Minor snagging work, which can take place outside of a possession, is being planned.</p> | Q3 2021/22 |
| Newhaven Enterprise Zone | <p>NEZ covers 8 key sites of strategic importance with the aim of driving economic growth through the creation of up to 55,000m²; of new employment floorspace, refurbishing 15,000m²; of existing employment floorspace and creating / sustaining up to 2,000 FTE jobs over a 25-year period.</p> <p>Update: Avis Way interventions – planning application being prepared. Railway Quay – see other project.</p> | Q4 2041/42 |
| Newhaven Town Centre | <p>Delivery of mixed use regeneration scheme within NEZ.</p> <p>Update: 1st tranche of Govt funding received on 8 June. A full update elsewhere on the agenda.</p> | Q4 2020/21 |
| <p>Page 19</p> <p>Railway Quay Newhaven</p> | <p>Delivery of mixed use regeneration scheme within NEZ.</p> <p>Update: 1st phase of project now successfully completed and café has received positive community reviews.</p> <ul style="list-style-type: none"> • Snagging period underway and painting of exterior fences progressing. • Lease agreements with key partners for additional units being negotiated. | Q4 2020/21 |
| Housing Development Programme - LDC | <p>The programme progresses positively to deliver upon the Corporate Plan objectives including the direct delivery of an additional 200 new homes across the district. Since 2020/21 Q1, in the face of challenges due to the pandemic, 100 new homes have been identified for rent and low-cost homeownership at varying stages of delivery.</p> <p>Update: The commitment to deliver 200 new homes will be refocussed to also include specific requirements for high levels of sustainability for all new homes as well as having a target of social rent (50-60% of market price). A new business plan will be drawn up to reflect this. A full update is available elsewhere on the agenda.</p> | Q4 2024 |

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Lewes District Council- Performance targets 2021/22

Key Performance Indicators

| KPI Description | Target 2020/21 | 20/21 out-turn | 2021/22 target | Target setting rationale |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.(Finance) Maximise amount of Council Tax collected during the year (Total Council tax collectable if 100%= £ 80.37m LDC share= 10% 1% shortfall in collection = £803,700) | 97.34% | 96.88% | 97% | Based on analysis and financial forecasting using historical and recent collection performance |
| 2.(Finance) Maximise amount of Business Rates collected during the year | 96.51% | 95.39% | 97.50% | Based on analysis and financial forecasting using historical and recent collection performance |
| 3.(Community and Customers) Average number of days to process new claims for housing/council tax benefit | 22.0 | 12.7 | 17 | Originally set at DWP national target (22 days) which councils have to report against and now stretched to 17 days which was the target for individuals rather than service area as a whole previously. |
| 4.(Community and Customers) Average days to process change of circumstances. (Housing/Council Tax Benefit) | 8.0 | 6.2 | 6 | Originally set at DWP national target (22 days) which councils have to report against and now stretched to 6 days which was the target for individuals rather than service area as a whole previously. |
| 5.(Community and Customers) Increase the percentage of calls to the contact centre answered within 60 seconds | 80% | 89.16% | 80% | No change to target but target may be varied during high volume contact times (eg annual billing) but will maintain call answering ratio against volumes of calls. |
| 6.(Housing) Decrease total number of households living in emergency (nightly paid) accommodation | Data only | 37 | N/A | N/A |

Other Performance Indicators

| KPI Description | Target 2020/21 | 20/21 out-turn | 2021/22 target | Target setting rationale |
|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7.Housing: Decrease average number of days to re-let Council homes (excluding temporary lets) | 15 | 37.2 | 20 | Void management was the most challenged area of Housing work in 20/21 due to critical restrictions in accessing property, working in proximity with customers and some shortage of materials during lockdowns. The increased target time reflects the need to reset and to allow for potential lockdowns and possible similar challenges. |
| 8.Housing: DFGs - Time taken from council receiving a fully complete application to the council approving the grant | 28 days | 5 days | 14 | Q3 out turn figure used for target setting. |
| 9.Housing: Rent arrears of current tenants (expressed as a percentage of rent debit) (L) | 4% | 3.82% | 3.5% | Strong progress in reducing arrears was made during 2020-21, resulting in stretching of target for 2021-22. |
| 10.People & Performance: Number of people registering for our email service | 2,004 | 13,208 | 3000 | Target reflects the increased uptake of subscriptions in general while allowing for some levelling out as the service reaches its maximum potential subscriber coverage. |
| 11.People & Performance: Number of new sign-ups to the Councils' social media channels | 600 | 1,198 | 600 | Target reflects the increased uptake of subscriptions in general while allowing for some levelling out as the service reaches its maximum potential subscriber coverage. |
| 12.People & Performance: Staff: Average days lost per FTE employee due to sickness (J) | 8.0 days | 6.37 | 8 days | Based on historical and recent collection performance |
| 13.Planning: % of appeals allowed against the authority's decision not to grant planning permission (2 year rolling government figures) | 10.0% (annual and quarterly data) | 2 year rolling figure | 10.0% | Government targets |
| 14. Planning: Exceed government targets for the % of major applications determined within 13 weeks - LDC | 60% (annual and quarterly data) | 79.17% | 60% | Government targets |
| 15.Planning: Exceed government targets for the % of minor applications determined within 8 weeks- LDC | 70% (annual and quarterly target) | 71.07% | 70% | Government targets |
| 16.Recycling & Waste: KG waste collected per household | Data only | 451.3 | Data only | Q4 data input for 20/21 out turn on 20/4/21 |
| 17.Recycling & Waste: Percentage of household waste sent for reuse, recycling and composting | 43% (quarterly and annual target) | Awaiting data | 48% | Indicative national targets: 2025 – 55%; 2030 – 60%; 2035 – 65% Recycling is likely to increase through 21/22 with improved capacity at many flats. |
| 18.Recycling & Waste: Total number of reported fly-tipping incidents | 200 (annual target) | 262 | 180 | Fly tipping has increased nationally, despite best efforts at investigation and enforcement. This will need careful monitoring to assess how much relates to lockdown clear outs, for example, and access to household waste sites. |

| KPI Description | Target 2020/21 | 20/21 out-turn | 2021/22 target | Target setting rationale |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 19,[Annual PI] Recycling & Waste: Reduce the quantity of residual waste collected per household (NI 191) | Data only | Awaiting data | Data only | Reducing waste is a key priority according to the waste hierarchy (reduce, reuse, recycle). However, waste tonnages have increased through the Covid-19 lockdown and beyond, as more people work from home and shop online, producing more domestic waste. |
| 20.Sustainability: Amount of corporate carbon emissions (measured in tonnes CO2e) | Data only | NEW PI | NEW PI | Detailed reporting to be provided in the annual report as agreed by cabinet. Quarterly reports to provide headline figure & relevant narrative. |
| 21. [Annual PI] Sustainability: Sites exceeding national air quality nitrogen dioxide objectives (40 µg/m3 yearly average) | Data only | 9 | n/a | Diffusion tube sites annual average Nitrogen Dioxide concentration to measure <40 µg/m3 after annualisation, bias adjustment and distance correction for relevant exposure. Results are recorded on an annual basis and are preliminary until a bias adjustment has been made and applied to the figures. For the calendar year 2020/21 the preliminary results show <i>some or all</i> monthly averages in excess of 40 ug/m3. Please note that lockdowns and restricted travel due to Covid will have a significant impact on the overall figures for 2020/21. These will be examined in detail in the Annual Status Report currently being produced. |
| 22.Sustainability: Air Quality: Number of times nitrogen dioxide levels exceed national air quality objectives (200 µg/m3 hourly mean average.) | 18 (annual target) | 0 | 18 (annual target) | This is a national target to measure the number of times per annum nitrogen dioxide levels have exceeded 200 µg/m3 hourly mean average |

Corporate Projects: These will be reported individually to Cabinet with full reports in a timely manner and with latest updates.

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| | |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Policy and Performance Advisory Committee |
| Date: | 30 June 2021 |
| Title | Investment in green energy initiatives- update |
| Exemption: | None |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning |
| Ward(s): | All |
| Purpose of Cabinet report: | To provide an update to the work initiated by the report considered at Cabinet on 25 March 2021. To provide further allocation of revenue funding to: facilitate delivery of the Ouse Valley Solar Farm project to planning application stage; to reduce risk to the project failing; and associated due-diligence work and business case development. |
| Officer recommendations to the Cabinet: | (1) To delegate authority to the Deputy Chief Executive, in consultation with the Chief Finance Officer and Cabinet member for finance and assets, to increase the loan provision to OVESCO up to a maximum of £155,000 for development funding to take the solar farm proposal set out in section 2 and Appendix 1 of this report to planning submission, subject to further due diligence being carried out, satisfactory loan terms and milestones being agreed (see recommendation 2 below). (2) To approve the setting up of a cross-party Ouse Valley Solar Farm Oversight Board to oversee the project. The group will consist of 3 Councillors as set out in paragraph 5.2. The group will meet 4-6 weekly and OVESCO will be expected to provide updates in order to facilitate the release of loan tranches as detailed in the loan agreement and otherwise agreed in writing. |
| Recommendations to the Committee | The recommendations are detailed at 1.3 of this report |
| Reasons for recommendations to the Committee: | To provide a critical friend challenge to the Cabinet decision and policy making process. |
| Contact Officer(s): | Name: Nick Peeters Post title: Committee Officer E-mail: nick.peeters@lewes-eastbourne.gov.uk Telephone number: 01323 415272 |

1 Introduction

- 1.1 In its role as a provider of public scrutiny and as critical friend, the Policy and Performance Advisory Committee has a duty to provide a challenge to the executive decision and policy makers.
- 1.2 The Policy and Performance Advisory Committee is able to provide this challenge through the inclusion of the Council's Forward Plan of Decisions as a standing item on each of the Committee's agendas, allowing the Committee to request the inclusion of reports due for consideration by the Cabinet on its agenda and by asking that the relevant officers, heads of service or directors, attend the Committee meetings and discuss the content of the reports.
- 1.3 Following consideration of each item, where the Members will be able to ask questions of the relevant officers, heads of service, directors and other stakeholders, the Policy and Performance Advisory Committee will provide one of the following three recommendations to the Cabinet:
- 1) To support the recommendations in the report in full; or
 - 2) To support the recommendation in the report subject to the consideration by the Cabinet of any amendments agreed by Committee; or
 - 3) To not support the recommendations in the report and give reasons.
- 1.4 The Cabinet will be provided with the recommendations from the Policy and Performance Advisory Committee when it considers the main report.

2 Financial / Legal / Risk Management / Equality Analysis/ Environmental Sustainability Implications/ Background Papers

- 2.1 All implications are addressed in the Cabinet report attached at Appendix 1.

3 Appendix

- Appendix 1 – **Investment in green energy initiatives- update** Cabinet report and EXEMPT appendix (Report of Local Partnerships- Renewable Energy Investment for Lewes District Council)

| | |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Cabinet |
| Date: | 8 July 2021 |
| Title: | Investment in green energy initiatives- update |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and Director of Planning and Regeneration |
| Cabinet member: | Cllr Zoe Nicholson, Cabinet member for finance & assets and Cllr Matthew Bird, Cabinet member for sustainability |
| Ward(s): | All |
| Purpose of report: | To provide an update to the work initiated by the report considered at Cabinet on 25th March 2021. To provide further allocation of revenue funding to: facilitate delivery of the Ouse Valley Solar Farm project to planning application stage; to reduce risk to the project failing; and associated due-diligence work and business case development. |
| Decision type: | Key |
| Officer recommendation(s): | <p>(1) To delegate authority to the Deputy Chief Executive, in consultation with the Chief Finance Officer and Cabinet member for finance and assets, to increase the loan provision to OVESCO up to a maximum of £155,000 for development funding to take the solar farm proposal set out in section 2 and Appendix 1 of this report to planning submission, subject to further due diligence being carried out, satisfactory loan terms and milestones being agreed.</p> <p>(2) To request that the Climate Change Scrutiny Panel provide oversight to the project</p> |
| Reasons for recommendations: | <p>Investigating the opportunities to develop and enable solar energy production directly supports the aims of the Council detailed within the Corporate Plan 2020-2024 to lead the community to net zero carbon and engage with the community energy sector.</p> <p>Supporting community energy generation could enable community investment and assist with community wealth building objectives.</p> |

Development finance is the most difficult finance to gain for a community energy company when delivering a project of this scale.

Maintaining Council input into the development of the project financially de-risks it and enables project oversight to hopefully ensure delivery.

Developing solar generation within the district will help meet goals and targets detailed within the Climate Change & Sustainability Strategy including the overarching net zero carbon by 2030 targets.

**Contact Officer(s): Name: Kate Richardson
 Post title: Strategy & Partnership Lead- Sustainability
 E-mail: kate.richardson@lewes-eastbourne.gov.uk
 Telephone number: 01323 415202**

1 Introduction

1.1 As discussed in the previous report brought to Cabinet in March 2021, the Council has a publicised interest in pursuing investment in local solar energy for the following interlinked reasons:

- Climate Emergency Declaration made in 2019
- Net zero by 2030 targets for the council and the district
- Target to reduce Council carbon emissions by 60% by 2025
- Target to increase solar generation in the district by 12MW by 2025
- Desire to encourage community owned renewable energy generation
- Desire to generate community wealth through community investment opportunities and increasing the Council's local spend.
- Encouragement and support for a local, green economic recovery.

1.2 Consultants Local Partnerships were commissioned by the Council to examine the options available with regards to provision of development finance for the Ouse Valley community solar farm scheme proposed by local community energy company OVESCO. Local Partnerships have reviewed the conditions under which the initial £100,000 of monies could be issued and officers have reviewed the legal and financial implications for the loan agreement.

Local Partnerships have analysed the 'critical success factors' and confirmed that both parties are largely aligned, agreeing that:

- The main aim of the project is to increase the amount of locally produced solar energy in the district
- both parties are seeking to increase community wealth and ownership of power generation
- the council is actively seeking to assist not for profit community ventures such as this

Local Partnerships have taken these critical success factors and developed conclusions on a variety of options to enable the council to consider how it should best get involved in this project to deliver both parties main aims. These are detailed in section 3.

- 1.3 This paper is seeking approval for:
- An increase in the prior approved £100k development finance to a maximum of £155k
 - Using the Climate Change Strategic Panel for project oversight to take updates and provide scrutiny of the project management.

2 Work completed to date

- 2.1 After the cabinet decision in March 2021 officers initiated an options appraisal to be carried out by its consultants Local Partnerships. This has involved carrying out 3 workshops with OVESCO and council officers to determine the best possible form of working to progress development of the Ouse Valley Community Solar Farm and to meet the aims of both parties in developing a community owned renewable energy facility.

The report was completed 11 June 2021 and can be found in exempt appendix 1 and is summarised in section 3 below.

- 2.2 OVESCO have completed the following main tasks since March 2021:
- Made the grid application
 - Submitted a bid for £100k to Rural Communities Energy Fund (RCEF)
 - Completed the agricultural land grade assessment – result = 3b
 - Site visit with Local Partnerships Strategic Director
 - Gained quotes for surveys and begun this work

- 2.3 Concurrently with the options appraisal, officers have been investigating and determining the best way of issuing the initial development funds to OVESCO.

Work is in progress to develop suitable loan terms complete with required milestones. These will need to be shared and agreed with OVESCO once finalised internally.

It is anticipated that the conditions of the loan will include an initial payment of £10,000 to cover milestones already met. Further payments will be conditional on achieving future milestones set out or approved by the council under the agreement.

Milestones will be reported to and monitored through the Climate Change Strategic Panel.

3 Options Appraisal summary

- 3.1 The report in Exempt Appendix 1 considers both project and wider risks and how these can be managed and navigated to provide a compliant package of measures which support the development of the project.

The Ouse Valley Solar Farm provides a good fit with council strategic objectives in particular:

- Climate emergency declaration made in 2019
- net zero by 2030 targets for the council in the district
- target to reduce council carbon emissions by 60% by 2025
- target to increase solar generation in the district by 12 megawatts by 2025
- desire to encourage community owned renewable energy generation
- desire to generate community wealth through community investment
- opportunities and increasing the councils local spend
- encouragement and support for a local green economic recovery

3.2 The success factors for the council and OVESCO have a high degree of alignment in relation to two key areas:

- Delivery of significant renewable energy capacity located within Lewes
- Requirements to be transparent and adhere to the highest standards of compliance and scrutiny

Whilst there was general alignment with many of the other success factors the extent to which they were prioritised varied between the council and OVESCO although many common themes were evident, of note were the following:

- Creation of new green jobs and additional capacity within the sector. OVESCO are keen to grow but are risk averse and this would provide a strong rationale for the Council to want to support OVESCO through the development of the solar farm.
- Maximising biodiversity net gain is important to both the Council and OVESCO
- Long term Council involvement in the scheme is not a key driver for either party.

3.3 Development finance is inherently risky and in advancing the development funding the council needs to consider the following impacts

1. compliance with local government powers
2. compliance with procurement legislation
3. compliance with subsidy control regime
4. compliance with PWLB lending requirements

3.4 Key recommendations:

- A project oversight group be set up
- Loan funds should be provided in tranches and have milestones agreed and monitored
- The Council should consider retaining an independent expert to ensure the successful delivery of the project
- The Council needs to decide if the risk of providing additional capital is worth the reward of simplifying the finance process for OVESCO to prevent a third party funder being sought.

4 Next steps

4.1 Based on the report in Appendix 1 and internal discussions Officers consider the next steps to be:

1. Increase to the financial support available to OVESCO in order to take the project to planning application stage later this year subject to successful gaining of the RCEF grant and securing the grid connection.
2. To agree to use the existing Climate Change Scrutiny Panel for project oversight.
3. To retain an independent expert for approximately one day per month until further notice to provide project support to OVESCO, council officers and the Climate Change Strategic Panel. Revenue funding that can be used for this purpose was provided in the March Cabinet paper.
4. For the Climate Change Scrutiny Panel to consider options available to the council for future involvement as the project progresses.

4.2 Increasing financial support

Back in March it was uncertain as to what size of project would actually be taken forward, which had an impact on estimated costs, it is now looking likely that a larger scheme (16MW) will be taken forward and as such quotes for pre-planning submission work and the completion of the RCEF bid mean the capital requirement for the scheme is now more certain and the £55k increase to the council loan is requested to cover these costs, to remove the need for another third party funder to be sought by OVESCO which could potentially affect timescales and project viability.

The Deputy Chief Executive, in exercising the authority granted him under recommendation 1, will issue the loan in tranches, but in consultation with the Chief Finance Officer and the Cabinet Member for finance and assets.

Increasing support at this stage is discussed further in the 'Risk Implications' section 8 below.

4.3 Project oversight

Officers recommend using the Climate Change Strategic Panel for project oversight as this is a pre-existing cross-party group set up to provide scrutiny of climate change and sustainability projects, of which this is one.

The Panel has the following remit:

- To scrutinise both the progress of work being undertaken by the council in tackling climate change, and the effectiveness of the outcomes of that work.
- To receive progress reports on the strategy, policy and actions enacted by the council to address the climate emergency, including measurements and data to evidence progress.
- To monitor the implementation of recommendations made by the Climate Action Group, agreed by Cabinet on 1 July 2019

- To undertake policy development activities assisting in the formulation of climate change mitigation and adaptation proposals.
- To invite appropriate experts to provide advice and information to help inform policy development work in relation to climate change.
- To promote the council's work in this area, engaging with and building partnerships, alongside the Cabinet Member for Sustainability.

4.4 The existing purpose of the Panel fits well with the need for the oversight required to help this project through to completion.

It can provide critical analysis of the progress by OVESCO with regards to the development loan provided, review milestones for future loan tranches and monitor progress, consulting with the Lead Member for finance and assets if needed.

The Panel can also review project progress generally and provide opinion to Cabinet and PPAC regarding future involvement on the project if and when this is required.

Panel members who also sit on Planning Committee will need to consider whether it is appropriate to take part in that Committee's consideration of any planning application relating to the proposed solar farm, given their prior involvement, and should seek the advice of Democratic Services and Legal Services officers in advance.

4.5 Officer support to be provided by:
Ian Fitzpatrick, Deputy Chief Executive & Director of Planning & Regeneration (as required);
Kate Richardson, Strategy & Partnership Lead Sustainability;
Planning Officer TBC

Plus:
Independent Expert

5 Financial appraisal

5.1 Developing solar generation within the District will help in meeting goals and targets detailed within the Council's Climate Change & Sustainability Strategy. This initiative will require an initial maximum loan provision of £155,000 (i.e. an additional £55,000 in addition to the £100,000 previously agreed) from the Council to fund feasibility and initial project development work. This in addition to the grants/contributions from other partners including the Government's Rural Community Energy Fund (RCEF).

5.2 The loan provision to OVESCO will be funded from the Council's Local Energy Schemes projects allocation within the capital programme, and various construction stages within the project delivery programme will have financial implications for the Council. Therefore, as work develops and further funding is required, projects and activities will be subject to individual business cases as appropriate, due diligent and financial scrutiny will be carried out to assess the

construction costs, subject to management review before recommendations are made to the Cabinet.

- 5.3 OVESCO is not currently offering either loan security or guarantee in relation to any loan funds released and it is therefore for the Council to satisfy itself that, in the event of project failure the Council exposure to abortive costs will be mitigated through securing access to project rights in the event that OVESCO decide to shelve or abandon the project, and/or releasing funds in a series of tranches as key project risks are closed.

6 Legal implications

- 6.1 This report uses the term “OVESCO”. There are a number of related entities that are collectively referred to under that term including OVESCO Limited (a registered society) and OVESCO CIC (a community interest company). The council will, as part of the due diligence process, need to be satisfied as to the identity of the legal entity that is to enter the loan agreement before payments are made.

- 6.2 As set out in the previous March cabinet paper the council has a number of powers available to facilitate the loan agreement.

The Council could use the general power of competence (GPOC) in section 1 of the Localism Act 2011 for the proposals in this report to provide either a grant or a loan. However, the exercise of that power would be subject to any limitations and restrictions of existing legislation, including those under section 12 of the Local Government Act 2003 (concerning the Council’s powers to invest).

