

Cabinet

22 September 2022



Lewes District Council

Time and venue:

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

Membership:

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

Quorum: 4

Published: Wednesday, 14 September 2022

Agenda

1 Minutes of the meeting held on 7 July 2022 (Pages 5 - 12)

2 Apologies for absence

3 Declarations of interest

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

4 Urgent items

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

5 Public question time

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

6 Written question from councillors

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

7 Matters referred to the Cabinet

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

None.

8 Portfolio progress and performance report quarter 1 - 2022-2023 (Pages 13 - 26)

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

9 Finance update - performance quarter 1 - 2022-2023 (Pages 27 - 40)

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

10 Lewes District Council Cost of Living Emergency Fund (Pages 41 - 48)

Report of Director of Service Delivery
Lead Cabinet member: Councillor Zoe Nicholson

11 Housing development update (Pages 49 - 54)

Report of Deputy Chief Executive and Director of Regeneration and Planning
Lead Cabinet member: Councillor William Meyer

(This report contains an exempt appendix. Any discussion of these must take place at item 13 following exclusion of the public.)

12 Exclusion of the public

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).

13 Housing development update - Exempt appendix 1 (Pages 55 - 56)

Report of Deputy Chief Executive and Director of Regeneration and Planning
Lead Cabinet member: Councillor William Meyer

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

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:

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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.

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Cabinet

Minutes of meeting held in Ditchling and Telscombe Rooms at Southover House, Southover Road, Lewes, BN7 1AB on 7 July 2022 at 2.30 pm.

Present:

Councillor Zoe Nicholson (Chair).

Councillors James MacCleary (Vice-Chair), Matthew Bird, Julie Carr, Chris Collier, Johnny Denis, Stephen Gauntlett, William Meyer and Ruth O'Keeffe.

Officers in attendance:

Robert Cottrill (Chief Executive), Homira Javadi (Chief Finance Officer), Ian Fitzpatrick (Deputy Chief Executive and Director of Regeneration and Planning), Tim Whelan (Director of Service Delivery), Becky Cooke (Assistant Director for Human Resources and Transformation), Bryn Mabey (Customer, Communications and Engagement Lead), Ola Owolabi (Deputy Chief Finance Officer (Corporate Finance)), Leigh Palmer (Head of Planning First), Simon Russell (Head of Democratic Services), Peter Sharp (Head of Regeneration), Kate Slattery (Solicitor) and Seanne Sweeney (Strategy and Commissioning Lead for Community and Partnerships).

Also in attendance:

Councillor Isabelle Linington (Leader of the Opposition).

6 Minutes of the meeting held on 9 June 2022

The minutes of the meeting held on 9 June 2022 were submitted and approved and the Chair was authorised to sign them as a correct record.

7 Apologies for absence

Apologies for absence were reported from visiting members Chair of Audit and Standards Committee, Councillor Julian Peterson and Chair of Policy and Performance Advisory Group Councillor Liz Boorman.

8 Declarations of interest

Councillor Collier declared a personal and prejudicial interest in agenda item 13 (Recommendations for Community Infrastructure Levy Spending) as a Peacehaven Town Councillor. He did not speak or vote on the item.

Councillor Carr declared a personal interest in agenda item 13 (Recommendations for Community Infrastructure Levy Spending) as a trustee of Denton Community Garden. She remained in the room, spoke, and voted on the item.

9 Cost of Living Crisis

The Cabinet considered the report of the Deputy Chief Executive and the Director of Regeneration and Planning, providing an update on measures taken and seeking agreement to a range of measures to support local people struggling due to the cost-of-living crisis.

The Policy and Performance Advisory Committee (PPAC) at its meeting on 29 June 2022, made the following recommendation to Cabinet:

To support the officer recommendations in the Cabinet report, subject to the following amended recommendation being considered by the Cabinet:

(2) To approve that up to £250k be allocated from the newly created Cost of Living Support Earmarked Reserve, to establish a cost of living crisis fund along with officer time for its administration.

Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion and comment on behalf of the Conservative Group.

In response to a question from Councillor Linington, Councillor Nicholson advised that a report would be presented to September's Cabinet, outlining how the previously earmarked £500,000 to support households would be distributed. It was also previously agreed that the Opposition Group would be consulted as part of setting the criteria for the allocation process.

Debbie Twitchen, Tenants Representative and Stef Lake, Lewes District Food Partnership spoke in support of the report and officer recommendations.

Following discussion, the Cabinet unanimously agreed to accept PPAC's recommendation and amend resolution (2), and this was reflected below.