Section 12 of the 2003 Act permits the Council to invest for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs. In exercising that power, the Council must have regard to statutory guidance on local government investments, the most recent edition having effect from 1 April 2018. This guidance advises that an “investment” includes loans made by a local authority to third parties.

- 6.3 The subsidy control regime relevant to the provision of a loan was set out in the previous March cabinet paper. The council will continue to keep under review the question of whether there is any subsidy in the arrangements as the proposals are progressed and take appropriate steps to ensure that any funding given is lawful.

Economic transactions carried out by the council do not confer an advantage, and therefore do not constitute a subsidy, if they are carried out in line with normal market conditions. It is the intention of the council that the loan will be provided on terms which, in similar circumstances, a private investor of comparable size operating in normal conditions of a market economy could have been prompted to offer and that therefore there will be no subsidy.

The Chief Finance Officer has undertaken a review of potential loan terms and interest rates and in particular with reference to the EU reference rates communication to calculate the rate to be used.

- 6.4 The council's primary purpose is acting as an investor in these arrangements and it is not acting as a purchaser of works, services or supplies as defined in the Public Contract Regulations 2015. In any event the PCR2015 specifically exclude from its scope services contracts for loans.

[010097-LDC-CJEC 16 June 2021]

7 Risk management implications

- 7.1 Risks regarding this project are detailed in the report in appendix 1 section 5.2 and those detailed in the March cabinet paper remain true.

At this stage of the project the major risk is the need for a third provider of development finance in addition to the RCEF (if successful) and council funds. This introduces the following risks:

1. Any new source of development finance is likely to require first call on step in rights meaning the council is less likely to be able to proceed with the project if OVESCO withdraw for any reason
2. OVESCO are unable to secure additional development finance and the project cannot proceed

These risks can be mitigated by the council providing additional development finance so a third party is not required.

Funding after the initial £10k should only be provided if the RCEF bid is successful and the grid application secured. This should be known in July

The Council is also meeting PWLB loan requirements by providing enabling finance to allow the project to proceed and to be more financially viable as it progresses towards construction.

8 Equality analysis

- 8.1 No direct implications for equality have been identified at this stage, although improved responses to the impacts of climate change and reducing carbon emissions will generate co-benefits for people living and working in the district and potentially improve the environmental legacy passed on to young people.

9 Environmental sustainability implications

- 9.1 There are potentially positive environmental and sustainability implications around the production of local solar electricity as discussed above. Any site specific negative implications will be considered through the planning application and reports that are due to be produced. The land is currently agricultural.

Successful development of the project will assist both the Council and the district meet its net zero carbon by 2030 targets.

10 Contribution to Community Wealth Building

- 10.1 Key to the project is OVESCO's commitment to a £50,000 minimum contribution to a community benefit fund. The fund would support local projects and enable the recruitment of a part-time Community Energy Officer for the benefit of the local community. The overall objective is that the energy savings achieved will be significantly greater than the cost of delivering the programme. The Energy Officer would complement OVESCO's other activities that relate to education through its school and STEM activities, energy saving advice and support of the District in transitioning to net zero by 2030. Being a community project, all the surplus income from the Ouse Valley Solar Farm will be returned to the community.

The project hopes to make use of local skills to build the development and so provision of development funding by the Council will enable this to occur.

11 Exempt Appendices

The appendix contains exempt information as defined in Schedule 12A of the Local Government Act 1972.

Paragraph 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- Appendix 1 – Report of Local Partnerships- Renewable Energy Investment for Lewes District Council

12 Background papers

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

- [‘Investing in green initiatives’](#) paper to Cabinet 25th March 2021

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| | |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Policy and Performance Advisory Committee |
| Date: | 30 June 2021 |
| Title | Provisional Revenue and Capital Outturn 2020/21 |
| Exemption: | None |
| Report of: | Homira Javadi, Chief Finance Officer |
| Ward(s): | All |
| Purpose of Cabinet report: | To update Members on provisional outturn for 2020/21. |
| Officer recommendations to the Cabinet: | 1) Endorse the provisional outturn for 2020/21. 2) Approve the transfers from/to reserves as set out in section 3.2 of the Cabinet report. |
| Recommendations to the Committee | The recommendations are detailed at 1.3 of this report |
| Reasons for recommendations to the Committee: | To provide a critical friend challenge to the Cabinet decision and policy making process. |
| Contact Officer(s): | Name: Nick Peeters Post title: Committee Officer E-mail: nick.peeters@lewes-eastbourne.gov.uk Telephone number: 01323 415272 |

1 Introduction

- 1.1 In its role as a provider of public scrutiny and as critical friend, the Policy and Performance Advisory Committee has a duty to provide a challenge to the executive decision and policy makers.
- 1.2 The Policy and Performance Advisory Committee is able to provide this challenge through the inclusion of the Council's Forward Plan of Decisions as a standing item on each of the Committee's agendas, allowing the Committee to request the inclusion of reports due for consideration by the Cabinet on its agenda and by asking that the relevant officers, heads of service or directors, attend the Committee meetings and discuss the content of the reports.
- 1.3 Following consideration of each item, where the Members will be able to ask questions of the relevant officers, heads of service, directors and other

stakeholders, the Policy and Performance Advisory Committee will provide one of the following three recommendations to the Cabinet:

- 1) To support the recommendations in the report in full; or
- 2) To support the recommendation in the report subject to the consideration by the Cabinet of any amendments agreed by Committee; or
- 3) To not support the recommendations in the report and give reasons.

1.4 The Cabinet will be provided with the recommendations from the Policy and Performance Advisory Committee when it considers the main report.

2 Financial / Legal / Risk Management / Equality Analysis/ Environmental Sustainability Implications/ Background Papers

2.1 All implications are addressed in the Cabinet report attached at Appendix 1.

3 Appendix

- Appendix 1 – **Provisional Revenue and Capital Outturn 2020/21** Cabinet report and appendices (Appendix A – HRA Outturn and Appendix B – Capital Programme Outturn)

| | |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Body: | Cabinet |
| Date: | 8 July 2021 |
| Subject: | Provisional Revenue and Capital Outturn 2020/21 |
| Report of: | Homira Javadi, Chief Finance Officer |
| Cabinet member: | Councillor Zoe Nicholson, Deputy leader of the Council and Cabinet member for finance and assets |
| Ward(s): | All |
| Purpose of the report: | To update Members on provisional outturn for 2020/21. |
| Decision type: | Key |
| Recommendation: | <p>Cabinet is recommended to :</p> <ul style="list-style-type: none"> i) Endorse the provisional outturn for 2020/21. ii) Approve the transfers from/to reserves as set out in section 3.2. |
| Reasons for recommendations: | To enable Cabinet members to consider specific aspects of the Council's financial performance for 2020/21. |
| Contact: | <p>Homira Javadi: Chief Finance Officer Tel: 01323 415512 or email Homira.Javadi@lewes-eastbourne.gov.uk</p> |

1.0 Background

- 1.1 All local authorities have a legal duty to produce annual accounts, in support of openness and accountability. At the time of writing, the Statement of Accounts were still to be completed and signed off by the Chief Finance Officer. This is therefore a provisional outturn position and is subject to the accounts being finalised and subsequently audited.
- 1.2 This report provides Cabinet with an update on the provisional outturn, including treasury management, and seeks endorsement for certain matters. The Council's financial performance is integral to its service performance overall.

2.0 General Fund

2.1 Revenue Outturn

The 2020/21 financial year saw significant challenges with the impact of Covid-19 pandemic and associated lockdown. This has had an impact on the outturn position as a result of additional emergency spending and losses of income across many service areas. The overall impact against the revised budget, has seen increased net spend of £320K in service areas, however this has been negated by reduced cost of financing and additional interest income totalling £782K.

2.2 Overall there is a balanced outturn for the year after allowing for various year-end adjustments. A summary statement is shown in the following table.

| General Fund | Original Budget | Current Budget | Actual | Variance |
|-----------------------------------------|-----------------|-----------------|-----------------|--------------|
| | £000's | £000's | £000's | £000's |
| Corporate Services | 5,525 | 4,646 | 4,773 | 127 |
| Service Delivery | 9,248 | 9,682 | 9,716 | 34 |
| Regeneration and Planning | 904 | 1,633 | 1,642 | 9 |
| Tourism and Enterprise | 434 | 452 | 602 | 150 |
| Service Total | 16,111 | 16,413 | 16,733 | 320 |
| HRA Services | (4,035) | (4,177) | (4,195) | (18) |
| Cost of Financing & Interest income | 1,050 | 1,050 | 268 | (782) |
| Total Expenditure | 13,126 | 13,286 | 12,806 | (480) |
| Corporate Efficiency Savings | (1,144) | 0 | 0 | 0 |
| Contingencies | 342 | 0 | 0 | 0 |
| Income Recovery | 0 | (800) | (726) | 74 |
| Adjustments to/(from) Reserves | 1,672 | 1,260 | 1,061 | (199) |
| Adjustment to/(from) Earmarked Reserves | 0 | 0 | 730 | 730 |
| Budget Requirement | 13,996 | 13,746 | 13,871 | 125 |
| Financing | | | | |
| Council Tax | (7,796) | (7,796) | (7,796) | 0 |
| Business Rates | (5,417) | (5,167) | (5,191) | (24) |
| Government Grants | (783) | (783) | (884) | (101) |
| Total Funding | (13,996) | (13,746) | (13,871) | (125) |
| Overall Net Position | | | | - |

2.3 The main variances are also set out in the following table.

| Analysis of Major Variances | Variance £000's |
|-------------------------------------------------------|-----------------|
| Corporate Services | |
| Increased pension liability | 113 |
| Service Delivery | |
| Waste & Recycling – additional income & underspending | (122) |

| | |
|---------------------------------------------------------------------------------------------------------------------------------|-------|
| Rent Allowances / Rebates / Homelessness – increased bad debt provision/additional costs | 1,077 |
| Allocation of Emergency Covid-19 grant – offsetting additional costs in Services Delivery (rent allowances/rebates/homelssness) | (821) |
| Additional Covid-19 costs relating to Housing Services | 41 |
| Private Sector Leasing – reduced void repair costs | (84) |
| Licensing Act – reduced income | 14 |
| Solar Panel Trading Account – net income/reduced spend | (38) |
| Building Control – reduced income | 33 |
| Flood Defences – reduction in capital financing costs | (143) |
| Regeneration & Planning | |
| Business Strategy & Performance – reduced marketing spend | (40) |
| Planning Policy – reduced consultancy/fees | (135) |
| Planning Fees – reduced development fee income/additional CIL admin fees | 35 |
| Corporate Landlord – reduced rental income/business rates | 417 |
| Car Parks – reduced income | 149 |
| Public Conveniences – reduced running costs | (38) |
| Facilities Management – reduced operational spend | (344) |
| Economic Development – reduced specialist fees/contributions | (20) |
| Tourism & Enterprise | |
| Newhaven Fort – dangerous structure works | 124 |
| Arts Development – additional contributions | 20 |
| Leisure Trust – survey fees | 25 |
| Capital Financing & Interest | |
| Increased Interest Income | (222) |
| Reduced cost of financing | (560) |
| Reserves | |
| Adjustment to/(from) Reserves | (199) |
| New - Transfer to Income Protection | 125 |
| New – Transfer to Support Community Grant (£35k p/a over 3 years) | 105 |
| New - Transfer to Capital Financing | 500 |
| Financing | |
| Government Grants/Business Rates Income | (51) |
| Other Net Variances | 39 |
| Overall Net Position | - |

2.4 The impact of ongoing under and over spending will be factored into the forthcoming review of the Medium Term Financial Strategy, which will also take into account the on-going impact of the Covid-19 pandemic and lockdown.

3.0 Reserves

3.1 In closing the accounts for last year the Council's reserves have been reviewed and the transfers to and from each reserve is set out in the table below.

| Reserves Summary | 01 April 2020 £000's | Transfers (In) £000's | Transfers /Out to £000's | Transfers to Capital £000's | 31 March 2021 £000's |
|------------------------------------|-------------------------|--------------------------|-----------------------------|--------------------------------|-------------------------|
| Asset Maintenance | (2,200) | 0 | 300 | 367 | (1,533) |
| Economic Regeneration | (1,666) | (721) | 328 | 0 | (2,059) |
| Managing In-Year Economic Downturn | (296) | 0 | 296 | 0 | 0 |
| Revenue Grants & Contributions | (503) | (539) | 0 | 0 | (1,042) |
| Strategic Change | (1,265) | (49) | 300 | 106 | (908) |
| Vehicle & Equipment Replacement | (751) | 0 | 0 | 191 | (560) |
| Business Rate Equalisation | 0 | (965) | 104 | 0 | (861) |
| Covid-19 | 0 | (1,800) | 1,800 | 0 | 0 |
| Income Protection | 0 | (125) | 0 | 0 | (125) |
| Capital Financing | 0 | (500) | 0 | 0 | (500) |
| Community Grants | 0 | (105) | 0 | 0 | (105) |
| Total Earmarked Reserves | (6,681) | (4,804) | 3,128 | 664 | (7,693) |
| General Fund Reserve | (3,425) | (1,000) | 885 | 0 | (3,540) |
| Total Reserves | (10,106) | (5,804) | 4,013 | 664 | (11,233) |

3.2 The transfers to and from earmarked reserves reflect their use in supporting service delivery or the use of grants previously received for specific service activity. The main transfers are as follows:

- **Asset Management** - £300K transfer to Covid-19 reserve and £367k to finance capital expenditure.
- **Economic Regeneration** - £721K transfer in re Newhaven EZ business rates, £328K transferred out to cover the cost of Newhaven EZ costs and funding for the Future High Streets Fund and Newhaven Town Deal.
- **Managing In-Year Economic Downturn** – budgeted transfer of £296K to Covid-19 reserve.
- **Revenue Grants and Contributions** - £539K of new grants and contributions transferred in for specific grant funded initiatives.
- **Strategic Changes** – budgeted transfer out of £300K to Covid-19 reserve, a £49k transfer in and £106K out to finance capital expenditure.
- **Vehicle & Equipment Replacement** - £191K transfer out to finance capital expenditure.
- **Business Rates Equalisation** – This reserve was established when the 2020/21 was set and represents surplus business rates income which has been set aside to mitigate against future fluctuation in business rates income. £968k has been transferred into the reserve.
- **Covid-19** – Transfers in of £1.8m were approved during 2020/21 to provide sufficient financial resilience against the impact of the Covid-19 lockdown. The budgeted £516k has been transferred back to revenue in line with the

revised budget. Similarly, £1m has been transferred to the General Fund Reserve to bring the amounts back to its pre- COVID19 levels. Whilst the financial consequences of the Covid-19 pandemic have been significant the on-going impact is not expected to be as severe. As a result, the balance of the reserve has been applied to the creation of the following new reserves.

3.3 **New Reserves**

As well as a number of higher than anticipated adverse variances impacting housing need services and losses of income from corporate landlord function, the outturn position has included a number of favourable in year variations such as lower financing costs, higher than expected interest income and lower than anticipated facilities management costs. These have allowed the Council to restore its GF reserve to its precovid levels in line with the MTFS required levels.

It is also considered prudent to create three new earmarked reserves to provide further resilience against future income losses, in areas such as commercial properties where the economic risk remains high. In addition, a capital financing support reserve will be created to mitigate against future fluctuations in financing costs associated with the capital programme. This could be as a result of reprofiling, acceleration of the programme or to help to mitigate against the anticipated increases in development costs. Both areas were highlighted in the 2021/22 budget report presented to Cabinet in February 2021, and were to be established from any additional Business Rates income. Allocations from the latter are still to be approved and would be in addition to the amounts set out below.

In addition, a Community Grant Allocation reserve will be created to enable additional grant funding to voluntary and community organisations which are providing services and support to those adversely impacted by the Covid pandemic and the resultant economic situation. The reserve is established on the basis of additional £35k allocations for the next three financial years.

- **Income Protection** – contribution in of £125k
- **Capital Financing Support** – contribution in of £500k
- **Community Grant Allocation** – contribution of £105k, to be applied £35k per annum for the next three years

4.0 **Housing Revenue Account (HRA)**

4.1 The Housing Revenue Account was underspent in last year by £691K. This is a £509K surplus against the revised budget projected underspend of £182K.

4.2 A summary of the HRA provisional outturn is included at **Appendix A**.

4.3 Discounting any notional and presentational variances, the main variances are as follows:

| | Variance £000's |
|---------------------------------------------------------------------------------|----------------------------|
| Dwelling Rents | (66) |
| Non-dwelling Rents | 92 |
| Service Charges | (56) |
| Repair and Maintenance | 127 |
| Supervision & Mgmt/Specialist Services/Corporate & Democratic Core Recharges | 282 |
| Depreciation | (1,124) |
| Revenue Contributions to Capital Expenditure | 149 |
| Total Variances | (509) |

4.4 The main variance relating to depreciation results from the latest revaluation of assets and extended life expectancies.

5.0 Collection Fund

5.1 The Collection Fund deals with local taxation matters and as such, its performance has a direct bearing on General Fund services. For this reason, a high level review of its outturn is presented for Members' information.

5.2 The Collection Fund for the year is as follows:

| | Council Tax | Business Rates |
|----------------------------------------|--------------------|---------------------------|
| | £000's | £000's |
| Balance B/fwd 01 April 2019 | (937) | (1,455) |
| (Deficit recovery)/Surplus distributed | 550 | |
| Debit due for year | (79,828) | |
| Payments to preceptors | 77,710 | |
| Allowance for cost of collection | - | |
| Transitional Relief | - | |
| Designated Areas | - | |
| Allowance for appeals | - | |
| Write offs and provision for bad debts | 456 | |
| Balance 31 March 2020 | (2,049) | Tbc |
| Allocated to: | | |
| MHCLG | - | |
| East Sussex County Council | (783) | |
| Lewes District Council | (170) | |
| Sussex Police | (110) | |
| East Sussex Fire & Rescue | (49) | |
| Total Allocation | (1,112) | Tbc |

5.3 The overall Collection Fund position is still to be determined as the Business Rates outturn is currently being finalised. However, the Council Tax element has been completed and shows the opening surplus has increased by £1.112M during the year to £2.049M at 31 March 2021. Collection Fund surpluses or deficits

declared by the billing authority in relation to Council Tax are apportioned to the relevant precepting bodies in the subsequent financial year. The January 2021 forecast surplus for the Council Tax element of the fund of £391K will be distributed to precepting bodies pro rata to their Band D Council Tax during 2021/22 leaving a surplus of £721K to be distributed. This Council's share as at 31 March 2021 was £170K.

5.4 Aa part of the Government's response to the Covid-19 pandemic and the impact it is having on Local Government finances, there is a three year phasing of 2020/21 collection fund deficits. This means that repayments to meet collection fund deficits accrued in 2020/21 will instead be phased over a three year period (2021/22 to 2023/24) to ease immediate pressures on budgets. This was factored into the calculations to determine the Collection Fund deficit position in January.

6.0 Capital Outturn

6.1 **Appendix B** includes a provisional capital expenditure and financing statement for the year, which is summarised in the following table:

| 2020/21 Capital Programme Outturn - Summary | Original Budget | Variations | Revised Budget | Actual |
|-------------------------------------------------|-----------------|---------------|----------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| HRA Housing | 15,467 | 1,058 | 16,525 | 9,746 |
| General Fund Housing | 1,136 | (529) | 607 | 607 |
| Housing Investment Companies | 1,250 | 17,042 | 18,292 | 1 |
| Transformation Programmes | 0 | 708 | 708 | 590 |
| Regeneration | 24,950 | 1,106 | 26,056 | 543 |
| Service Delivery | 329 | (56) | 273 | 232 |
| Specialist | 258 | (29) | 229 | 135 |
| Parks and Pavilions | 50 | 344 | 394 | 193 |
| Indoor Leisure Facilities | 50 | 544 | 594 | 503 |
| Asset Management | 850 | 388 | 1,238 | 400 |
| Community Infrastructure Levy | 0 | 1,408 | 1,408 | 1,408 |
| Information Technology | 185 | 35 | 220 | 71 |
| Finance Transformation | 50 | 81 | 131 | 2 |
| TOTAL CAPITAL PROGRAMME REQUIREMENT | 44,575 | 22,100 | 66,675 | 14,429 |
| FUNDING AVAILABILITY | | | | |
| HRA | | | | |
| Borrowing | 6,112 | 2,132 | 8,244 | 4,202 |
| Capital Receipts | 986 | 389 | 1,375 | 693 |
| Capital Receipts (RTB 1-4-1) | 2,956 | 1,166 | 4,122 | 1,765 |
| Major Repairs Reserve | 5,413 | (2,629) | 2,784 | 2,901 |
| Other Capital Contributions | 0 | 0 | 0 | 185 |
| General Fund | | | | |
| Borrowing | 27,059 | 18,952 | 46,011 | 881 |
| Capital Receipts | 135 | (86) | 49 | 429 |
| General Fund Reserves | 777 | 728 | 1,505 | 669 |
| Disabled Facilities Grant | 1,001 | (415) | 586 | 527 |
| Grants and Contributions | 0 | 1,705 | 1,705 | 1,961 |
| Capital Expenditure Financed from Revenue (GF) | 136 | (54) | 82 | 67 |
| Capital Expenditure Financed from Revenue (HRA) | 0 | 212 | 212 | 148 |
| Total Funding | 44,575 | 22,100 | 66,675 | 14,429 |

6.2 The Council's capital programme spending in the year was £14.429M. Details of the variations against the revised budget are contained within Appendix B.

7.0 Treasury Management

7.1 In accordance with legislation and codes of practice the council is required to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2020/21. The Treasury Management Annual Report 2020/21 is being considered as a separate report on this agenda.

8.0 Conclusion

8.1 This report provides an overview of financial performance for 2020/21 against a revised budget which was set during a period of significant uncertainty. In managing its finances in a rapidly changing economic environment dominated by public health concerns, the Council undertook a number of key steps such as:

- Careful control of its expenditure
- Creation of a new "COVID 19" earmarked reserve to protect its key services
- Unwinding of its Contingency provision
- Actively campaigning for additional and realistic financial support from the government
- Providing financial support to its Leisure services

8.2 Through these measures, the Council was able to mitigate the unprecedented risk to its finances and key services ending the year in a balanced position.