Resolved (Key decision):

(1) To note the initiatives undertaken to date to support those in need.

(2) To approve that up to £250k be allocated from the newly created Cost of Living Support Earmarked Reserve, to establish a cost of living crisis fund along with officer time for its administration.

(3) To agree that the Deputy Chief Executive be given delegated authority to allocate the cost of living crisis fund in consultation with the Leader.

Reason for decisions:

To help support those worst affected by the cost of living crisis.

10 Portfolio progress and performance report quarter 4 - 2021-2022

The Cabinet considered the report of the Deputy Chief Executive and the Director of Regeneration and Planning, considering the council's progress and performance in respect of service areas for the fourth quarter of the year (January – March 2022), as shown at Appendix 1 to the report.

The Director of Service Delivery reported on the key performance indicators that met or were above the set target for the year including the average number of days to process claims for housing/council tax benefit and change of circumstances. He also clarified the commentary and circumstances around the housing KPI's that were below the target set and progress that had been made.

Policy and Performance Advisory Committee (PPAC), held on 29 June 2022 considered the report and were supportive of the officer recommendation in full. Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion.

Resolved (Non-key decision):

To note progress and performance for Quarter 4.

Reason for recommendation:

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

11 Provisional Revenue and Capital Outturn 2021/22

The Cabinet considered the report of the Chief Finance Officer, updating them on the provisional outturn for 2021/22.

Policy and Performance Advisory Committee (PPAC), held on 29 June 2022 considered the report and were supportive of the officer recommendations in full. Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion.

To reflect the amended Cabinet resolution (2) in respect of agenda item 8 (Cost of Living Crisis) and the allocation of £250k to the newly created Cost of Living Support Earmarked Reserve, the Cabinet unanimously agreed to amend officer recommendation (2), and this was reflected below.

Resolved (Key decision):

(1) To note the provisional outturn for 2021/22.

(2) To approve the recommended transfers to the general fund unallocated and

earmarked reserves as presented in section 3 of the report and to delegate authority to the Chief Finance Officer, in consultation with the Cabinet member for finance and assets to make the necessary adjustments to reflect the amended allocation of £250k to the newly created Cost of Living Support Earmarked Reserve.

(3) To approve the transfers to HRA reserves.

Reason for decisions:

To enable Cabinet members to consider specific aspects of the Council's financial performance for 2021/22.

12 Treasury Management Annual Report 2021/22

The Cabinet considered the report of the Chief Finance Officer, presenting the annual treasury management report for 2021/22.

Policy and Performance Advisory Committee (PPAC), held on 29 June 2022 considered the report and were supportive of the officer recommendations in full. Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion.

Audit and Standards Committee, held on 4 July 2022 considered the report and were supportive of the officer recommendations in full.

Officers were commended for their work in finding areas to invest council finances that supported the Sustainable Development Goals.

Recommended to Full Council (Budget and policy framework):

(1) To agree the Annual Treasury Management report for 2021/22.

(2) To approve the 2021/22 Prudential and Treasury Indicators included in the report.

Reason for decisions:

Requirement of CIPFA Treasury Management in the Public Sector Code of Practice (the Code) and this must be reported to Full Council.

13 Reimagining Newhaven - Project Update

The Cabinet considered the report of the Deputy Chief Executive and the Director of Regeneration and Planning, providing an update on the progress of the Reimagining Newhaven programme.

Duncan Kerr, Chief Executive for Wave Leisure Trust Ltd was in attendance and addressed Cabinet in support of the recommendations.

Policy and Performance Advisory Committee (PPAC), held on 29 June 2022 considered the report and were supportive of the officer recommendations in full. Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion and views of the Conservative Group, who were also supportive of the proposals.

Following a comment from Councillor Linington, Councillor Nicholson advised that the Council was committed to support NHS Partners in providing facilities where possible, which included the Dane Road site at Seaford. The Council was currently awaiting a response from the Clinical Commissioning Groups (CCG) on Seaford.

As it was their last meeting of Cabinet before leaving the Council, the Cabinet paid tribute to Peter Sharp for all his work and support that had achieved so much for the Council, including bringing in millions of investment into Lewes District and wished him well in his future endeavours.

Resolved (Non-key decision):

- (1) To note the progress of the Reimagining Newhaven programme.
- (2) To approve the development of an updated business case, to incorporate a Newhaven health and wellbeing hub alongside the existing programme interventions.
- (3) To delegate authority to the Director of Regeneration and Planning, in consultation with the Lead Members for Regeneration & Prosperity and Finance & Assets, also including the Chief Finance Officer, to develop and submit an updated business case to government as a formal change request to the programme, including the completion and execution of all necessary documentation.