8.3 The HRA delivered an overall underspending of £509K around 3% of turnover (0.54% for 2019/20). The HRA balance is in line with the expectation and is sufficiently robust to support the housing self-financing 30 year business plan.

8.4 Capital expenditure is £52.246M lower than the revised estimate.

8.5 The Collection Fund forecast for Council Tax is indicating a surplus of £2.049M whilst the Business Rates position is still being finalised. Surpluses or deficits will be allocated to or collected from preceptors between 2021/22 and 2023/24.

9.0 Financial Implications

9.1 As set out in the body of the report.

10.0 Legal implications

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

11.0 Risk management implications

11.1 There are no risk management implications arising directly from this report.

12.0 Equality analysis

12.1 There are no equality implication arising directly from this report.

13.0 Environmental sustainability implications

13.1 There are no environmental sustainability implications arising directly from this report.

Appendices

Appendix A – HRA Outturn

Appendix B – Capital Programme Outturn

Background Papers:

None

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Housing Revenue Account 2020/21

| | Original Budget £000's | Revised Budget £000's | Actuals £000's | Variance £000's |
|-----------------------------------------------------|------------------------------|-----------------------------|-------------------|--------------------|
| INCOME | | | | |
| Dwelling Rents | (14,669) | (14,716) | (14,782) | (66) |
| Non-Dwelling Rents | (456) | (456) | (364) | 92 |
| Charges for Services and Facilities | (1,203) | (1,203) | (1,259) | (56) |
| Contributions towards Expenditure | (183) | (183) | (157) | 26 |
| GROSS INCOME | (16,511) | (16,558) | (16,562) | (4) |
| EXPENDITURE | | | | |
| Repairs and Maintenance | 4,546 | 4,553 | 4,680 | 127 |
| Supervision and Management | 2,281 | 2,457 | 3,467 | 1,010 |
| Special Services | 1,376 | 1,376 | 1,075 | (301) |
| Rents, Rates, Taxes and Other Charges | 182 | 182 | 207 | 25 |
| Increase in Impairment of Debtors | 150 | 139 | 106 | (33) |
| Depreciation of Fixed Assets | 5,116 | 5,116 | 3,992 | (1,124) |
| Amortisation of Intangible Assets | 3 | 3 | 0 | (3) |
| Debt Management Costs | 46 | 46 | 6 | (40) |
| GROSS EXPENDITURE | 13,700 | 13,872 | 13,532 | (340) |
| NET COST OF HRA SERVICES | (2,811) | (2,686) | (3,030) | (344) |
| HRA share of Corporate and Democratic Core | 590 | 590 | 163 | (427) |
| HRA COVID | 0 | 0 | 63 | 63 |
| NET OPERATING COST OF HRA | (2,221) | (2,096) | (2,804) | (708) |
| Capital Financing and Interest Charges | | | | |
| Interest Payable | 1,922 | 1,922 | 1,984 | 62 |
| Interest Receivable | (36) | (8) | (20) | (12) |
| Revenue Contributions to Capital Expenditure | 0 | 0 | 149 | 149 |
| Total Capital Financing and Interest Charges | 1,886 | 1,914 | 2,113 | 199 |
| HRA (SURPLUS) / DEFICIT | (335) | (182) | (691) | (509) |

| HOUSING REVENUE ACCOUNT WORKING BALANCE | Original Budget | Revised Budget | Actuals |
|-----------------------------------------|--------------------|-------------------|----------------|
| Working Balance at 1 April | (3,163) | (2,611) | (2,611) |
| (Surplus) or Deficit for the year | (335) | (182) | (691) |
| Working Balance at 31 March | (3,498) | (2,793) | (3,302) |

| | | | |
|---------------------------------------|----------------|----------------|----------------|
| Allocation of Working Balance: | | | |
| - General Working Balance | (2,953) | (2,248) | (2,757) |
| - Special Projects | (270) | (270) | (270) |
| - Self Insurance | (275) | (275) | (275) |
| Working Balance at 31 March | (3,498) | (2,793) | (3,302) |

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Appendix B

| 2020/21 Capital Programme Summary | Original Programme | Variations | Revised Estimate | Programme Carried Fwd. | Actual Expenditure |
|------------------------------------------------------------|--------------------|-------------------|-------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ |
| HRA Housing | | | | | |
| Buy-back of RTB Properties | 200,000 | (200,000) | | | |
| Acquisition of Dwellings | | 475,288 | 475,288 | | 475,288 |
| New Dwelling Construction (Note 1) | 9,854,000 | 3,411,651 | 13,265,651 | (6,761,059) | 6,504,592 |
| Improvements to Stock | 4,448,000 | (1,920,145) | 2,527,855 | | 2,527,855 |
| Disabled Adaptations | 415,000 | (208,590) | 206,410 | | 206,410 |
| Sustainability Initiatives Pilot | 500,000 | (500,000) | | | |
| Recreation & Play Areas (Note 2) | 50,000 | | 50,000 | (18,460) | 31,540 |
| Total HRA Capital Programme | 15,467,000 | 1,058,204 | 16,525,204 | (6,779,519) | 9,745,685 |
| General Fund Housing | | | | | |
| Mandatory Disabled Facilities Grants | 1,001,000 | (414,759) | 586,241 | | 586,241 |
| Private Sector Housing Support | 135,000 | (114,077) | 20,923 | | 20,923 |
| Housing Investment Companies | | | | | |
| Aspiration Homes Loan Facility (Note 3) | 1,250,000 | 14,542,293 | 15,792,293 | (15,792,293) | |
| Lewes Housing Investment Company Loan Facility (Note 4) | | 2,499,935 | 2,499,935 | (2,498,935) | 1,000 |
| Total General Fund Housing Capital programme | 2,386,000 | 16,513,392 | 18,899,392 | (18,291,228) | 608,164 |
| General Fund Non-Housing Capital Programme | | | | | |
| Transformation Programmes | | | | | |
| Joint Transformation | | 102,357 | 102,357 | | 102,357 |
| Reset and Recovery (Note 5) | | 250,000 | 250,000 | (118,464) | 131,536 |
| Capitalisation of Redundancy Costs | | 355,792 | 355,792 | | 355,792 |
| Regeneration (Note 6) | | | | | |
| Asset Development Newhaven | 1,300,000 | 66,578 | 1,366,578 | (1,366,578) | |
| Avis Way Depot Construction, Newhaven | 2,100,000 | 520,263 | 2,620,263 | (2,590,797) | 29,466 |
| Blue Light Services Hub, Lewes | | 10,883 | 10,883 | | 10,883 |
| Caburn House, Lewes Refurbishment | | 191,967 | 191,967 | (174,817) | 17,150 |
| Commercial Property Acquisition & Development | 1,000,000 | (18,562) | 981,438 | (981,438) | |
| North Street Quarter, Lewes | 2,000,000 | 16,132 | 2,016,132 | (1,933,618) | 82,514 |
| Seaford Health Hub | 18,550,000 | 31,580 | 18,581,580 | (18,465,471) | 116,109 |
| Springman House, Lewes | | 36,398 | 36,398 | | 36,398 |
| The Sidings, Railway Quay, Newhaven | | 234,415 | 234,415 | | 234,415 |
| UTC Building, Newhaven | | 15,912 | 15,912 | | 15,912 |
| Service Delivery | | | | | |
| Recycling Equipment | 95,000 | (410) | 94,590 | | 94,590 |
| Smart Waste Management System (Note 7) | 35,000 | | 35,000 | (19,120) | 15,880 |
| Vehicle & Plant Replacement Programme | 97,000 | (71,664) | 25,336 | | 25,336 |
| White Space System (Note 7) | 102,000 | 16,150 | 118,150 | (21,921) | 96,229 |
| Specialist | | | | | |
| Coast Protection Block Allocation (Note 8) | 100,000 | (5,720) | 94,280 | (94,280) | |
| Coast Protection (Cliff Monitoring Programme) | | 5,720 | 5,720 | | 5,720 |
| Coast Protection (Newhaven Western Arm to Brighton Marina) | | 40,463 | 40,463 | | 40,463 |
| Coast Protection (South East Coastal Monitoring) | | (93,848) | 64,152 | | 64,152 |
| Flood Protection Measures | 158,000 | (93,848) | 64,152 | | 64,152 |
| Newhaven Air Quality Monitoring Station | | 24,500 | 24,500 | | 24,500 |
| Parks and Pavilions (Note 9) | 50,000 | (26,157) | 23,843 | | 23,843 |
| Denton Parks Improvement Scheme | | 30,543 | 30,543 | (30,543) | |
| Southover Grange Capital Repairs, Lewes | | 44,251 | 44,251 | (44,251) | |
| Newhaven Skatepark & Pumptrack | | 3,743 | 3,743 | | 3,743 |
| Downland Avenue, Peacehaven Children's Playground | | 28,014 | 28,014 | | 28,014 |
| The Big Parks Project, Peacehaven | | 70,806 | 70,806 | (70,806) | |
| Timberyard Lane, Lewes | | 26,150 | 26,150 | (1,151) | 24,999 |
| Ringmer Skate Park | | 45,000 | 45,000 | (45,000) | |
| Cockshut Stream Diversion | | 27,955 | 27,955 | | 27,955 |
| Fort Road Recreation Ground, Newhaven | | 93,308 | 93,308 | (9,187) | 84,121 |
| Indoor Leisure Facilities (Note 10) | 50,000 | 31,000 | 81,000 | (81,000) | |
| Seahaven Pool, Newhaven | | 10,000 | 10,000 | (10,000) | |
| Downs Leisure Centre, Seaford | | 2,813 | 2,813 | | 2,813 |
| Wave Leisure Trust | | 500,000 | 500,000 | | 500,000 |
| Asset Management (Note 11) | | | | | |
| Asset Management Block Allocation | 700,000 | (499,678) | 200,322 | (200,322) | |

| 2020/21 Capital Programme Summary | Original Programme | Variations | Revised Estimate | Programme Carried Fwd. | Actual Expenditure |
|---------------------------------------------------------|--------------------|-------------------|-------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ |
| Flint Walls Repairs | | 1,330 | 1,330 | | 1,330 |
| Lewes Creative Hub | | 250,000 | 250,000 | (98,048) | 151,952 |
| Newhaven Enterprise Centre | | 9,500 | 9,500 | (9,500) | |
| Newhaven Fort Bridge | | 350,000 | 350,000 | (302,415) | 47,585 |
| Newhaven Fort Refurbishment | 50,000 | | 50,000 | (46,545) | 3,455 |
| Peacehaven Cliff Tops | | 84,147 | 84,147 | (44,988) | 39,159 |
| Public Conveniences Refurbishment | 100,000 | | 100,000 | (100,000) | |
| Seaford Cemetery Memorial Wall | | 11,927 | 11,927 | (11,767) | 160 |
| Stanley Turner Pavilion, Lewes | | 68,348 | 68,348 | | 68,348 |
| Stanley Turner Recreation Ground, Lewes | | 89,220 | 89,220 | (5,975) | 83,245 |
| The Maltings, Lewes | | 19,000 | 19,000 | (19,000) | |
| The Old Turkish Baths, Lewes | | 4,606 | 4,606 | | 4,606 |
| Community Infrastructure Levy (Note 12) | | 1,407,524 | 1,407,524 | | 1,407,524 |
| Information Technology (Note 13) | 185,000 | 34,924 | 219,924 | (148,426) | 71,498 |
| Finance Transformation (Note 14) | 50,000 | 81,158 | 131,158 | (129,310) | 1,848 |
| Total General Fund Non-Housing Capital Programme | 26,722,000 | 4,528,338 | 31,250,338 | (27,174,738) | 4,075,600 |
| TOTAL CAPITAL PROGRAMME REQUIREMENT | 44,575,000 | 22,099,934 | 66,674,934 | (52,245,485) | 14,429,449 |
| FUNDING AVAILABILITY | | | | | |
| Borrowing | 6,112,400 | 2,132,163 | 8,244,563 | (4,056,635) | 4,202,203 |
| Capital Receipts | 985,400 | 388,694 | 1,374,094 | (676,106) | 693,419 |
| Capital Receipts (RTB 1-4-1) | 2,956,200 | 1,166,080 | 4,122,280 | (2,028,319) | 1,764,876 |
| Major Repairs Reserve | 5,413,000 | (2,628,733) | 2,784,267 | (18,459) | 2,900,910 |
| Grants and Contributions | | | | | 184,277 |
| Total HRA Funding | 15,467,000 | 1,058,204 | 16,525,204 | (6,779,519) | 9,745,685 |
| Borrowing | 27,059,000 | 18,951,531 | 46,010,531 | (43,712,055) | 881,348 |
| Capital Receipts | 135,000 | (85,877) | 49,123 | (28,200) | 429,371 |
| General Fund Reserves | 777,000 | 728,152 | 1,505,152 | (1,510,011) | 668,530 |
| Disabled Facilities Grant | 1,001,000 | (414,759) | 586,241 | | 526,999 |
| Grants and Contributions | | 1,704,682 | 1,704,682 | (170,245) | 1,961,048 |
| Capital Expenditure Financed from Revenue (GRA) | 136,000 | (54,444) | 81,556 | (9,916) | 67,008 |
| Capital Expenditure Financed from Revenue (HRA) | | 212,445 | 212,445 | (35,539) | 149,460 |
| Total General Fund Funding | 29,108,000 | 21,041,730 | 50,149,730 | (45,465,966) | 4,683,764 |
| Total Funding | 44,575,000 | 22,099,934 | 66,674,934 | (52,245,485) | 14,429,449 |

Notes on continuing capital project budgets which have been carried forward to 2021/22:

1. Construction and acquisition of dwellings to deliver new social housing
2. Recreation ground and play area projects within the Housing Revenue Account
3. Aspiration Homes LLP drawdowns to facilitate delivery of new social housing
4. Housing Investment Company Ltd drawdowns to facilitate delivery new social housing
5. Reset and Recovery transform the delivery of services following COVID-19
6. Regeneration projects which are in different stages of implementation
7. Implementation of the Smart Waste Management and White Space Systems in the waste service
8. A continuing programme of Coast Protection studies and major works
9. Provision, Refurbishment and improvement to Parks and Pavilions
10. Refurbishments and improvements to Indoor Leisure Facilities
11. Major works and refurbishments to Council buildings
12. Town, Parish and County Council Community Infrastructure Levy allocations
13. Replacement IT hardware
14. Financial Services transformation

| | |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Policy and Performance Advisory Committee |
| Date: | 30 June 2021 |
| Title | Treasury management annual report 2020/21 and latest treasury management monitoring |
| Exemption: | None |
| Report of: | Homira Javadi, Chief Finance Officer |
| Ward(s): | All |
| Purpose of Cabinet report: | To present the Annual Treasury Management Report for 2020/21 and the latest Monitoring Report. |
| Officer recommendations to the Cabinet: | (1) Agree the Annual Treasury Management report for 2020/21. (2) Approve the 2020/21 Prudential and Treasury Indicators included in the report. (3) Note that the Treasury Management activities for the period starting from 1 March to 31 March 2021 has been in accordance with the approved Treasury Strategies for that period. |
| Recommendations to the Committee | The recommendations are detailed at 1.3 of this report |
| Reasons for recommendations to the Committee: | To provide a critical friend challenge to the Cabinet decision and policy making process. |
| Contact Officer(s): | Name: Nick Peeters Post title: Committee Officer E-mail: nick.peeters@lewes-eastbourne.gov.uk Telephone number: 01323 415272 |

1 Introduction

- 1.1 In its role as a provider of public scrutiny and as critical friend, the Policy and Performance Advisory Committee has a duty to provide a challenge to the executive decision and policy makers.
- 1.2 The Policy and Performance Advisory Committee is able to provide this challenge through the inclusion of the Council's Forward Plan of Decisions as a

standing item on each of the Committee's agendas, allowing the Committee to request the inclusion of reports due for consideration by the Cabinet on its agenda and by asking that the relevant officers, heads of service or directors, attend the Committee meetings and discuss the content of the reports.

1.3 Following consideration of each item, where the Members will be able to ask questions of the relevant officers, heads of service, directors and other stakeholders, the Policy and Performance Advisory Committee will provide one of the following three recommendations to the Cabinet:

- 1) To support the recommendations in the report in full; or
- 2) To support the recommendation in the report subject to the consideration by the Cabinet of any amendments agreed by Committee; or
- 3) To not support the recommendations in the report and give reasons.

1.4 The Cabinet will be provided with the recommendations from the Policy and Performance Advisory Committee when it considers the main report.

2 Financial / Legal / Risk Management / Equality Analysis/ Environmental Sustainability Implications/ Background Papers

2.1 All implications are addressed in the Cabinet report attached at Appendix 1.

3 Appendix

- Appendix 1 – **Treasury management annual report 2020/21 and latest treasury management monitoring** Cabinet report and appendix (Annual Treasury Management Report 2020/21)

Report To: Cabinet

Date: 8 July 2021

Report Title: Treasury management annual report 2020/21 and latest TM monitoring

Report of: Homira Javadi, Chief Finance Officer

Cabinet member: Councillor Zoe Nicholson, Deputy Leader of the Council and Cabinet Member for Finance and Assets

Ward(s): All

Purpose of report: To present the Annual Treasury Management Report for 2020/21 and the latest Monitoring Report

Decision type Budget and Policy Framework

Officer Recommendations: To recommend to Full Council:

- (1) Agree the Annual Treasury Management report for 2020/21.
- (2) Approve the 2020/21 Prudential and Treasury Indicators included in the report.
- (3) Note that the Treasury Management activities for the period starting from 1 March to 31 March 2021 has been in accordance with the approved Treasury Strategies for that period.

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: Ola Owolabi
Post title: Deputy Chief Finance Officer
E-mail: ola.owolabi@lewes-eastbourne.gov.uk
Telephone number: 01273 485083

1 Introduction

1.1 The Council is required, under the Local Government Act 2003, to produce an annual review of Treasury Management activities and the actual prudential and treasury indicators for 2020/21. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

- 1.2 During 2020/21, the Full Council received the annual Treasury Management Strategy Statement (TMSS), whilst Cabinet were presented with the 2020/21 Treasury Management Update Report in relation to the sources and methods of borrowing and approved organisations for lending temporarily surplus funds.
- 1.3 The regulatory environment places responsibility on Members for the review and scrutiny of TM policy and activities. This report is therefore important, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members. This report will be considered by the Audit and Standards Committee at their 12 July 2021 meeting.

2 Treasury Management 2020/21

- 2.1 Treasury Management is an integral part of the Council's overall finances and the performance of this area is very important. Whilst individual years obviously matter, performance is best viewed on a medium/long term basis. The action taken in respect of the debt portfolio in recent years has been extremely beneficial and has resulted in savings. Short term gains might, on occasions, be sacrificed for longer term certainty and stability.
- 2.2 The criteria for lending to Banks are derived from the list of approved counter parties provided by the Council's Treasury Management advisors, Link Asset Services. The list is amended to reduce the risk to the Council by removing the lowest rated counterparties and reducing the maximum loan duration.
- 2.3 During the year some outstanding other authorities' loans were repaid on time with the interest due. The expectation for interest rates within the treasury management strategy for 2020/21 was that Bank Rate would continue at the start of the year at 0.75 % before rising to end 2022/23 at 1.25%. This forecast was invalidated by the Covid-19 pandemic which caused the Monetary Policy Committee to cut Bank Rate in March 2020, first to 0.25% and then to 0.10%, in order to counter the hugely negative impact of the national lockdown on large swathes of the economy.
- 2.4 The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with significant amounts of cheap credit so that banks could help cash-starved businesses to survive the lockdown. The Government also supplied significant amounts of finance to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates plummeted.
- 2.5 While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

- 2.6 On the debt portfolio, no new loans were taken and external debt is around £56.673m. The MTF5 2020-21 capital programme includes a funding requirement of £88.9m to be funded from borrowing. However, due to the strength of the Council's balance sheet, it is expected to be possible to use internal balances to fund this on a temporary basis instead of raising new loans.
- 2.7 The loan portfolio has produced a level of performance in the period in which performance figures have been calculated. Adding significant value in a period of extremely low interest rates is very difficult. Given that interest rates are unlikely to rise for the next two years, low levels of returns are likely to continue and the cost of getting investment decisions wrong is unlikely to be significant. The overall position as at 31 March 2021 are detailed within the attached **Appendix A**.

3 Latest Treasury Management Activity

- 3.1 The timetable for reporting Treasury Management activity in 2020/21 and 2021/22 are shown in the table below. This takes into account the timescale for the publication of each 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 |
|-------------------|--------------------------------------------------------|
| 26 July 2021 | 2020/21 Annual Report (incl. 1 March to 31 March 2021) |
| 14 September 2021 | 1 April to 30 July 2021 |
| 16 November 2021 | 1 August to 31 October 2021 |
| 18 January 2022 | 1 November to 31 December 2021 |
| 8 March 2022 | 1 January to 28 February 2022 |

3.2 Fixed Term Deposits pending maturity.

The following table shows the fixed term deposits held at 31 March 2021 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 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 |
|--------|-----------------------|-----------|-----------|------|-------------|------------|------------------|
| 249231 | Surrey County Council | 08 Mar 21 | 08 Apr 21 | 31 | 5,000,000 | 0.05 | * |

*UK Government body and therefore not subject to credit rating

3.3 Fixed Term Deposits which have matured in the reporting period.

The table below shows the fixed term deposits which have matured since 1 March 2021, 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 £5m over this period.

| Ref | Counterparty | Date From | Date To | Days | Principal £ | Int. Rate % | Long-term rating |
|--------|----------------------------------------------------------------|-----------|-----------|------|-------------|-------------|------------------|
| 249221 | Kirklees Council | 17 Feb 21 | 26 Mar 21 | 37 | 5,000,000 | 0.01% | * |
| | Total | | | | 5,000,000 | | |
| | *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 31 March 2021 was 0.07%, below the average bank base rate for the period of 0.10%.

3.4 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 £2.611m generating interest of approximately £0.3k.

| | Balance at 31 March '21 £'000 | Average balance £'000 | Current interest rate % |
|------------------------------------|----------------------------------|--------------------------|----------------------------|
| Santander Business Reserve Account | £5,000 | 4,774 | 0.08 |
| Lloyds Bank Corporate Account | £1,551 | 2,032 | 0.00 |
| Lloyds Bank Call Account | £3,010 | 1,026 | 0.01 |

3.5 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 £10m in each fund, and at no time was this limit exceeded.

| | Balance at 31 March '21 £'000 | Average balance £'000 | Average return % |
|---------------------------------------------|----------------------------------|--------------------------|------------------|
| Goldman Sachs Sterling Liquid Reserves Fund | £0,000 | 1,516 | 0.00 |
| Deutsche Managed Sterling Fund | £0,010 | 1,807 | 0.00 |

3.6 Treasury Bills (T-Bills)

There were no Treasury Bills held at 31 March 2021, and there was no activity in the period.

3.7 Secured Investments

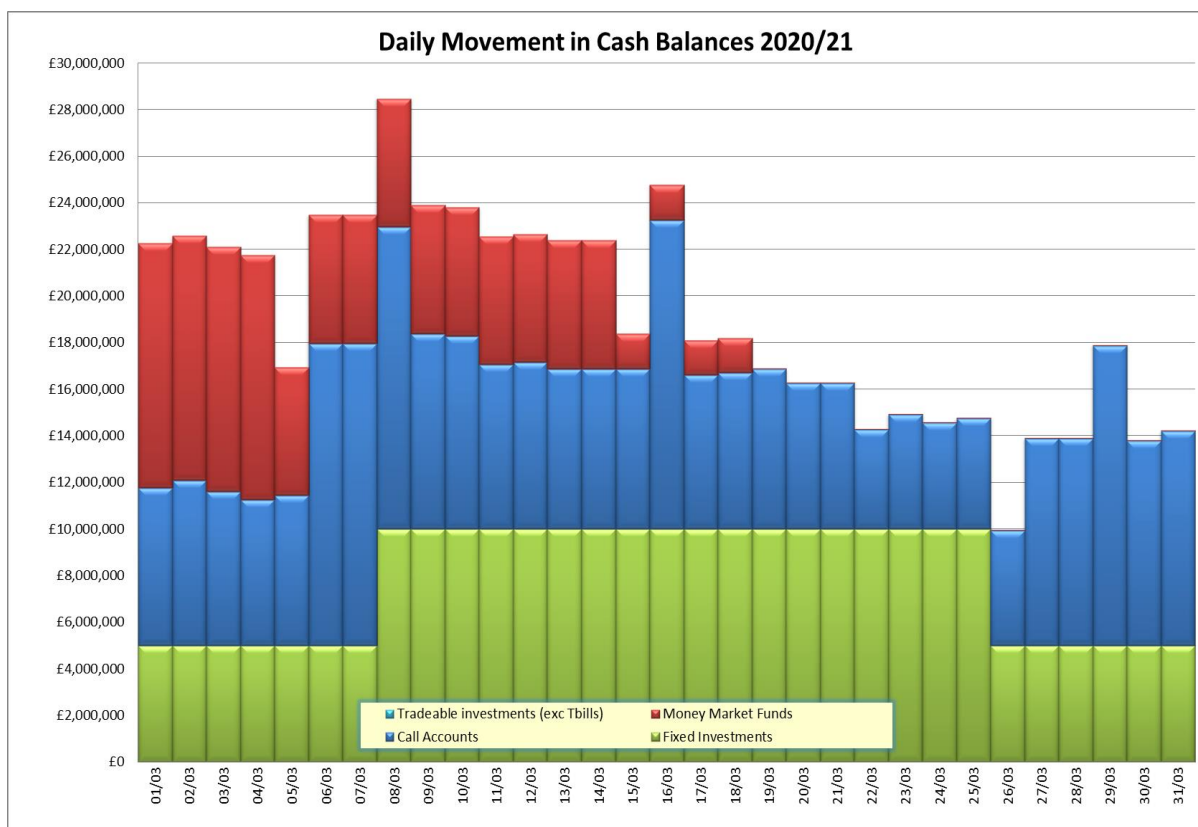
There were no Secured Investments at 31 March 2021.

3.8 Tradeable Investments

There were no Tradeable Investments at 31 March 2021, and there was no activity in the period.

3.9 Overall investment position

The chart below summarises the Council's investment position over the period 1 March to 31 March 2021. 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.












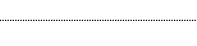




3.10 Borrowing

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.

4. Compliance with Treasury and Prudential Limits

- 4.1 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.
- 4.2 As at 31 March 2021, 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.

| Treasury Prudential Indicators | 2020/21 Estimate | 2020/21 Actual | RAG Status |
|--------------------------------------------------------------------|------------------|----------------|---------------------------------------------------------------------------------------|
| Authorised limit for external debt (CS 4.2.4) | £132.0m | £132.0m |  |
| Operational boundary for external debt (CS 4.2.4) | £122.0m | £122.0m |  |
| Gross external debt (CS 4.2.2) | £88.9m | £56.7m |  |
| Capital Financing Requirement (GF & HRA) | £113.8m | £88.9m |  |
| Debt vs CFR under/(over) borrowing | £24.9m | £32.2m |  |
| <i>Investments</i> | | | |
| Investment returns expectations | 0.65 | 0.07 |  |
| Upper limit for principal sums invested for longer than 365 days | | | |
| <i>Maturity structure of fixed rate borrowing - upper limits:</i> | | | |
| Under 12 months | 75% | 75% |  |
| 12 months to 2 years | 75% | 75% |  |
| 2 years to 5 years | 75% | 75% |  |
| 5 years to 10 years | 100% | 100% |  |
| 10 years and above | 100% | 100% |  |
| Capital expenditure (CS 2.1.4) | £44.6m | £14.4m |  |
| <i>Ratio of financing costs to net revenue stream (CS 8.1.1):</i> | | | |
| Proportion of Financing Costs to Net Revenue Stream (General Fund) | 3.94% | 3.90% |  |
| Proportion of Financing Costs to Net Revenue Stream (HRA) | 11.03% | 10.33% |  |

Key: CS – 2020/21 Capital Strategy Appendix 1

5. Non-treasury investments

- 5.1 At its previous meeting, the 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.

5.2 Lewes Housing Investment Company

5.2.1 Lewes Housing Investment Company (LHIC) is a wholly owned subsidiary of the Council. Incorporated in July 2017, LHIC was established to acquire, improve, and let residential property at market rents. A capital allocation of £2.5m was approved as potential commercial loan funding to facilitate property purchases. At 31 March 2021, a total of £1,065 has been drawn down. The balance has been rolled forward into 2021/22. There have been no transactions during the period 1 April 2021 to 30 June 2021.

5.3 Aspiration Homes LLP

5.3.1 Aspiration Homes LLP (AH) is a limited liability Partnership owned equally by Lewes District Council and Eastbourne Borough Council. Incorporated in June 2017, AH was established for the purpose of developing housing to be let at affordable rent. A capital allocation of £17.5m was approved as potential commercial loan funding to AH to facilitate property purchases. At 31 March 2021, a total of £912,910 (net of grant) has been drawn down for the purchase of Gray's School, Newhaven. There has been a further drawdown of £789,016 during the period 1 April 2021 to 30 June 2021, making a total drawdown of £1,701,926. The balance has been rolled forward into 2021/22.

5.3.2 A working Capital facility loan of £100,000 has been agreed, at an interest rate of 2% above Base Rate. As at 31 March 2021, £20,000 of the working Capital facility loan had been drawn down. There have been no transactions during the period 1 April 2021 to 30 June 2021.

6. Annual Treasury Management Report

6.1 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.

6.2 The Annual Report is attached at Appendix 1. It should be noted that this report has been drafted prior to the final audit 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.

7. Coronavirus Impact

7.1 The full extent of the impact from Coronavirus continue to be assessed and analysed. However, the immediate risk to the financial markets coupled with additional burdens on Council spending and uncertainty over funding have increased the need to manage larger cash balances. The projection of gradual rises in interest rates that formed the Bank of England Monetary Policy Committee's guidance at the start of the period eased through the year.

7.2 As the Council's borrowing rates are directly linked to market expectations this gives rise to the potential that our borrowing rates will remain close to all-time lows for some time. With the Council's Capital Programme and re-financing commitments over the next few years, our ability to secure good value in our borrowing has significant implications for the spending plans of Council as a whole.

8. Climate change and environmental implications

8.1 Treasury management is a Council-wide function and its climate change, environmental and sustainability implications are the same as for the Council itself. The Council and its Treasury Management Advisors have regard to the environmental activities of its Counterparties (where reported) but: -

- Prioritises Security, Liquidity and Yield.
- Recognises that as large global institutions, our high-quality counterparties operate across the full range of marketplaces in which they are legally able to, and as a result climate change considerations are an increasingly important and heavily-scrutinised part of their overall business.
- Excluding any one counterparty will likely mean others will similarly have to be avoided and thus impact the Council's capacity to mitigate risk through diversification.

2021/22 Environmental, Social and Governance (ESG) – updates.

8.2 The Cabinet at its meeting on 4 February 2021 approved the 2021/22 Treasury Management and Investment Strategy, which include Non-Specified investments in Green Energy Bonds and/or other ESG products that met the Council's internal and external due diligence criteria. Following this meeting, the Council external treasury management advisors (Link Asset Services) has been requested to conduct a review looking into what potential investment options would be available to the Council that would fulfil the Council's objective of supporting climate related activities including investing with regard to Environmental, Social and Governance concerns (ESG).

8.3 In terms of typical local authority investments, there is not a wide range of products in this area at the moment, although we expect to see more banks and funds providing specific products over the coming years. As this area continues to develop and become more prominent the council will continue to monitor it and make best use of ESG opportunities when they become available within the parameters of the Council's counterparty criteria and the requirement of the MHCLG Investment Guidance to prioritise security, liquidity before yield in that order of importance.

9 Financial Implications

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

10. Risk Management Implications

- 10.1 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.

11 Equality Screening

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

12 Legal Implications

- 12.1 None arising from this report.

13 Appendices

- 13.1 Appendix A: Annual Treasury Management Report 2020/21

14. Background Papers

- 14.1 Treasury Management Strategy Statements 2020/21

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Lewes District Council

Annual Treasury Management Report 2020/21

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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 2020/21 to 2022/23 at its meeting in February 2020. The Council has substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remain central to the Council's treasury management strategy.
- 1.4 The Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments.

2. Overall Summary of Activity 2020/21

- 2.1 The table below lists the key elements of the 2020/21 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 | £88.300 million | £89.931 million | - |
| Internal borrowing at year end | £31.627 million | £33.258 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 | £1.7 million | £1.78 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 | £0.012 m | ✓ |

| Key Element | Target in Strategy | Actual Performance | |
|-----------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|---|
| Appointment of Investment Consultants | | | |
| Independent Treasury Adviser to be retained | Link Treasury Services Limited retained as Treasury Adviser | Link Treasury Services Limited retained as Treasury Adviser | ✓ |
| 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 21 October 2020 | ✓ |

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 During 2020/21, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were very low and minimising counterparty risk on placing investments also needed to be considered.

3.2 A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.

3.3 The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

3.4 Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Chief Finance Officer therefore monitored interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:

- if it had been felt that there was a significant risk of a sharp FALL in long and short term rates, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.
- if it had been felt that there was a significant risk of a much sharper RISE in long and short term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an

increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

- 3.5 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.
- 3.6 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.
- 3.7 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 2020/21, the revised position reported at the time of producing the Treasury Strategy 2021/22 (February 2021) 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, and Aspiration Homes LLP.

| | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Outturn £m |
|------------------------------------------|---------------------------|--------------------------|--------------------------|
| Opening CFR | 87.000 | 84.600 | 85.423 |
| Capital expenditure in year | 44.600 | 22.700 | 14.429 |
| Less financed | (17.500) | (18.500) | (9.345) |
| Less amount set aside for debt repayment | (0.300) | (0.500) | (0.576) |
| Closing CFR | 113.800 | 88.300 | 89.931 |

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

| CFR Component | 2020/21 Revised £m | 2020/21 Outturn £m |
|-------------------------|--------------------------|--------------------------|
| General Fund | 21.000 | 18.382 |
| Housing Revenue Account | 67.300 | 71.549 |
| Total | 88.300 | 89.931 |

3.9 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).

3.10 The Council's long-term loan portfolio at 31 March 2021 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 | 0.23 | 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 | | |

3.11 The Council's objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.

3.12 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%.

3.13 Total interest paid on external long-term borrowing in the year was £1.78m, 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.

3.14 Through the year, officers, supported by Link Treasury Services Limited, 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.

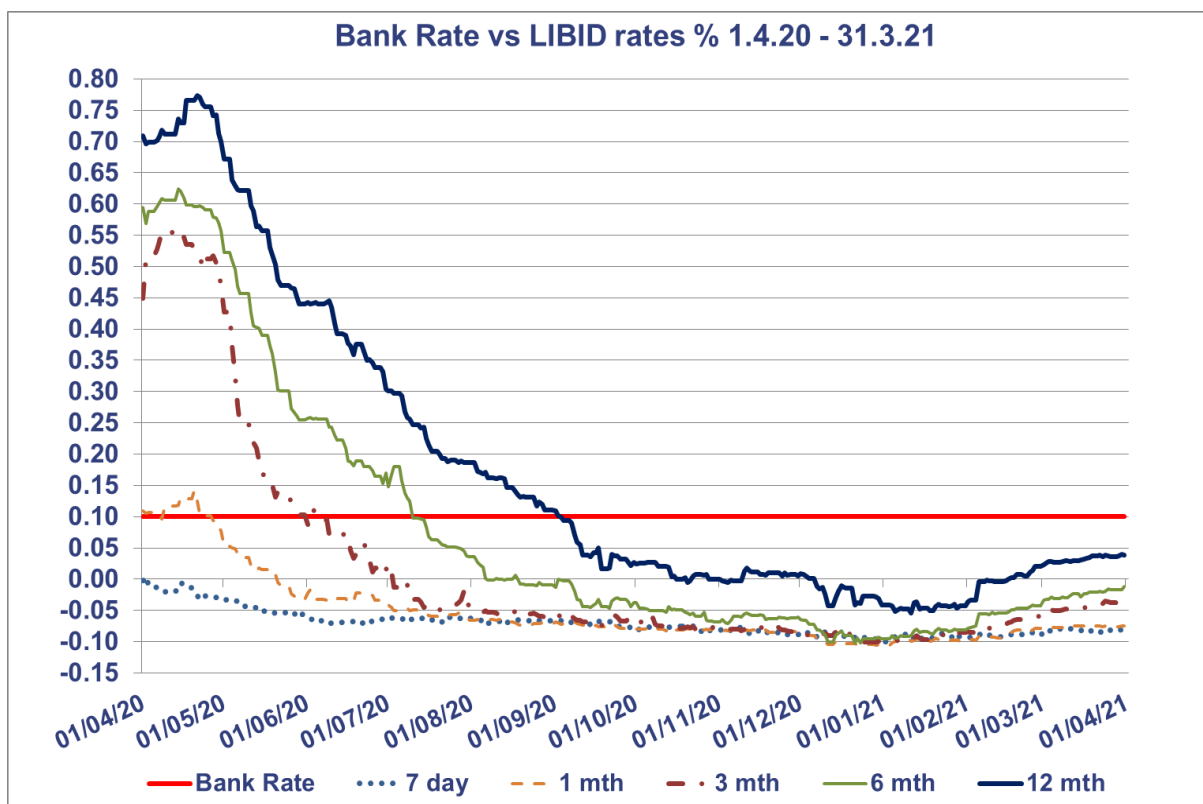
3.15 As determined by the Council, two separate Loans Pools operated in 2020/21, for the General Fund and HRA, respectively. At 31 March 2021 the balance on internal loans from the General Fund to the Housing Revenue Account (HRA) was £14.876m, an increase of £4.202m compared with the previous year, which comprised new lending as funding for the construction of new homes. Interest was charged on internal borrowing at 2.09% (equivalent to a one-year maturity loan from the PWLB at the start of the financial year).

3.16 No temporary borrowing was undertaken during the course of the financial year and consequently, there were no temporary loans outstanding at 31 March 2021.

4. Detailed Analysis - Investments

4.1 In a relatively short period since the onset of the COVID-19 pandemic, the global economic fallout was sharp and large. Market reaction was extreme with large falls in equities, corporate bond markets and, to some extent, real estate echoing lockdown-induced paralysis and the uncharted challenges for governments, businesses, and individuals.

4.2 Investment returns which had been low during 2019/20, plunged during 2020/21 to near zero or even into negative territory. Most local authority lending managed to avoid negative rates and one feature of the year was the growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2020/21 was that Bank Rate would continue at the start of the year at 0.75 % before rising to end 2022/23 at 1.25%. This forecast was invalidated by the Covid-19 pandemic bursting onto the scene in March 2020 which caused the Monetary Policy Committee to cut Bank Rate in March, first to 0.25% and then to 0.10%, in order to counter the hugely negative impact of the national lockdown on large swathes of the economy. Investment strategy and control of interest rate risk



| | Bank Rate | 7 day | 1 mth | 3 mth | 6 mth | 12 mth |
|------------------|------------|------------|------------|------------|------------|------------|
| High | 0.10 | 0.00 | 0.14 | 0.56 | 0.62 | 0.77 |
| High Date | 01/04/2020 | 02/04/2020 | 20/04/2020 | 08/04/2020 | 14/04/2020 | 21/04/2020 |
| Low | 0.10 | -0.10 | -0.11 | -0.10 | -0.10 | -0.05 |
| Low Date | 01/04/2020 | 31/12/2020 | 29/12/2020 | 23/12/2020 | 21/12/2020 | 11/01/2021 |
| Average | 0.10 | -0.07 | -0.05 | 0.01 | 0.07 | 0.17 |
| Spread | 0.00 | 0.10 | 0.25 | 0.66 | 0.73 | 0.83 |

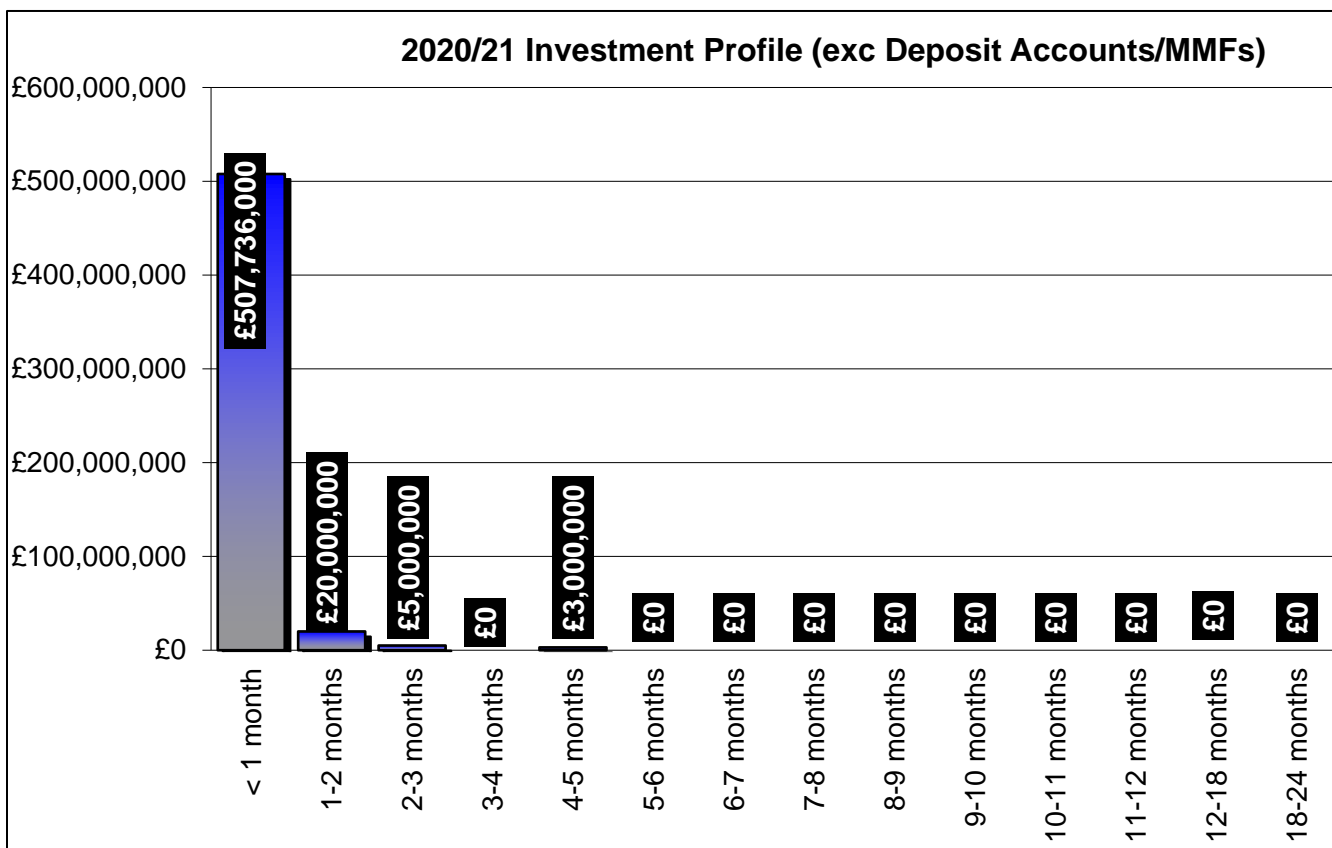
- 4.3 The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the lockdown. The Government also supplied huge amounts of finance to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates plummeted.
- 4.4 While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.
- 4.5 Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the charts shown above and below. Such an approach has also provided benefits in terms of reducing counterparty risk exposure, by having fewer investments placed in the financial markets.
- 4.6 The Council held an average of £27.2m as cash during the year. This comprised working cash balances, capital receipts, earmarked reserves and developer contributions held pending their use.
- 4.7 The Council's general policy objective is to invest its surplus funds prudently. Throughout 2020/21, 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.
- 4.8 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 2020/21. Investments made during the year included:
- Fixed Term Deposits with the Debt Management Office (DMO) (a total of £507.7 million – 36 occasions);
 - Fixed Term Deposits with other Local Authorities (a total of £28 million – 6 occasions);
 - Fixed Term Deposits with UK Banks and Building Societies (none);
 - Investments in Money Market Funds (MMFs) (average daily balance held in year £8.38 million);
 - United Kingdom Treasury Bills (none);
 - Tradable Investments - Floating Rate Notes, Certificates of Deposit, Bonds (none);
 - Deposit accounts with UK Banks (average daily balance held in year £6.68 million);

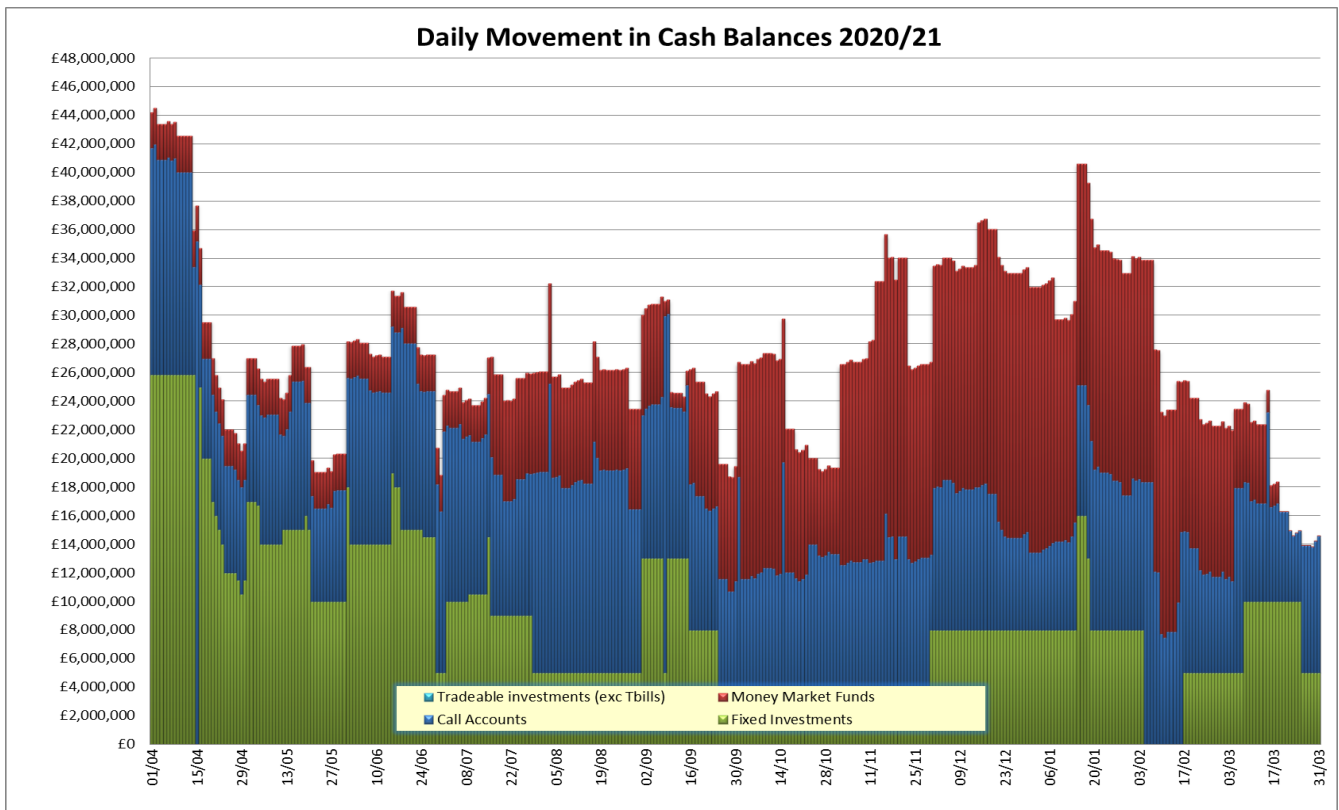
- Deposit accounts with UK Building Societies (none);
- Overnight deposits with the Council's banker, Lloyds Bank (average daily balance held in year £3.41 million).

4.9 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.

4.10 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 £18.47 million.

4.11 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 £13.79m to a high of £44.49m. The movement largely reflects the cycle of grant, council tax and business rate receipts and precept payments made.





4.12 The income return generated from investments in the year was £0.012 million, below 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.

4.13 The average rate of return from investments at the end of each quarter in 2020/21 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 2020 | 0.19% | -0.04% |
| Quarter 2 ending 30 September 2020 | 0.10% | -0.07% |
| Quarter 3 ending 31 December 2020 | 0.08% | -0.08% |
| Quarter 4 ending 31 March 2021 | 0.02% | -0.09% |
| Whole year 2020/21 | 0.10% | -0.07% |

5. Compliance with Prudential Indicators

5.1 The Council can confirm that it has complied with its Prudential Indicators for 2020/21. A detailed review of each of the Prudential Indicators is at Appendix A.

6. Investment Consultants

6.1 The Council has recently appointed Link Treasury Services Limited as its Treasury Adviser for an initial two-year term expiring on 30 May 2023, with the Council having the option to extend, if required. The Link Treasury Services has been appointed to support both the Lewes District Council and Eastbourne Borough Council, given that a shared finance team (with treasury management responsibility) has been established.

7. Reporting and Training

- 7.1 The Chief Finance Officer reported the details of treasury management activity to each regular meeting of the Audit and Standards Committee and Cabinet held in 2020/21. A mid-term summary report was issued in November 2020.
- 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, Links workshops alongside colleagues from other local authorities during 2020/21. In 2020/21, Link Asset Services continue to meet with Council officers to explain developments within the sector, as well as review the Council's own investment and debt portfolios.
- 7.3 The Treasury Strategy had anticipated that Link's would hold a local briefing session for all councillors tasked with treasury management responsibility, including scrutiny of the treasury management function. The TM briefing session took place in 21st October 2020.

8. Other

- 8.1 CIPFA consultations: In February 2021 CIPFA launched two consultations on changes to its Prudential Code and Treasury Management Code of Practice. These follow the Public Accounts Committee's recommendation that the prudential framework should be further tightened following continued borrowing by some authorities for investment purposes. These are principles-based consultations and will be followed by more specific proposals later in the year.
- 8.2 In the Prudential Code the key area being addressed is the statement that "local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed". Other proposed changes include the sustainability of capital expenditure in accordance with an authority's corporate objectives, i.e., recognising climate, diversity and innovation, commercial investment being proportionate to budgets, expanding the capital strategy section on commercial activities, replacing the "gross debt and the CFR" with the liability benchmark as a graphical prudential indicator.
- 8.3 Proposed changes to the Treasury Management Code include requiring job specifications and "knowledge and skills" schedules for treasury management roles to be included in the Treasury Management Practices document and formally reviewed, a specific treasury management committee for MiFID II professional clients and a new TMP 13 on Environmental, Social and Governance Risk Management.
- 8.4 **IFRS 16:** The implementation of the new IFRS 16 Leases accounting standard has been delayed for a further year until 2022/23.

Appendix A – Prudential Indicators 2020/21

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 2020/21, 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 2021/22.

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 | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Actual £m |
|-----|---------------------|---------------------------|--------------------------|-------------------------|
| 1a | Non-HRA | 15.467 | 16.525 | 9.746 |
| 1b | HRA | 29.108 | 50.150 | 4.683 |
| | Total | 44.575 | 66.675 | 14.429 |

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 | 2020/21 Original % | 2020/21 Revised % | 2020/21 Actual % |
|-----|------------------------------------------------|--------------------------|-------------------------|------------------------|
| 2a | Non-HRA | 2.2 | 3.94 | 3.90 |
| 2b | HRA | 11.1 | 11.03 | 10.33 |

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 | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Actual £m |
|----|-------------------------------|---------------------------|--------------------------|-------------------------|
| 3a | Non-HRA | 45.500 | 21.000 | 18.382 |
| 3b | HRA | 68.300 | 67.300 | 71.549 |
| | Total CFR | 113.800 | 88.300 | 89.931 |

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

| Capital Financing Requirement | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Actual £m |
|---------------------------------------------|---------------------------|--------------------------|-------------------------|
| Balance B/F | 87.000 | 84.600 | 85.423 |
| Capital expenditure financed from borrowing | 27.100 | 4.200 | 5.084 |
| Revenue provision for Debt Redemption. | (0.300) | (0.500) | (0.576) |
| Balance C/F | 113.800 | 88.300 | 89.931 |

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 31/03/21 | Revised £m | Actual £m |
|-----------|-------------------------------------|---------------|---------------|
| 4a | Borrowing | 61.673 | 56.673 |
| 4b | Other Long-term Liabilities | 0.600 | 0.600 |
| 4c | Total | 62.273 | 57.273 |

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 | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Actual £m |
|-----|----------------------------------------------------|---------------------|--------------------|-------------------|
| 5a | Increase in Band D Council Tax | 64.74 | 45.10 | 20.40 |
| 5b | Increase in Average Weekly Housing Rents | 0.78 | 0.17 | 1.98 |

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 2020/21 into 2021/22.

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 2020/21 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 | 2020/21 Original £m | 2020/21 Actual £m |
|-----|------------------------------------|---------------------|-------------------|
| 6a | Borrowing | 131.600 | 56.673 |
| 6b | Other Long-term Liabilities | 0.400 | 0.600 |
| 6c | Total | 132.000 | 57.273 |

- 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 2020/21 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 | 2020/21 Original £m | 2020/21 Actual £m |
|-----|----------------------------------------|------------------------|----------------------|
| 7a | Borrowing | 121.300 | 56.673 |
| 7b | Other Long-term Liabilities | 0.400 | 0.600 |
| 7c | Total | 121.700 | 57.273 |

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. | | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Actual £m |
|-----|--------------------------------------------------------|------------------------|-----------------------|----------------------|
| 9 | Upper Limit for Fixed Interest Rate Exposure | 100.0 | 100.0 | 100.0 |
| 10 | Upper Limit for Variable Interest Rate Exposure | (25) | (25.0) | (25.0) |

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 | 8 |
| 11b | 12 months and within 24 months | 0 | 75 | 0 |
| 11c | 24 months and within 5 years | 0 | 75 | 18 |
| 11d | 5 years and within 10 years | 0 | 75 | 18 |
| 11e | 10 years and above | 0 | 75 | 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 2020/21.

| No. | Upper Limit for total principal sums invested over 364 days | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Actual £m |
|-----|-------------------------------------------------------------|---------------------|--------------------|-------------------|
| 12 | Upper limit | 2 | 2 | 2 |

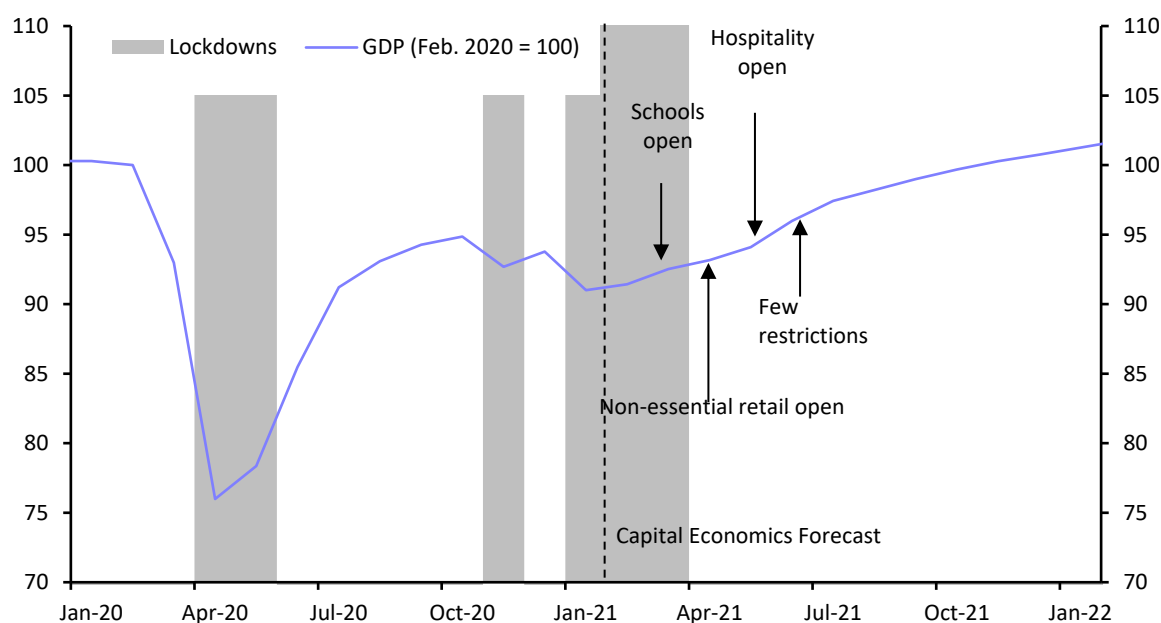
13. HRA Limit on Indebtedness

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 has removed the 'debt cap' and the Council has retained the indicator 2020/21 for reporting to show the position if the 'debt cap' had remained in place.

| No | Capital Financing Requirement | 2020/21 Original £m | 2020/21 Revised £m | 2020/21 Actual £m |
|-----|-------------------------------|---------------------|--------------------|-------------------|
| 13a | HRA CFR | 68.300 | 67.300 | 71.549 |
| 13b | HRA Debt Cap | 75.248 | 75.248 | 75.248 |
| | Difference | 6.948 | 7.948 | 3.699 |

Appendix B – The Economy and Interest Rates by Link Treasury Services Limited

UK. Coronavirus. The financial year 2020/21 will go down in history as being the year of the pandemic. The first national lockdown in late March 2020 did huge damage to an economy that was unprepared for such an eventuality. This caused an economic downturn that exceeded the one caused by the financial crisis of 2008/09. A short second lockdown in November did relatively little damage but by the time of the third lockdown in January 2021, businesses and individuals had become more resilient in adapting to working in new ways during a three month lockdown so much less damage than was caused than in the first one. The advent of vaccines starting in November 2020, were a game changer. The way in which the UK and US have led the world in implementing a fast programme of vaccination which promises to lead to a return to something approaching normal life during the second half of 2021, has been instrumental in speeding economic recovery and the reopening of the economy. In addition, the household saving rate has been exceptionally high since the first lockdown in March 2020 and so there is plenty of pent-up demand and purchasing power stored up for services in the still-depressed sectors like restaurants, travel and hotels as soon as they reopen. It is therefore expected that the UK economy could recover its pre-pandemic level of economic activity during quarter 1 of 2022.



Both the Government and the Bank of England took rapid action in March 2020 at the height of the crisis to provide support to financial markets to ensure their proper functioning, and to support the economy and to protect jobs.

The Monetary Policy Committee cut Bank Rate from 0.75% to 0.25% and then to 0.10% in March 2020 and embarked on a £200bn programme of quantitative easing QE (purchase of gilts so as to reduce borrowing costs throughout the economy by lowering gilt yields). The MPC increased then QE by £100bn in June and by £150bn in November to a total of £895bn. While Bank Rate remained unchanged for the rest of the year, financial markets were concerned that the MPC could cut Bank Rate to a negative rate; this was firmly discounted at the February 2021 MPC meeting when it was established that commercial banks would be unable to implement negative rates for at least six months – by which time the economy was expected to be making a strong recovery and negative rates would no longer be needed.

Average inflation targeting. This was the major change adopted by the Bank of England in terms of implementing its inflation target of 2%. The key addition to the Bank's forward guidance in August was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably". That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years' time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate. This sets a high bar for raising Bank Rate and no increase is expected by March 2024, and possibly for as long as five years. Inflation has been well under 2% during 2020/21; it is expected to briefly peak at just over 2% towards the end of 2021, but this is a temporary short-lived factor and so not a concern to the MPC.

Government support. The Chancellor has implemented repeated rounds of support to businesses by way of cheap loans and other measures and has protected jobs by paying for workers to be placed on furlough. This support has come at a huge cost in terms of the Government's budget deficit ballooning in 20/21 and 21/22 so that the Debt to GDP ratio reaches around 100%. The Budget on 3rd March 2021 increased fiscal support to the economy and employment during 2021 and 2022 followed by substantial tax rises in the following three years to help to pay the cost for the pandemic. This will help further to strengthen the economic recovery from the pandemic and to return the government's finances to a balanced budget on a current expenditure and income basis in 2025/26. This will stop the Debt to GDP ratio rising further from 100%. An area of concern, though, is that the government's debt is now twice as sensitive to interest rate rises as before the pandemic due to QE operations substituting fixed long-term debt for floating rate debt; there is, therefore, much incentive for the Government to promote Bank Rate staying low e.g. by using fiscal policy in conjunction with the monetary policy action by the Bank of England to keep inflation from rising too high, and / or by amending the Bank's policy mandate to allow for a higher target for inflation.

BREXIT. The final agreement on 24th December 2020 eliminated a significant downside risk for the UK economy. The initial agreement only covered trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU; that now needs to be formalised on a permanent basis. There was much disruption to trade in January as form filling has proved to be a formidable barrier to trade. This appears to have eased somewhat since then but is an area that needs further work to ease difficulties, which are still acute in some areas.

EU. Both the roll out and take up of vaccines has been disappointingly slow in the EU in 2021, at a time when many countries are experiencing a sharp rise in cases which are threatening to overwhelm hospitals in some major countries; this has led to renewed severe restrictions or lockdowns during March. This will inevitably put back economic recovery after the economy had staged a rapid rebound from the first lockdowns in Q3 of 2020 but contracted slightly in Q4 to end 2020 only 4.9% below its pre-pandemic level. Recovery will now be delayed until Q3 of 2021 and a return to pre-pandemic levels is expected in the second half of 2022.

Inflation was well under 2% during 2020/21. The ECB did not cut its main rate of -0.5% further into negative territory during 2020/21. It embarked on a major expansion of its QE operations (PEPP) in March 2020 and added further to that in its December 2020 meeting when it also greatly expanded its programme of providing cheap loans to banks. The total PEPP scheme of €1,850bn is providing protection to the sovereign bond yields of weaker countries like Italy. There is, therefore, unlikely to be a euro crisis while the ECB is able to maintain this level of support.

World growth. World growth was in recession in 2020. Inflation is unlikely to be a problem in most countries for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.

Central banks' monetary policy. During the pandemic, the governments of western countries have provided massive fiscal support to their economies which has resulted in a big increase in total government debt in each country. It is therefore very important that bond yields stay low while debt to GDP ratios slowly subside under the impact of economic growth. This provides governments with a good reason to amend the mandates given to central banks to allow higher average levels of inflation than we have generally seen over the last couple of decades. Both the Fed and Bank of England have already changed their policy towards implementing their existing mandates on inflation, (and full employment), to hitting an average level of inflation. Greater emphasis could also be placed on hitting subsidiary targets e.g. full employment before raising rates. Higher average rates of inflation would also help to erode the real value of government debt more quickly.

Appendix C – List of Investments made and/or maturing in 2020/21

| Counterparty | Principal £ | From / To | | Interest/Return £ |
|----------------------------|----------------|------------|------------|----------------------|
| Term Deposits | | | | |
| Debt Management Office | 25,884,000 | 01/04/2020 | 02/04/2020 | 42.55 |
| Debt Management Office | 25,884,000 | 02/04/2020 | 09/04/2020 | 496.41 |
| Debt Management Office | 25,884,000 | 09/04/2020 | 14/04/2020 | 212.75 |
| Debt Management Office | 25,884,000 | 14/04/2020 | 15/04/2020 | 42.55 |
| Debt Management Office | 25,000,000 | 16/04/2020 | 17/04/2020 | 27.40 |
| Debt Management Office | 20,000,000 | 17/04/2020 | 20/04/2020 | 65.75 |
| Debt Management Office | 17,000,000 | 20/04/2020 | 21/04/2020 | 18.63 |
| Debt Management Office | 16,000,000 | 21/04/2020 | 22/04/2020 | 17.53 |
| Debt Management Office | 15,000,000 | 22/04/2020 | 23/04/2020 | 16.44 |
| Debt Management Office | 14,000,000 | 23/04/2020 | 24/04/2020 | 15.34 |
| Debt Management Office | 12,000,000 | 24/04/2020 | 27/04/2020 | 39.45 |
| Debt Management Office | 12,000,000 | 27/04/2020 | 28/04/2020 | 13.15 |
| Debt Management Office | 11,500,000 | 28/04/2020 | 29/04/2020 | 12.60 |
| Debt Management Office | 10,500,000 | 29/04/2020 | 30/04/2020 | 11.51 |
| Debt Management Office | 11,500,000 | 30/04/2020 | 01/05/2020 | 12.60 |
| Debt Management Office | 17,000,000 | 01/05/2020 | 04/05/2020 | 55.89 |
| Debt Management Office | 16,700,000 | 04/05/2020 | 05/05/2020 | 18.30 |
| Debt Management Office | 14,000,000 | 05/05/2020 | 12/05/2020 | 107.40 |
| Debt Management Office | 15,000,000 | 12/05/2020 | 19/05/2020 | 115.07 |
| Debt Management Office | 16,000,000 | 19/05/2020 | 20/05/2020 | 17.53 |
| Debt Management Office | 15,000,000 | 20/05/2020 | 21/05/2020 | 16.44 |
| Debt Management Office | 10,000,000 | 21/05/2020 | 28/05/2020 | 76.71 |
| Debt Management Office | 10,000,000 | 28/05/2020 | 02/06/2020 | 27.40 |
| Debt Management Office | 8,000,000 | 01/06/2020 | 02/06/2020 | 8.77 |
| Debt Management Office | 14,000,000 | 02/06/2020 | 16/06/2020 | 107.40 |
| Debt Management Office | 5,000,000 | 15/06/2020 | 16/06/2020 | 2.74 |
| Debt Management Office | 18,000,000 | 16/06/2020 | 17/06/2020 | 4.93 |
| Debt Management Office | 18,000,000 | 17/06/2020 | 18/06/2020 | 4.93 |
| Debt Management Office | 15,000,000 | 18/06/2020 | 25/06/2020 | 28.77 |
| Merthyr Tydfil | 5,000,000 | 25/06/2020 | 25/08/2020 | 1,420.55 |
| Debt Management Office | 9,500,000 | 25/06/2020 | 29/06/2020 | 10.41 |
| Debt Management Office | 5,000,000 | 02/07/2020 | 09/07/2020 | 9.59 |
| Debt Management Office | 5,500,000 | 09/07/2020 | 16/07/2020 | 10.55 |
| Debt Management Office | 4,000,000 | 15/07/2020 | 29/07/2020 | 15.34 |
| Merthyr Tydfil | 5,000,000 | 25/08/2020 | 25/09/2020 | 339.73 |
| Debt Management Office | 8,000,000 | 01/09/2020 | 08/09/2020 | 15.34 |
| Debt Management Office | 8,000,000 | 09/09/2020 | 16/09/2020 | £15.34 |
| Telford and Wrekin Council | 3,000,000 | 16/09/2020 | 18/01/2021 | 815.34 |
| RB Maidenhead & Windsor | 5,000,000 | 30/11/2020 | 19/01/2021 | 205.48 |
| Debt Management Office | 8,000,000 | 15/01/2021 | 05/02/2021 | 46.03 |
| Kirklees Council | 5,000,000 | 17/02/2021 | 26/03/2021 | 50.68 |
| Surrey County Council | 5,000,000 | 08/03/2021 | 08/04/2021 | 212.33 |

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 other 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. |

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|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Policy and Performance Advisory Committee |
| Date: | 30 June 2021 |
| Title | Re-imagining Newhaven |
| Exemption: | None |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning |
| Ward(s): | All |
| Purpose of Cabinet report: | Update on the progress of new housing developments |
| Officer recommendations to the Cabinet: | <p>(1) To note the Future High Streets Fund capital grant award from MHCLG and that this represents a considerable achievement for the Council.</p> <p>(2) To note the timescales to deliver the Re-imagining Newhaven programme.</p> <p>(3) To delegate authority to the Director of Regeneration and Planning, in consultation with the Lead Member for Regeneration and Prosperity, to:</p> <p>(a) enter, or authorise entry into, all necessary documentation with MHCLG to receive the Future High Street Fund grant;</p> <p>(a) carry out all necessary actions to deliver the Re-imagining Newhaven programme including undertaking feasibility work, procurement and appointment of the professional team, development and determining the terms of, and authorising the execution of, all necessary documentation, including the procurement and appointment of an operator.</p> <p>(4) To delegate authority to the Director of Regeneration and Planning, in consultation with the Lead Member for Finance and Chief Finance Officer, to make an allocation within the General Fund Capital Programme for the co-funding part of the Re-imagining Newhaven programme, subject to further finance and legal advice, also subject to a sound business case.</p> |
| Recommendations to the Committee | The recommendations are detailed at 1.3 of this report |

Reasons for recommendations to the Committee:

To provide a critical friend challenge to the Cabinet decision and policy making process.

Contact Officer(s):

Name: Nick Peeters

Post title: Committee Officer

E-mail: nick.peeters@lewes-eastbourne.gov.uk

Telephone number: 01323 415272

1 Introduction

- 1.1 In its role as a provider of public scrutiny and as critical friend, the Policy and Performance Advisory Committee has a duty to provide a challenge to the executive decision and policy makers.
- 1.2 The Policy and Performance Advisory Committee is able to provide this challenge through the inclusion of the Council's Forward Plan of Decisions as a standing item on each of the Committee's agendas, allowing the Committee to request the inclusion of reports due for consideration by the Cabinet on its agenda and by asking that the relevant officers, heads of service or directors, attend the Committee meetings and discuss the content of the reports.
- 1.3 Following consideration of each item, where the Members will be able to ask questions of the relevant officers, heads of service, directors and other stakeholders, the Policy and Performance Advisory Committee will provide one of the following three recommendations to the Cabinet:
- 1) To support the recommendations in the report in full; or
 - 2) To support the recommendation in the report subject to the consideration by the Cabinet of any amendments agreed by Committee; or
 - 3) To not support the recommendations in the report and give reasons.
- 1.4 The Cabinet will be provided with the recommendations from the Policy and Performance Advisory Committee when it considers the main report.

2 Financial / Legal / Risk Management / Equality Analysis/ Environmental Sustainability Implications/ Background Papers

- 2.1 All implications are addressed in the Cabinet report attached at Appendix 1.

3 Appendix

- Appendix 1 – **Re-imagining Newhaven** Cabinet report and EXEMPT appendix (Spend Profile).

Report to: Cabinet

Date: 8 July 2021

Title: Re-imagining Newhaven

Report of: Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning

Cabinet member: Cllr James MacCleary, Leader of the Council, Chair of Cabinet and Cabinet member for regeneration and prosperity

Ward(s): All Newhaven Wards

Purpose of report: Update on the Future High Streets Fund project

Decision type: Non-key decision

Officer recommendation(s):

- (1) To note the Future High Streets Fund capital grant award from MHCLG and that this represents a considerable achievement for the Council.
- (2) To note the timescales to deliver the Re-imagining Newhaven programme.
- (3) To delegate authority to the Director of Regeneration and Planning, in consultation with the Lead Member for Regeneration and Prosperity, to:
 - (a) enter, or authorise entry into, all necessary documentation with MHCLG to receive the Future High Street Fund grant;
 - (b) carry out all necessary actions to deliver the Re-imagining Newhaven programme including undertaking feasibility work, procurement and appointment of the professional team, development and determining the terms of, and authorising the execution of, all necessary documentation, including the procurement and appointment of an operator.
- (4) To delegate authority to the Director of Regeneration and Planning, in consultation with the Lead Member for Finance and Chief Finance Officer, to make an allocation within the General Fund Capital Programme for the co-funding part of the Re-imagining Newhaven programme, subject to further finance and legal advice, also subject to a sound business case.

Reasons for recommendations: (1) A grant offer letter has been received from MHCLG on 03/06/21 confirming the funding award.

(2) Newhaven remains a regeneration priority for the Council, building upon Enterprise Zone designation and investment from a range of partners, and the formation of the Newhaven Town Deal.

(3) The Re-imagining Newhaven programme strongly aligns with the Council's Community Wealth Building Pillars.

Contact Officer(s): Name: Peter Sharp
Post title: Head of Regeneration
E-mail: peter.sharp@lewes-eastbourne.gov.uk
Telephone number: 07826 903742

Name: Nathan Haffenden
Post title: Head of Commercial Business and Development
E-mail: nathan.haffenden@lewes-eastbourne.gov.uk
Telephone number: 01323 436422

1 Introduction

- 1.1 The Future High Streets Fund (FHSF) is Government funding with a core objective to renew and reshape town centres and high streets in a way that improves experience, drives growth, and ensures future sustainability.
- 1.2 The FHSF operates as a two-stage application process, with an Expression of Interest submitted to MHCLG in 2019, followed by a detailed business case submitted in June 2020. Further clarification exercises were completed in October 2020, February 2021 and March 2021.
- 1.3 LDC received the FHSF grant offer letter on 03/06/21 confirming the £5,004,938 capital award for the Re-imagining Newhaven programme. Bidding for the Future High Streets Fund was a highly competitive process for the oversubscribed fund. Securing the capital funding represents a considerable achievement for the Council.
- 1.4 The FHSF grant is paid over the lifespan of the fund, meaning that LDC will receive payments in the financial years 21/22, 22/23 and 23/24 in accordance with the business plan provided to Government. All payments are less a 5% contingency, which is withheld by Government and must be claimed in the relevant financial year.
- 1.5 MHCLG require all grant funded interventions within the programme to be delivered by 31 March 2024.

1.6 FHSF requires a commitment of co-funding to support the delivery of town centre transformation programmes. Therefore, the Re-imagining Newhaven programme is a package of interventions funded by the FHSF capital grant as well as co-funding.

2 Proposal

2.1 The Re-imagining Newhaven programme is a package of interventions to transform underutilised and vacant commercial properties in the heart of Newhaven town centre. The programme will create a place-led, integrated and strengthened Town Centre that brings new and diversified uses to serve resident, business and visitor communities, with an expanded range of services to generate and maintain a sustainable footfall. It strongly aligns with principles of retaining wealth locally and providing opportunities for local entrepreneurs, micro-businesses and SME's.

2.2 The Re-imagining Newhaven programme has five main elements:

- **Creative & Wellbeing Hub** - providing a mixture of co-working and public spaces, studios, meetings spaces, café and retail area primarily targeted at creative industries and wellbeing providers on the ground floor of the disused supermarket.
- **Urban Living Room** - transforming the upper levels of the underutilised Dacre Road car park into a multi-purpose community and entertainment facility.
- **Community Healthy Living & Sustainability Hub** - creating a community supermarket and community kitchen on the lower ground floor of the disused supermarket.
- **Connectivity & Access** – connecting the town centre with key residential and business areas to increase footfall and dwell time.
- **Town Centre Events Programme** – a coordinated programme of events and activities to attract footfall and increase dwell time in the high street.

All of these elements are subject to final Due Diligence to ensure their long-term viability and sustainability.

2.3 Indicative timescales for the Re-imagining Newhaven programme are as follow:

| Activity | Estimated completion |
|------------------------------------------|----------------------|
| Extended feasibility | July 2021 |
| Operator procurement | October 2021 |
| Appoint professional team | August 2021 |
| Planning process | February 2022 |
| Contractor specification and procurement | June 2022 |
| Contractor appointment | July 2022 |
| Construction phase | March 2023 |
| Handover | April 2023 |
| Operational phase | May 2023+ |

3 Outcome expected and performance management

3.1 Re-imagining Newhaven objectives:

- Job creation.
- To help make Newhaven Town Centre an attractive place to live, work and visit - daytime and evening.
- To transform disused and underutilised commercial properties in the heart of the Town Centre into financially and commercially sustainable destinations.
- To provide new commercial space for start-up businesses and local entrepreneurs.
- To increase footfall and dwell time in the Town Centre.
- To deliver a scheme that will act as a catalyst and support for the planned regeneration both within the Town Centre and widespread across Newhaven.
- To improve connectivity and accessibility in Newhaven resulting in positive impact on quality of life and footfall.
- To improve the sightlines into the Town Centre.

3.2 To support project delivery, a Programme Board will be set up to oversee progress and manage the successful delivery throughout the programme. The project team will be responsible for fulfilling the robust monitoring and evaluation reporting requirements of central Government, and a new post has been recruited within the Regeneration service to assist with maintaining the Programme's Monitoring and Evaluation Plan.

4 Consultation

4.1 Briefings have been provided via updates to Newhaven Ward Councillors, Informal Cabinet, the Enterprise Zone Strategic Board and the Newhaven Town Deal Board. Ongoing regular stakeholder consultation is governed by the programme's engagement and communication plan which involves a wide range of stakeholders.

5 Corporate plan and council policies

5.1 The Council's Corporate Plan 'Re-imagining Lewes District Corporate Plan 2020-2024' sets out the following areas that will be addressed by the Re-imagining Newhaven programme.

5.2 Building Community Wealth

The Re-imagining Newhaven programme will contribute to reducing employment inequality through provision of new opportunities, help the Council to prioritise investment into the local economy and increase opportunities for start-up businesses and local entrepreneurs through provision of new affordable workspace. This will help to retain more wealth locally.

5.3 Sustainability and Climate Change

Providing new connectivity and active travel routes to encourage more walking and cycling fits strongly with this theme of the Corporate Plan and will also support visitors to access key locations in Newhaven by foot and bicycle. Equally, by re-purposing existing buildings, the programme aims to help reduce the Council's carbon footprint.

6 **Business case and alternative option(s) considered**

6.1 A number of options were considered and appraised for the FHSF business case submission and were assessed on the basis of their impact on the 5-case model used by Government assessors. This is based on information provided by Government on the key assessment criteria.

7 **Financial appraisal**

7.1 LDC has been awarded a Future High Streets Fund capital grant of £5,004,938 to support the viability and diversity of Newhaven town centre. This grant will be paid over three years in line with the business case submitted and the Grant Offer Letter received. There is a FHSF requirement that projects be co-funded. The details of the overall programme cost are provided in the Exempt Appendix 1 as contractor procurement has not yet commenced.

7.2 The Future High Streets Fund (FHSF) is subject to compliance with the MHCLG funding agreement and associated conditions. The funding is principally capital and is predicated on match funding secured through public sector and private-sector sources. Any funding matched to the programme will be through an allocation within the General Fund Capital Programme.

7.3 The allocation will be facilitated through review, and prioritisation of the Capital Programme. Spending will be drawn down on an individual business case basis – requiring demonstration of the value of the investment either in terms of outcomes, through regenerating high streets, and/or financial benefits achievable. Where appropriate, staffing costs relating to capital project delivery will be included in project costs at a rate which is proportionate and permissible within the funding terms.

8 **Legal implications**

8.1 The Council has not yet received the final funding documents, but has been provided with outline drafts of the funding letter and Memorandum of Understanding under which the grant will be awarded. MHCLG are awarding this grant under Section 31 of the Local Government Act 2003 and it will be subject to its standard local authority grant conditions. The MOU sets out the principles and practices that will apply to the working relationship between MHCLG and the Council.

As part of the extended feasibility process, additional legal due diligence will be undertaken in relation to the project and specific assets within the project scope

which will include ensuring compliance with the UK subsidy control regime where applicable.

All professional appointments, the appointment of the operator and other contracts will be made in accordance with the Council's Contract Procedure Rules (CPR) and subject to prior legal advice.

[0100196-LDC-CJEC 1 June 2021]

9 Risk management implications

9.1 The full risk register has been submitted to MHCLG and will be maintained as part of the Council's project management procedures.

Key risks:

| Risk | Impact | Likelihood | Mitigation |
|------------------------------------------------------------------------------------------------|--------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Failure to deliver projects within the Re-imagining Newhaven programme timeframe | 4 | 2 | Deliverability is one of the key criteria that has been assessed for all proposals submitted in the business case, although Government delays has reduced the delivery timeframe. |
| Funding does not meet the needs of Newhaven's residents, businesses, and visitors | 4 | 1 | The Re-imagining Newhaven programme has been informed by engagement with the local community and businesses to ensure needs are met. |
| Construction costs exceed the tolerance that is built into the estimated capital cost proposal | 3 | 2 | Some condition surveys have already been carried out on 10 Newhaven Square. The cost proposal has been verified by a QS, but additional studies have now been commissioned by Commercial Business to ensure deliverability within the stated cost parameters. |

10 Equality analysis

10.1 An Equality and Fairness Analysis for Re-imagining Newhaven has been undertaken.

The following potentially positive Impacts include:

- Street level access to the Creative Hub and Community Healthy Living & Sustainability Hub, meaning better accessibility for disabled people, people with mobility issues, their carers and also people with pushchairs.
- New improved floor surface and additional lighting in the Dacre Road car park.
- Installation of new lift to enable access to the Urban Living Room.
- Accessible new wayfinding routes and signage.
- Community Kitchen and other activities that may help tackle social isolation and promote cohesive communities.

A copy of the full analysis is available on request from equalitiesemail@lewes-eastbourne.gov.uk.

11 Environmental sustainability implications

- 11.1 This report contains proposals that are focused on supporting regeneration and sustainable economic growth that benefits our local communities.
- 11.2 The Re-imagining Newhaven programme seeks to re-use existing assets to provide additional local economic value from Council interventions. The programme will also deliver improved access and connectivity into the town centre from surrounding residential and employment areas. This will support modal shift through increasing the attractiveness of the walking and cycling environment.

12 Contribution to Community Wealth Building

- 12.1 The Re-imagining Newhaven programme will actively contribute to the Council's 5 Pillars of Community Wealth Building.
- 12.2 Anchor commissioning and procurement – LDC led procurement for professional appointments, contractors and operators will support local businesses and local jobs.
- 12.3 Socially productive use of land and property – supporting local jobs and enterprise to generate local wealth. The Programme will ensure maximum wealth is produced through construction. Place-making is at the heart of Re-imagining Newhaven programme, enabling the town centre to adapt and thrive. The Programme aims to boost town centre activity by increasing footfall and dwell time throughout the town centre and high street,
- 12.4 Fair employment and just labour markets – the Re-imagining Newhaven programme will generate local jobs and create new opportunities for local entrepreneurs. The Programme will also provide local supplier opportunities within the construction and operational stages and beyond.
- 12.5 Making financial power work for local places – the Programme aims to act as a catalyst and support for planned regeneration both within the town centre and widespread across Newhaven.
- 12.6 Grow local and community ownership of the economy – the interventions being delivered by the Programme will provide opportunities for local enterprises to thrive and grow and retain wealth within the local area. The creation of new community and creative spaces and the community supermarket & community kitchen will have a fundamental focus on local suppliers.

13 Appendices

- Exempt Appendix 1 – Re-imagining Newhaven Programme Spend Profile

14 Background papers

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

- None

| | |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Policy and Performance Advisory Committee |
| Date: | 30 June 2021 |
| Title | Community Grants Policy |
| Exemption: | None |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning |
| Ward(s): | All |
| Purpose of Cabinet report: | For Cabinet to adopt the new Community Grants Policy and agree the proposed funding allocations set out in the prospectus. |
| Officer recommendations to the Cabinet: | (1) Adopt the new Community Grants policy at appendix 1 of the Cabinet report. (2) Agree the proposed funding allocations set out in the prospectus at appendix 2 of the Cabinet report. |
| Recommendations to the Committee | The recommendations are detailed at 1.3 of this report |
| Reasons for recommendations to the Committee: | To provide a critical friend challenge to the Cabinet decision and policy making process. |
| Contact Officer(s): | Name: Nick Peeters Post title: Committee Officer E-mail: nick.peeters@lewes-eastbourne.gov.uk Telephone number: 01323 415272 |

1 Introduction

- 1.1 In its role as a provider of public scrutiny and as critical friend, the Policy and Performance Advisory Committee has a duty to provide a challenge to the executive decision and policy makers.
- 1.2 The Policy and Performance Advisory Committee is able to provide this challenge through the inclusion of the Council's Forward Plan of Decisions as a standing item on each of the Committee's agendas, allowing the Committee to request the inclusion of reports due for consideration by the Cabinet on its agenda and by asking that the relevant officers, heads of service or directors, attend the Committee meetings and discuss the content of the reports.

1.3 Following consideration of each item, where the Members will be able to ask questions of the relevant officers, heads of service, directors and other stakeholders, the Policy and Performance Advisory Committee will provide one of the following three recommendations to the Cabinet:

- 1) To support the recommendations in the report in full; or
- 2) To support the recommendation in the report subject to the consideration by the Cabinet of any amendments agreed by Committee; or
- 3) To not support the recommendations in the report and give reasons.

1.4 The Cabinet will be provided with the recommendations from the Policy and Performance Advisory Committee when it considers the main report.

2 Financial / Legal / Risk Management / Equality Analysis/ Environmental Sustainability Implications/ Background Papers

2.1 All implications are addressed in the Cabinet report attached at Appendix 1.

3 Appendix

- Appendix 1 – **Community Grants Policy** Cabinet report and appendices (Community Grants Policy and EXEMPT Community Grants Prospectus 2022/23)

| | |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Cabinet |
| Date: | 8 July 2021 |
| Title: | Community Grants Policy |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning |
| Cabinet member: | Councillor Johnny Denis, Cabinet member for communities and customers |
| Ward(s): | All |
| Purpose of report: | For Cabinet to adopt the new Community Grants Policy and agree the proposed funding allocations set out in the prospectus. |
| Decision type: | Key |
| Officer recommendation(s): | (1) Adopt the new Community Grants policy at appendix 1. (2) Agree the proposed funding allocations set out in the prospectus at appendix 2. |
| Reasons for recommendations: | The new Community Grants policy will enable the council to be more transparent and flexible in how local voluntary organisations are supported, with the 2022/23 programme ensuring a focus on local areas of need. |
| Contact Officer(s): | Name: Seanne Sweeney Post title: Strategy & Corporate Projects Officer, Thriving Communities E-mail: Seanne.Sweeney@lewes-eastbourne.gov.uk Telephone number: 01273 085 630 |

1 Introduction

- 1.1 At its meeting in February 2021 and following a consultation exercise, Cabinet agreed the move to award all community grants through a bidding process with effect from April 2022. It was also agreed that a Grants Working Group of three members be formed to consider the new policy and process, subsequently reporting to Cabinet for approval.
- 1.2 The Council currently allocates £228,800 for grants to the voluntary sector each year.

- 1.3 A new Community Grants Policy, setting out the way in which the council will award grants from 22/23 onwards can be found at appendix 1, along with a draft Community Grants Prospectus which will form part of an application pack to be launched in August of this year, subject to Cabinet's agreement.

2 Proposal for 2022/23 awards

- 2.1 An additional 35k pa has been allocated to the Community Grants Programme with effect from April 2022. This is in recognition of the additional challenges faced by communities across the district due to the pandemic, and the capacity needed within the voluntary sector to support this increased need.
- 2.2 With careful consideration, the Grants Working Group has developed proposals for the allocation of awards in 22/23, as set out in the prospectus at appendix 2. These allocations (summarised below) are broadly in line with current funding policy, with the addition of an allocation to support mental health and/or sustainability projects.
- 2.3 It is proposed by the Grants Working Group that the community grants budget of £263k be allocated as follows

Advice services – £190k

Including general, benefits (Universal Credit), debt/money and housing advice.

Infrastructure services – £31k

Services which help support the development of the third sector in using volunteers, seeking funding, ensuring best practice and supporting the start-up of new groups.

Environment and wellbeing – £20k

Services which support mental health and/ or contribute to sustainability and the environment.

Equalities – £10k

Services which support specific groups which may experience discrimination or disadvantage (as defined by the Equality Act 2010), by promoting fairness and inclusion.

Homeless prevention/ Sustainable accommodation – £12k

Supporting households into sustainable accommodation through, for example, the provision of security deposits (including those nominated by the council).

- 2.4 A timeline for the 2022/23 Community Grants Programme has been developed in consultation with the Grants Working Group. The prospectus will be published on 2nd August 2021 at which point the applications process will open and then close on 1st October 2021. This gives a reasonable amount of time for groups and organisations to compile their applications. The Grants Working Group will then consider eligible applications and make recommendations for awards to Cabinet in February 2022. Approved grants will then be paid from April 2022.

3 Consultation

- 3.1 Views have been sought from current grant recipients and Tenants of Lewes District, and the views expressed have been taken account of in the development of the prospectus, policy and timeline of the 2022/23 programme.

4 Corporate plan and council policies

- 4.1 Making changes to the voluntary sector grants policy may help support the council's pledge around open and transparent decision making, as outlined in the Corporate Plan.
- 4.2 A change to policy may aid alignment with the Corporate Plan pledge to respect and promote principals of equality and support the council's equality and fairness policy.

5 Financial appraisal

- 5.1 The allocations proposed by the Grants Working Group are in line with the 2021/22 budget allocations and the proposed community grants reserve established for voluntary sector grants. However, it will not be possible to formally confirm the allocations until the 2022/23 budget is approved by Full Council in February 2022.

6 Legal implications

- 6.1 Cabinet must pay due regard to the proposals of the Grants Working Group, and the views of consultees referred to in paragraph 3.1 above, before deciding the basis on which the 2022/23 Community Grants Programme is to be allocated, including the categories of organisations to receive the grants and the weightings to be attached.

Lawyer consulted 08.06.21

Legal ref: 010205-LDC-OD

7 Risk management implications

- 7.1 If Cabinet does not allocate the funding it has budgeted for grants there are risks both to the council's reputation in relation to this high-profile activity and to the council's own services. Supporting the local voluntary sector can, in some instances, reduce demand for council services and prevent residents reaching a situation where council or other support would be required.

Reviewing the council's policies and performance on a regular basis provides an assurance that the council is fulfilling its functions in a way that complies with current legislation.

8 Equality analysis

- 8.1 These proposals would provide support for people in need of advice and information, including protected groups.

The new wellbeing and sustainability category within the grants prospectus would support the mental and physical health of residents in the district, and has the potential to improve some of the impacts felt by residents due to the pandemic.

The equalities category within the grants prospectus could potentially generate applications from projects supporting one or a combination of protected characteristics, and would seek to promote equality of opportunity.

9 Environmental sustainability implications

- 9.1 The introduction of a funding category within the grants prospectus around wellbeing and sustainability will promote the nurturing and enjoyment of green and open spaces across the district, helping people to value the natural environment and recognise the link between nature and good health.

10 Contribution to Community Wealth Building

- 10.1 One of the key principles of community wealth building is plural ownership of the economy. The community and voluntary sector, including not for profit organisations such as cooperatives and community interest companies all contribute to this plurality. By supporting the sector through a grants programme, the council aims to help stimulate plural ownership and social entrepreneurship.

11 Appendices

- Appendix 1 – Community Grants Policy
- Exempt Appendix 2 – Community Grants Prospectus 2022/23

12 Background papers

None.

| | |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Report to: | Policy and Performance Advisory Committee |
| Date: | 30 June 2021 |
| Title | Housing Development Update |
| Exemption: | None |
| Report of: | Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning |
| Ward(s): | All |
| Purpose of Cabinet report: | Update on the progress of new housing developments |
| Officer recommendations to the Cabinet: | <ol style="list-style-type: none">(1) To note the progress of the Housing Revenue Account (HRA) Capital Programme, alongside other schemes for housing delivery. Appendix 1 (Exempt).(2) To authorise the acquisition of a single garage unit adjacent to land already owned by LDC, the subsequent development of land, and disposal of the garage site at Mill Road, Ringmer including to allocate a budget within the capacity of the HRA Capital Programme.(3) To approve the new projects as detailed in Appendix 1 (Exempt) through to the planning and tender stage, subject to further Cabinet approval prior to the award of a contract and the commencement of any works.(4) To authorise entering into a land agreement to facilitate the development of a site at Long Park Corner, Ditchling, subject to further legal, finance, and market advice.(5) To authorise entering into a framework for a contractor offering an off-site manufactured house building solution, through an advertised open competition, to aid in the delivery of the Capital Programme alongside other procurement routes. |
| Recommendations to the Committee | The recommendations are detailed at 1.3 of this report |
| Reasons for recommendations to the Committee: | To provide a critical friend challenge to the Cabinet decision and policy making process. |

Contact Officer(s): **Name: Nick Peeters**
 Post title: Committee Officer
 E-mail: nick.peeters@lewes-eastbourne.gov.uk
 Telephone number: 01323 415272

1 Introduction

1.1 In its role as a provider of public scrutiny and as critical friend, the Policy and Performance Advisory Committee has a duty to provide a challenge to the executive decision and policy makers.

1.2 The Policy and Performance Advisory Committee is able to provide this challenge through the inclusion of the Council's Forward Plan of Decisions as a standing item on each of the Committee's agendas, allowing the Committee to request the inclusion of reports due for consideration by the Cabinet on its agenda and by asking that the relevant officers, heads of service or directors, attend the Committee meetings and discuss the content of the reports.

1.3 Following consideration of each item, where the Members will be able to ask questions of the relevant officers, heads of service, directors and other stakeholders, the Policy and Performance Advisory Committee will provide one of the following three recommendations to the Cabinet:

- 1) To support the recommendations in the report in full; or
- 2) To support the recommendation in the report subject to the consideration by the Cabinet of any amendments agreed by Committee; or
- 3) To not support the recommendations in the report and give reasons.

1.4 The Cabinet will be provided with the recommendations from the Policy and Performance Advisory Committee when it considers the main report.

2 Financial / Legal / Risk Management / Equality Analysis/ Environmental Sustainability Implications/ Background Papers

2.1 All implications are addressed in the Cabinet report attached at Appendix 1.

3 Appendix

- Appendix 1 – **Housing Development Update** and exempt appendix (Housing Development Update)

Report to: Cabinet

Date: 8 July 2021

Title: Housing development update

Report of: Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning

Cabinet member: Councillor William Meyer, Lead Cabinet Member for Housing

Ward(s): All

Purpose of report: Update on the progress of new housing developments

Decision type: Key Decision

Officer recommendation(s):

- (1) To note the progress of the Housing Revenue Account (HRA) Capital Programme, alongside other schemes for housing delivery. Appendix 1 (Exempt).**
- (2) To authorise the acquisition of a single garage unit adjacent to land already owned by LDC, the subsequent development of land, and disposal of the garage site at Mill Road, Ringmer including to allocate a budget within the capacity of the HRA Capital Programme.**
- (3) To approve the new projects as detailed in Appendix 1 (Exempt) through to the planning and tender stage, subject to further Cabinet approval prior to the award of a contract and the commencement of any works.**
- (4) To authorise entering into a land agreement to facilitate the development of a Neighbourhood Plan identified site at Long Park Corner, Ditchling, subject to further legal, finance, and market advice.**
- (5) To authorise entering into a framework for a contractor offering an off-site manufactured house building solution, through an advertised open competition, to aid in the delivery of the Capital Programme alongside other procurement routes.**
- (6) To authorise the Director of Regeneration and Planning, in consultation with the Portfolio Holder for Housing and Chief Finance Officer, to carry out all necessary actions to facilitate these proposals including feasibility, development and determining the terms of, and authorising the execution of, all necessary documentation.**

Reasons for recommendations: To provide progress updates and secure the necessary approvals to bring forward ongoing key housing development projects within the district.

Contact Officer(s): **Name: Leighton Rowe**
Post title: Specialist Project Manager
E-mail: leighton.rowe@lewes-eastbourne.gov.uk
Telephone number: 01323 410000

Name: Nathan Haffenden
Post title: Head of Commercial Business & Development
E-mail: nathan.haffenden@lewes-eastbourne.gov.uk
Telephone number: 01323 436422

1 Introduction

1.1 This paper provides an update on the progress of the Housing Revenue Account (HRA) Capital Programme for housing delivery. The projects outlined in Appendix 1 (Exempt) are at varying stages from concept to completion.

The evolving housing pipeline, including procurement methodologies, contributes towards the Council's Corporate Plan, sustainability objectives, and the Community Wealth Building (CWB) agenda.

The pipeline aspires to deliver highly sustainable homes at social rent levels, meeting both the objectives for affordability and sustainability.

2 Housing Development Pipeline

2.1 The approved capital programme includes a budget allocation within the HRA for new Council housing supply, rented and limited shared ownership, as set out in Table 1 below.

The pipeline brings forward a mix of newly acquired sites and land already owned by Lewes District Council (LDC), contributing to the Corporate Plan target. The pipeline is also supported by the activities of Aspiration Homes LLP (AHLLP), the joint venture partnership with Eastbourne Borough Council (EBC), as well as community-led housing schemes being developed by the local Community Land Trusts (CLT).

For ease of reference, the schemes in Table 1 are categorised by their progress in accordance with the Royal Institute of British Architects (RIBA) project stages:

- Stages 1-3 - Feasibility and planning
- Stage 4 - Technical design
- Stage 5 - Construction
- Stage 6 - Handover

All total units showing at stages 1-3 are subject to planning.

| TABLE 1 | Residential Units | Project Stage (1-6) |
|------------------------------|--------------------------|----------------------------|
| HRA Capital Programme | | |
| Fire Station (Newhaven) | 7 | 1-3 |
| Police Station (Newhaven) | 21 | 1-3 |
| Ringmer Infills (Ringmer) | 7 | 1-3 |
| Acquisitions (Indicative) | 24 | 1-3 |
| Saxonbury (Lewes) | 12 | 5 |
| Oakfield House (Plumpton) | 8 | 5 |
| Old Hamsey Lakes (Chailey) | 12 | 6 |
| 20 Fort Road (Newhaven) | 13 | 6 |
| | | |
| Total | 104 | |

| | | |
|-----------------------------|-----------|---|
| Aspiration Homes LLP | | |
| Anchor Field (Ringmer) | 11 | 5 |
| Western Road (Newhaven) | 5 | 6 |
| Total | 16 | |

| | | |
|------------------------------|----------|-----|
| Community Land Trusts | | |
| The Lynchets (Lewes) | 5 | 1-3 |
| Neave's Paddock (Ringmer) | 4 | 1-3 |
| Total | 9 | |

| | | |
|--------------------|------------|--|
| Total Homes | 129 | |
|--------------------|------------|--|

2.2 In addition, the following sites being presented for consideration will also add to the overall number of new Council homes delivered within the district towards the Corporate Plan target:

Mill Road, Ringmer

The garage site at Mill Road was highlighted previously as having potential for the development of housing in an October 2019 Cabinet report. The site was subsequently identified as being appropriate for a specific development, to meet a particular defined housing need, with planning consent granted in March 2021.

Further details included in Appendix 1 (Exempt).

Long Park Corner, Ditchling

The assembly of land at Long Park Corner, Ditchling, which includes the Council's garage site, has been identified as having potential for a small development to include new Council housing.

The private neighbouring site has been allocated for housing in the Ditchling, Streat, and Westmeston Neighbourhood Plan 2018 and the opportunity to release more Council homes was previously considered by Cabinet on 23rd April 2018.

For consistency and efficiency, it is recommended that the two sites are developed jointly and brought forward via a single planning application. However, a legal land agreement is required to ensure that the Council's interests are sufficiently protected. Subject to securing planning approval, the scheme shall be brought back to Cabinet and supported by a full business case.

2.3 **Strategic Estate & Land Review**

2.4 A review of the Council's asset and land holdings within the HRA is also in progress to identify any further areas of opportunity that could help to bring forward more Council homes to meet the growing local demand. This forms part of the stock condition assessment process when determining current asset condition, quality, and future maintenance costs.

2.5 In this early stage of the review process, three sites have already been identified as having good prospects for delivering additional Council housing. Due to commercial sensitivity, the individual sites are detailed in Appendix 1 (Exempt).

Following a period of feasibility, due diligence, and consultation, the sites will be brought back to Cabinet for approval, prior to the appointment of a contractor and the commencement of any works.

2.6 **Modular Housing Framework**

2.7 The Council has recently advertised a procurement process to appoint a contractor via a framework agreement to support with housing delivery using modular construction. The procurement is being undertaken jointly with Eastbourne Borough Council (EBC), with LDC acting as the lead authority.

2.9 The framework will provide the Council with an additional tool when bringing forward new sustainable housing projects. It will certainly not be the only method of procuring contractors to drive the housing pipeline, which will in fact still include traditional methods of construction but increases options and diversifies delivery.

In procuring using the Council's new social value charter, the framework will contribute to the Community Wealth Building agenda, with a specific emphasis on skills, training, and employment. The companies who apply will, among other things, be assessed not only on cost but also on the sustainability of their processes, final product, and their ability to employ and train local people.

2.10 The successful-tenderer will have the ability to be awarded contracts, for appropriate development projects, over a 4-year period. This will help to provide additional pipeline and business certainty for a part of the sector that is hugely important to the sustainability agenda but typically suffers from inconsistent work. This is in-line with the governments national agenda to support and scale-up the delivery of homes using modern methods of construction (MMC).

The framework has also been made optional to other local authorities across Sussex and Greater Brighton, which will determine the overall value and scope of the framework agreement. This supports a strategy for One Public Estate (OPE),

working collaboratively with other public sector partners to collectively bring forward new Council homes but to operate more efficiently whilst doing so in practices around procurement, resource, and skill sharing.

3 Outcome expected and performance management

- 3.1 The overall outcomes of the recommendations will be the continued delivery of the Council's HRA Capital Programme to meet corporate objectives in order to bring forward more Council homes that meets local housing need. The pipeline continues to grow to meet the Corporate Plan target and the outcomes of the Strategic Estate & Land Review are expected to support with that process.
- 3.2 It is also anticipated that the Strategic Estate & Land Review could identify potential opportunities for the Council to pilot a self/custom build project as part of the community-led housing ambitions and in accordance with the Community Wealth Building agenda. A report will follow to Cabinet in the future.
- 3.3 The financial performance will be monitored through a series of financial reporting processes that will assess each project as well as the Capital Programme as a whole. Reports will be presented to Cabinet on a regular basis to provide an update on programme progress and the capacity of the HRA Business Plan.
- 3.4 Subject to approval, the Modular Housing Framework could be in place by the end of July 2021, with the first projects from the pipeline submitted for costing and delivery immediately. The framework will be managed using ten Key Performance Indicators (KPI), monitored on an annual basis over the 4-year period.

4 Consultation

- 4.1 Consultation has been undertaken on the sites that have been through the planning process, either prior to submission or during the statutory consultation process. Additional consultation has also been carried out with Ward Councillors as individual projects have progressed, and most recently leaflet deliveries to residents have been supplemented giving all stakeholders the opportunity to view the plans online.

5 Corporate plan and council policies

- 5.1 The combined housing programme, including both direct delivery via the HRA and the supporting activities of AHLLP, will contribute to the housing targets as set-out in the Corporate Plan 2020-2024 – Reimagining Lewes District.

The programme will increase the number of rented homes directly accessible to the Council across the district (including in rural locations), provide some additional low-cost homeownership options, improve the quality of HRA homes, enable community-led housing, and utilise a range of procurement techniques to aid delivery and reduce risk, underpinned by social value.

- 5.2 The Modular Housing Framework will specifically:
 - Increase sustainable house building using modular construction and innovating the more challenging infill sites.

- Use our power as a public sector body to buy and procure locally, and create local supply chains and ecosystems of enterprises, through use of circular economy principles.
- Develop local skills, supply chains, and employment through partnership working including East Sussex College Group (ESCG), other public sector organisations, social enterprises, cooperative businesses, as well as other forms of business, particularly focussing on clean, green technologies.
- Focus spending within the district, directly benefitting residents, communities, and local companies.
- Improve the energy efficiency of homes including supporting low-carbon heating technologies in our own council houses as part of the decarbonisation agenda.
- Enable more sustainable and energy efficient homes across the district, that are more cost-effective to run and cheaper to live in.
- Improve our understanding of council carbon emissions and how those are best measured, as well as reducing greenhouse gas emissions to net zero.
- Reduce waste, increasing re-use and recycling to top quartile performance.

6 Next Steps

- 6.1 The Capital Programme will progress with planning applications due shortly on the various sites at the Newhaven Police and Fire Stations, Ringmer Infills, and the CLT project at The Lynchets. Further work will continue on the pipeline over the next 12 months, tendering for contractors or progressed via the framework, with new opportunities explored and to be reported back to Cabinet in the future.
- 6.2 The Modular Housing Framework selection process commenced on 6 April 2021 and the procurement process is progressing. The framework agreement is expected to commence in July 2021.

7 Financial implications

- 7.1 The proposals outlined within this report are in accordance with the HRA Business Plan and Capital Programme for 2021/22.
- 7.2 The capital costs associated with the development of the scheme at Mill Road, Ringmer will be subject to a full business case to be approved as set out in recommendations 2 and 6. An allocation of Disabled Facilities Grant has been made for 2021-22 to cover the amount specified in Appendix 1 (Exempt).
- 7.3 Entering into a land agreement in relation to Long Park Corner, Ditchling does not commit the Council to the development if it is not viable or any costs. Subject to planning, a report will be presented to Cabinet in the future to enter a construction contract and supported by a full business case.
- 7.4 The Modular Housing Framework agreement does not commit the Council to any capital expenditure. Each individual scheme will require Cabinet approval.

8 Legal implications

8.1 Development of housing

The Council can rely on section 9 of the Housing Act 1985 (HA 1985) to undertake housing development.

8.2 Disposal of housing

The Council may rely on the March 2013 General Consent (the 2013 General Consent) to permit the disposal of unoccupied dwellings to individuals for use as their only or principal home.

8.3 Land acquisition

In relation to any land acquisition the Council has the power under Section 17 of the HA 1985 to acquire land for housing.

8.4 Development considerations

The Council will take full advice on any title issues associated with the developments and in respect of appropriate ways to address any issues revealed.

8.5 Single provider framework agreement

The Council has issued a contract notice in “Find a Tender” to commence a procurement process using the open procedure under the Public Contracts Regulations 2015 to set up a single provider framework agreement. Submissions from interested contractors were received by 7 June 2021 and the evaluation process to select the winning tender is now being carried out with the expectation that the contract can be entered into by the end of July 2021.

[009498-JOINT-CJEC 29 April 2021 010079-LDC-KS 4 May 2021]

9 Risk management implications

9.1 The key risks and mitigations are set out in the following table:

| Ref | Risk | Mitigations |
|-----|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Costs for developing small sites may prove too high to be viable | By selecting small local firms to deliver sites, overheads can be kept to a minimum. Some sites can be delivered as part of a wider agreement by a modular house builder. Consideration is also being given to available Homes England grant funding. |
| 2 | Increasing construction costs due to COVID-19 and BREXIT | The market continues to be monitored closely and the viability of each scheme in the pipeline will be |

| | | |
|---|---------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | impacting on development viability | assessed on their own merits, with reference to the HRA Business Plan. Specialist / external advice will also be taken from independent agencies and the Council will look to enter into fixed price contracts wherever possible. |
| 3 | Planning may be refused on some sites | Extensive pre-application discussions are taking place on all sites prior to submission. |
| 4 | By selecting a single supplier for the modular framework there may be a limit on the number of homes that can be deliver at one time. | The successful company will have had to submit provisional plans to expand supply where necessary. The Council will continue to also utilise other procurement means to deliver the pipeline, including both MMC and traditional builds. |

10 Equality analysis

- 10.1 An equality impact assessment has been undertaken and has not identified any equality impacts.

11 Environmental impact analysis

- 11.1 The design of the proposals will undergo a full review of the sustainability features (both for the construction and usage of future residents) in accordance with Council corporate priorities and in consideration of the financial viability.

The programme is being predominantly developed on brownfield sites and, where appropriate, full ecology and environmental impact surveys are being carried out. Individual impact analyses will be undertaken on any new sites identified in the future or as part of the Strategic Estate & Land Review.

12 Contribution to Community Wealth Building

- 12.1 The Modular Housing Framework selection has been undertaken using the social value charter and designed around the Corporate Plan objectives, including those focused on Community Wealth Building.

13 Appendices

- 13.1
- Appendix 1 – Housing Delivery Programme (Exempt)

14 Background papers

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

- Cabinet Report: Housing Revenue Account (HRA) and Rent Setting 2021/22 and HRA Capital Programme 2020-24 - February 2021

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Lewes District Council

FORWARD PLAN OF DECISIONS

Period covered by this Plan:
Date of publication:

1 June to 30 September 2021
9 June 2021

Membership of Cabinet:

Councillor James MacCleary: Leader of the Council and Chair of Cabinet

Councillor Zoe Nicholson: Deputy leader and Cabinet member for finance and assets

Councillor Matthew Bird: Cabinet member for sustainability

Councillor Julie Carr: Cabinet member for recycling and open spaces

Councillor Chris Collier: Cabinet member for performance and people

Councillor Johnny Denis: Cabinet member for communities and customers

Councillor William Meyer: Cabinet member for housing

Councillor Emily O'Brien: Cabinet member for planning and infrastructure

Councillor Ruth O'Keeffe: Cabinet member for tourism and devolution

Please see the explanatory note appended to this Plan for further information and details of how to make representations and otherwise contact the Council on matters listed in the Plan. Documents referred to will be available at least 5 clear working days before the date for decision.

Forthcoming decisions:

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Recovery and reset programme</p> <p>This report will update on progress within the R&R programme.</p> <p>(Lead Cabinet members: Councillor Zoe Nicholson, Councillor James MacCleary)</p> | All Wards | Key | Cabinet | 10 Jun 2021 | Open | As detailed in the report. | Report | <p>Chief Executive (Robert Cottrill)</p> <p>Lee Banner, Transformation Programme Manager Tel: 01323 415763 lee.banner@lewes-eastbourne.gov.uk</p> <p>Jo Harper, Head of Business Planning and Performance Tel: 01273 484049 jo.harper@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Community Wealth Building</p> <p>This report updates Cabinet on progress implementing the Reimagining Lewes District Action Plan adopted in December 2020, for embedding community wealth building principles into the councils work, in line with the Corporate Plan.</p> <p>(Lead Cabinet member: Councillor Zoe Nicholson)</p> | All Wards | Non-Key | Cabinet | 10 Jun 2021 | Open | Policy and Performance Advisory Committee (if requested) | | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Jo Harper, Head of Business Planning and Performance Tel: 01273 484049 jo.harper@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Lewes Biodiversity Strategy</p> <p>The joint strategy and tailored action plan presented for approval.</p> <p>(Lead Cabinet members: Councillor Julie Carr, Councillor Matthew Bird)</p> | All Wards | Key | Cabinet | 10 Jun 2021 | Open | Policy and Performance Advisory Committee (if requested) | Report | <p>Director of Service Delivery (Tim Whelan)</p> <p>Jane Goodall, Strategy and Partnership Lead, Quality Environment Tel: 01273 484383 Jane.Goodall@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Local Council Tax Reduction Scheme 2022/23</p> <p>To set out the statutory process to follow to make changes to the Local Council Tax Reduction Scheme.</p> <p>To set out the financial implications and risks of changing from the current 2021/22 80% scheme to a 100% scheme, remove the Minimum Income Floor and the £5.00 minimum award.</p> <p>(Lead Cabinet member: Councillor Zoe Nicholson)</p> | All Wards | Key | Cabinet | 10 Jun 2021 | Open | Policy and Performance Advisory Committee (if requested) | Report | <p>Director of Service Delivery (Tim Whelan)</p> <p>Bill McCafferty, Lead for Income Maximisation and Welfare</p> <p>Tel: (01323) 415171</p> <p>bill.mccafferty@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Update to the Local Validation List:- Information required to support/accompany planning applications</p> <p>→ All local authorities have local issues/impacts. The Local Validation List seeks to identify the key local information that would be required to supplement planning applications</p> <p>(Lead Cabinet member: Councillor Emily O'Brien)</p> | All Wards | Non-Key | Cabinet | 10 Jun 2021 | Open | Policy and Performance Advisory Committee to receive report if requested. | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Leigh Palmer, Head of Planning First Tel: 01323 415215 leigh.palmer@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Local Plan Issues and Options Consultation</p> <p>To seek authority to undertake a public consultation on Issues & Options for the new Local Plan over summer 2021.</p> <p>(Lead Cabinet member: Councillor Emily O'Brien)</p> | All Wards | Key | Cabinet | 10 Jun 2021 | Open | Ongoing consultation with Local Plan Steering Group. | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Matt Hitchen, Senior Planning Policy Officer Tel: (01323) 415253 matt.hitchen@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-----------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Portfolio progress and performance report quarter 4 - 2020-2021</p> <p>to update Members on the Council's performance against corporate plan priority actions, performance indicators and targets over the quarter 4 2020/21 period.</p> <p>(Lead Cabinet member: Councillor Chris Collier)</p> | All Wards | Key | Cabinet | 8 Jul 2021 | Open | Policy and Performance Advisory Committee | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Millie McDevitt, Performance and Programmes Lead Tel: 01273 085637 millie.mcdevitt@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
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| <p>Finance update - performance quarter 4 - 2020-2021</p> <p>To provide an update on the Council's financial performance, revenue budgets and capital programme to the end of quarter 4 2020/2021 and explain the impact on the current financial position.</p> <p>End of year outturn will be presented as separate report.</p> <p>(Lead Cabinet member: Councillor Zoe Nicholson)</p> | All Wards | Key | Cabinet | 8 Jul 2021 | Part exempt Exempt information reason: 3 | Audit and Standards Committee | Report | <p>Chief Finance Officer (Homira Javadi)</p> <p>Andrew Clarke, Deputy Chief Finance Officer (Financial Planning) Tel: 01323 415691 andrew.clarke@lewes-eastbourne.gov.uk</p> <p>Ola Owolabi, Deputy Chief Finance Officer (Corporate Finance) ola.owolabi@lewes-eastbourne.gov.uk</p> |

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| Revenue & Capital Outturn - 2020/21 (Lead Cabinet member: Councillor Zoe Nicholson) | All Wards | Key | Cabinet | 8 Jul 2021 | Part exempt Exempt information reason: 3 | Audit and Standards Committee | Report | Chief Finance Officer (Homira Javadi) Andrew Clarke, Deputy Chief Finance Officer (Financial Planning) Tel: 01323 415691 andrew.clarke@lewes-eastbourne.gov.uk |
| Annual treasury management report To report on the activities and performance of the Treasury Management service during 2020/21. (Lead Cabinet member: Councillor Zoe Nicholson) | All Wards | Budget and policy framework | Cabinet Full Council | 8 Jul 2021 15 Jul 2021 | Open | Not applicable | Report | Chief Finance Officer (Homira Javadi) Ola Owolabi, Deputy Chief Finance Officer (Corporate Finance) ola.owolabi@lewes-eastbourne.gov.uk |

Forthcoming decisions

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| <p>Community Grants Prospectus</p> <p>For Cabinet to approve the grant priorities and prospectus for 2022/23. (Lead Cabinet member: Councillor Johnny Denis)</p> | All Wards | Key | Cabinet | 8 Jul 2021 | Part exempt Exempt information reason: 3 | Tenants of Lewes District Policy and Performance Advisory Committee (if requested) | Report | Director of Regeneration and Planning (Ian Fitzpatrick) Seanne Sweeney, Strategy and Commissioning Lead for Community and Partnerships seanne.sweeney@lewes-eastbourne.gov.uk |

Forthcoming decisions

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| <p>Housing development update</p> <p>The report will provide introductions or updates on a number of housing development projects across Lewes that the District Council is proposing to develop.</p> <p>(Lead Cabinet member: Councillor William Meyer)</p> | All Wards | Key | Cabinet | 8 Jul 2021 | Part exempt Exempt information reason: 3 | Policy and Performance Advisory Committee (if requested) | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Leighton Rowe, Development Project Manager Tel: 01323 415367 Leighton.rowe@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

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| <p>Investing in Green Energy Initiatives-update</p> <p>Update report on local solar farm project and next steps</p> <p>(Lead Cabinet member: Councillor Matthew Bird, Councillor Zoe Nicholson)</p> | All Wards | Key | Cabinet | 8 Jul 2021 | Fully exempt Exempt information reason: 3 | Policy and Performance Advisory Committee (if requested) | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Kate Richardson, Strategy and Partnership Lead for Sustainability kate.richardson@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

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| <p>Re-imagining Newhaven</p> <p>Update on Future High Streets Fund project, including:</p> <ul style="list-style-type: none"> • Confirmation of funding award • Programme progress and anticipated timescales <p>(Lead Cabinet member: Councillor James MacCleary)</p> | All Wards | Non-Key | Cabinet | 8 Jul 2021 | Fully exempt Exempt information reason: 3 | <p>Briefings have been provided via updates to Newhaven Councillors, Informal Cabinet, the Enterprise Zone Strategic Board and the Newhaven Town Deal Board.</p> <p>Policy and Performance Advisory Committee (if requested).</p> | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Peter Sharp, Head of Regeneration Tel: 01273 085044 Peter.Sharp@lewes-eastbourne.gov.uk</p> |

Forthcoming decisions

| Title, description and lead cabinet member: | Ward(s): | Decision type: | Decision maker: | Expected date of decision: | Expected exemption class: (Exempt information reason as defined by Part 1 of Schedule 12A of the Local Government Act 1972 (as amended)) | Consultation arrangements proposed or undertaken (where known): | Documents to be submitted: | Lead Chief Officer/ Contact Officer: |
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| <p>Recovery and reset programme</p> <p>This report will update on progress with the R&R programme and detail Covid-19 impact on leisure and recreational facilities.</p> <p>(Lead Cabinet members: Councillor Zoe Nicholson, Councillor James MacCleary)</p> | All Wards | Key | Cabinet | 23 Sep 2021 | Open | As detailed in the report. | Report | <p>Chief Executive (Robert Cottrill)</p> <p>Jo Harper, Head of Business Planning and Performance Tel: 01273 484049 jo.harper@lewes-eastbourne.gov.uk</p> <p>Lee Banner, Transformation Programme Manager Tel: 01323 415763 lee.banner@lewes-eastbourne.gov.uk</p> |

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| <p>Finance update - performance quarter 1 - 2021-2022</p> <p>to provide an update on the Council's financial performance, revenue budgets and capital programme to the end of quarter 1 2021/2022 and explain the impact on the current financial position.</p> <p>(Lead Cabinet member: Councillor Zoe Nicholson)</p> | All Wards | Key | Cabinet | 23 Sep 2021 | Open | Audit and Standards Committee | Report | <p>Chief Finance Officer (Homira Javadi)</p> <p>Andrew Clarke, Deputy Chief Finance Officer (Financial Planning) Tel: 01323 415691 andrew.clarke@lewes-eastbourne.gov.uk</p> <p>Ola Owolabi, Deputy Chief Finance Officer (Corporate Finance) ola.owolabi@lewes-eastbourne.gov.uk</p> |

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| <p>Portfolio progress and performance report quarter 1 - 2021-2022</p> <p>To update Members on the Council's performance against corporate plan priority actions, performance indicators and targets over the quarter 1 2021/22 period.</p> <p>(Lead Cabinet member: Councillor Chris Collier)</p> | All Wards | Key | Cabinet | 23 Sep 2021 | Open | Policy and Performance Advisory Committee | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Millie McDevitt, Performance and Programmes Lead Tel: 01273 085637 millie.mcdevitt@lewes-eastbourne.gov.uk</p> |

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| <p>Corporate Plan- Review of year 1 achievements</p> <p>Review and summary of achievements achieved in year 1 of the Corporate Plan 2020-24.</p> <p>(Lead Cabinet member: Councillor Chris Collier, Councillor Zoe Nicholson)</p> | All Wards | Key | Cabinet | 23 Sep 2021 | Open | Policy and Performance Advisory Committee | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Millie McDevitt, Performance and Programmes Lead Tel: 01273 085637 millie.mcdevitt@lewes-eastbourne.gov.uk</p> |
| <p>Medium term financial strategy</p> <p>To consider and approve the council's medium term financial strategy.</p> <p>(Lead Cabinet member: Councillor Zoe Nicholson)</p> | All Wards | Key | Cabinet | 23 Sep 2021 | Open | Consultation be undertaken as part of a wider consultation on the council's budget later in the year. | Report | <p>Chief Finance Officer (Homira Javadi)</p> <p>Andrew Clarke, Deputy Chief Finance Officer (Financial Planning) Tel: 01323 415691 andrew.clarke@lewes-eastbourne.gov.uk</p> |

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| <p>Asset Management Plan</p> <p>To agree the strategy and approach to all of our assets over the next four years.</p> <p>(Lead Cabinet member: Councillor Zoe Nicholson)</p> | All Wards | Key | Cabinet | 23 Sep 2021 | Open | Policy and Performance Advisory Committee to receive report if requested. | Report | <p>Director of Regeneration and Planning (Ian Fitzpatrick)</p> <p>Mark Langridge Kemp, Head of Property, Delivery and Compliance Tel: 07900 057102 mark.langridge-kemp@eastbourne.gov.uk</p> |

Explanatory Note

The Council is required to publish information about all key decisions at least 28 days in advance of the decision being taken.

This plan is a list of the decisions likely to be taken over the coming four months. The list is not exhaustive as not all decisions are known that far in advance. The Plan is updated and re-published monthly.

The forward plan shows details of key decisions intended to be taken by the Cabinet and Chief Officers under their delegated powers.

The plan shows:-

- the subject of the decisions
- what wards are affected
- the decision type
- who will make the decision
- when those decisions will be made
- expected exemption class (open, part exempt or fully exempt.)
- what the consultation arrangements are
- what documents relating to those decisions will be available
- who you can contact about the decision and how to obtain copies of those documents referred to in the plan

What is a key decision?

"Key decisions" relate to a decision, which is likely:-

(1) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates; or

(2) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the Council's area.

What is budget and policy framework?

When a decision is marked as "budget and policy framework", it requires the approval of Full Council.

Confidential and exempt information

From time to time, the forward plan will indicate matters (or part thereof) which may need to be considered in private, during which time the press and public will be excluded. This is in accordance with the provisions of Regulation 5(2) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Any representations that such matters should not be considered in private should be sent to the contact officer.

Information given to the Council by a Government Department on terms which forbid its disclosure to the public, information which cannot be publicly disclosed by a Court Order and information, the disclosure of which is prohibited by an enactment are all legally defined as “Confidential Information” and must not be disclosed. All other local authority information which it is desired should not be disclosed has to be categorised under one or more of the following “Exempt Information” reasons (as given under Schedule 12A of the Local Government Act 1972) and subject to the public interest test.

| Category | Condition No. |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| 1. Information relating to any individual. | See conditions 9 and 10 below. |
| 2. Information which is likely to reveal the identity of an individual. | See conditions 9 and 10 below. |
| 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information). | See conditions 8, 9, 10 and 12 below. |
| 4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority. | See conditions 9, 10, 11 and 12 below. |
| 5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. | See conditions 9 and 10 below. |
| 6. Information which reveals that the authority proposes— (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment. | See conditions 9, 10 and 12 below. |
| 7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime. | See conditions 9 and 10 below. |

| Conditions |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8. Information is not exempt information if it is required to be registered under: (a) the Companies Acts (as defined in section 2 of the Companies Act 2006); (b) the Friendly Societies Act 1974; (c) the Friendly Societies Act 1992; (d) the Industrial and Provident Societies Acts 1965 to 1978; (e) the Building Societies Act 1986; or (f) the Charities Act 1993. |

“Financial or business affairs” includes contemplated as well as past or current activities.

9. Information is not exempt information if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to regulation 3 of the Town and Country Planning General Regulations 1992.

10. Information which:

(a) falls within any of paragraphs 1 to 7 above; and

(b) is not prevented from being exempt by virtue of paragraph 8 or 9 above, is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

11. “Labour relations matter” means:

(a) any of the matters specified in paragraphs (a) to (g) of section 218(1) of the Trade Union and Labour Relations (Consolidation) Act 1992 (matters which may be the subject of a trade dispute, within the meaning of that Act); or

(b) any dispute about a matter falling within paragraph (a) above;

and for the purposes of this definition the enactments mentioned in paragraph (a) above, with the necessary modifications, shall apply in relation to office-holders under the authority as they apply in relation to employees of the authority;

“Office-holder”, in relation to the authority, means the holder of any paid office appointments to which are or may be made or confirmed by the authority or by any joint board on which the authority is represented or by any person who holds any such office or is an employee of the authority.

“Employee” means a person employed under a contract of service.

12. “The authority” is a reference to the council or a committee or sub-committee of the council or a joint committee of more than one council.

Further information

The plan is available for inspection, free of charge upon request from Reception at the Council Offices at Southover House, Southover Road, Lewes between 9.00am and 5.00pm on Monday to Friday; Saxon House, Meeching Road, Newhaven between 10.00am and 2.00pm on Monday to Friday; the Tourist Information Centre at 37 Church Street, Seaford between 9.00am and 4.45pm on Monday to Friday and the Information Office, Meridian Centre, Peacehaven between 9.00am and 4.00pm on Monday to Friday and 9.00am to 12.00noon on Saturday, [Council website: http://www.lewes-eastbourne.gov.uk/councillors-committees-and-meetings/cabinet-and-committees/](http://www.lewes-eastbourne.gov.uk/councillors-committees-and-meetings/cabinet-and-committees/)

If you have any questions about the Forward Plan please contact Simon Russell, Head of Democratic Services, on (01323) 415021, or e-mail simon.russell@lewes-eastbourne.gov.uk

Policy and Performance Advisory Committee Work Programme 2021/2022

| Subject | Lead Officer | Date of meeting |
|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Local Council Tax Reduction Scheme 2022/23 | Bill McCafferty, Revenues and Benefits Manager bill.mccafferty@lewes-eastbourne.gov.uk | 3 June 2021 |
| Recovery and Reset Programme | Jo Harper, Head of Business Planning and Performance jo.harper@lewes-eastbourne.gov.uk | 3 June 2021 |
| Community Wealth Building | Jo Harper, Head of Business Planning and Performance jo.harper@lewes-eastbourne.gov.uk | 3 June 2021 |
| Lewes Biodiversity Strategy | Jane Goodall, Strategy and Partnership Lead, Quality Environment, jane.Goodall@lewes-eastbourne.gov.uk | 3 June 2021 |
| Local Plan Issues and Options Consultation | Matt Hitchen, Senior Planning Policy Officer matt.hitchen@lewes-eastbourne.gov.uk | 3 June 2021 |
| Update to the Local Validation List (Information required to support/accompany planning applications) | Leigh Palmer, Head of Planning First leigh.palmer@lewes-eastbourne.gov.uk | 3 June 2021 |
| Portfolio progress and performance report quarter 4 - 2020-2021 | Millie McDevitt, Organisational Effectiveness and Performance Lead millie.mcdevitt@lewes-eastbourne.gov.uk | 30 June 2021 |
| Investing in Green Energy Initiatives | Kate Richardson, | 30 June 2021 |

Policy and Performance Advisory Committee Work Programme 2021/2022

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| Annual treasury management report 2020-21 | Ola Owolabi, Deputy Chief Finance Officer ola.owolabi@lewes-eastbourne.gov.uk | 30 June 2021 |
| Revenue and Capital Outturn report 2020-21 | Andrew Clarke, Deputy Chief Finance Officer Andrew.Clarke@lewes-eastbourne.gov.uk | 30 June 2021 |
| Re-imagining Newhaven | Peter Sharp, Head of Regeneration peter.sharp@lewes-eastbourne.gov.uk | 30 June 2021 |
| Community Grants Policy | Seanne Sweeney, Strategy and Commissioning Lead for Community and Partnerships seanne.sweeney@lewes-eastbourne.gov.uk | 30 June 2021 |
| Housing Development Update | Leighton Rowe, Development Project Manager Leighton.rowe@lewes-eastbourne.gov.uk | 30 June 2021 |
| | | |
| Update on the Waste Service | Neighbourhood First (tbc) | 16 September 2021 |
| Update on the initial phase of the Local Plan | Leigh Palmer, Head of Planning leigh.palmer@lewes-eastbourne.gov.uk | 16 September 2021 |
| Recovery and Reset Programme | Jo Harper, Head of Business Planning and Performance jo.harper@lewes-eastbourne.gov.uk | 16 September 2021 |
| Portfolio progress and performance report quarter 1 - 2021-2022 | Millie McDevitt, Organisational Effectiveness and Performance Lead millie.mcdevitt@lewes-eastbourne.gov.uk | 16 September 2021 |
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Policy and Performance Advisory Committee Work Programme 2021/2022

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| Recovery and Reset Programme | Jo Harper, Head of Business Planning and Performance jo.harper@lewes-eastbourne.gov.uk | 4 November 2021 |
| Chair of Lewes District Council's Civic Programme | Caroline Hanlon, Civic and Member Services Officer, caroline.hanlon@lewes-eastbourne.gov.uk | 4 November 2021 |
| | | |
| Recovery and Reset Programme | Jo Harper, Head of Business Planning and Performance jo.harper@lewes-eastbourne.gov.uk | 2 December 2021 |
| Portfolio progress and performance report quarter 2 - 2021-2022 | Millie McDevitt, Organisational Effectiveness and Performance Lead millie.mcdevitt@lewes-eastbourne.gov.uk | 2 December 2021 |
| Draft Budget Update | Andrew Clarke, Deputy Chief Finance Officer Andrew.Clarke@lewes-eastbourne.gov.uk | 2 December 2021 |
| Local council tax reduction scheme | Bill McCafferty, Revenues and Benefits Manager, bill.mccafferty@leweseastbourne.gov.uk | 2 December 2021 |
| | | |
| Recovery and Reset Programme | Jo Harper, Head of Business Planning and Performance jo.harper@lewes-eastbourne.gov.uk | 27 January 2022 |
| Portfolio progress and performance report quarter 3 - 2021-2022 | Millie McDevitt, Organisational Effectiveness and Performance Lead millie.mcdevitt@lewes-eastbourne.gov.uk | 27 January 2022 |

Policy and Performance Advisory Committee Work Programme 2021/2022

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|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Voluntary Sector Report | Seanne Sweeney, Strategy & Corporate Projects Officer seanne.sweeney@lewes-eastbourne.gov.uk | 27 January 2022 |
| Annual Lewes District Community Safety Partnership Report. | Oliver Jones, Strategy & Partnerships Lead oliver.jones@lewes-eastbourne.gov.uk | 27 January 2022 |
| General Fund Revenue Budget 2021/22, Capital Programme | Andrew Clarke, Deputy Chief Finance Officer andrew.clarke@lewes-eastbourne.gov.uk | 27 January 2022 |
| Housing Revenue Account (HRA) Revenue Budget and Rent Setting 2021/22 and HRA Capital Programme 2020-24 | Andrew Clarke, Deputy Chief Finance Officer andrew.clarke@lewes-eastbourne.gov.uk | 27 January 2022 |
| Treasury Management and Prudential Indicators 2021/22, Capital Strategy & Investment Strategy | Ola Owolabi, Deputy Chief Finance Officer, Ola.Owolabi@lewes-eastbourne.gov.uk | 27 January 2022 |
| Fees and charges (part exempt) | Ola Owolabi, Deputy Chief Finance Officer ola.owolabi@lewes-eastbourne.gov.uk | 27 January 2022 |
| | | |
| Recovery and Reset Programme | Jo Harper, Head of Business Planning and Performance jo.harper@lewes-eastbourne.gov.uk | 17 March 2022 |

Standing Items at all meetings of the Committee

- Forward Plan of Decisions
- Policy and Performance Advisory Committee Work Programme



Lewes District Council

Policy and Performance Advisory Committee Work Programme 2021/2022

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