Reason for decisions:

To drive forward the Reimagining Newhaven programme in delivering interventions that continue to best serve the town and the wider community, in the context of the changing landscape and current operating environment.

14 Recommendations for Community Infrastructure Levy Spending

The Cabinet considered the report of the Deputy Chief Executive and the Director of Regeneration and Planning, seeking their approval to release Community Infrastructure Levy (CIL) funds, as recommended by the CIL Executive Board, to assist in the delivery of certain infrastructure projects required to support development in the district.

In presenting the report, Councillor Gauntlett drew attention to a small amendment in section 2.8 of the report and advised that the project

descriptions for Barcombe Parish Council and Hamsey Parish Council needed to be swapped, however there was no alteration to the amount allocated.

Policy and Performance Advisory Committee (PPAC), held on 29 June 2022 considered the report and were supportive of the officer recommendation in full. Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion.

Councillor Collier declared a personal and prejudicial interest in this item as a Peacehaven Town Councillor. He did not speak or vote on the item.

Councillor Carr declared a personal interest in this item as a trustee of Denton Community Garden. She remained in the room, spoke, and voted on the item.

Resolved (Key decision):

To agree the release of funds from the CIL governance pots as recommended by the CIL Executive Board.

Reason for decision:

To support the delivery of the right level and type of infrastructure to support the growth identified for the local planning authority in the adopted Joint Core Strategy.

15 Methodology for collecting monitoring fees in connection with the compliance with S106 Legal Agreements

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, seeking their approval to implement a regime S106 monitoring and apply monitoring fees in accordance with details contained within the report.

Policy and Performance Advisory Committee (PPAC), held on 29 June 2022 considered the report and were supportive of the officer recommendation in full. Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion.

Resolved (Non-key decision):

To authorise the incorporation of S106 Monitoring fees.

Reason for decision:

The proposal to implement a suite of charges to support the staffing resource in the monitoring and compliance of approved S106 Legal Agreement.

16 Revised Planning Pre-Application Charging Schedule

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, seeking their approval to implement an updated discretionary fee setting regime.

Policy and Performance Advisory Committee (PPAC), held on 29 June 2022 considered the report and were supportive of the officer recommendation in full. Councillor Linington, Vice-Chair of Policy and Performance Advisory Committee and Leader of the Opposition, was in attendance to present PPAC's discussion and views of the Conservative Group.

Resolved (Non-key decision):

That Cabinet authorise the use of the updated discretionary fee charging schedule.

Reason for decision:

The proposal to implement a suite of charges to support the staffing resource in connection with delivering the

1. pre-application process
2. planning Performance Agreement (PPA)
3. Validation Process
4. CIL Process
5. Local Plan Charges
6. Additional charges

17 Message of thanks

As this was their last Cabinet meeting as Leader for the administration, Councillor Zoe Nicholson expressed thanks to officers and Cabinet colleagues for their work and support over the past year. Councillor Linington was also thanked for her constructive comments and challenges of the administration.

The meeting ended at 3.44 pm

Councillor Zoe Nicholson (Chair)

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Agenda Item 8

Report to:	Cabinet
Date:	22 September 2022
Title:	Portfolio progress and performance report 2022/23 - Quarter 1
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 service areas for the First Quarter of the year (April-June 2022) as shown in Appendix 1
Decision type:	Non-key
Officer recommendation(s):	To note progress and performance for Quarter 1 2022/23
Reasons for recommendations:	To enable Cabinet members to consider specific aspects of the council's progress and performance
Contact Officer(s):	Luke Dreeling: Performance Lead Tel: 07525 351757 or email: luke.dreeling@lewes-eastbourne.gov.uk

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 Corporate Plan and council policies

- 2.1 This report sets out the council's performance in the First Quarter of 2022/23 against its aspirations as set out in the Corporate Plan 2020-24. As was agreed previously by Cabinet, the report also provides a summary of work to date relating to the Recovery and Reset programme.

3 Recovery and Reset

3.1 Since the Recovery and Reset programme commenced in 2020, considerable benefits have been delivered in pursuit of the overall aims. In addition to those previously reported to Cabinet, the benefits delivered include:

- Work to implement new technology to automate a range of transactional processes within Customer First went live in early March 2022. A new generation chat bot was implemented on the council's website and, in its first six months of operation, has performed well:
 - The bot has responded to over 30,000 queries from residents, with 21% of the responses being provided out of hours.
 - The system is currently operating at a 93% accuracy rate when compared with a fully-trained member of staff – this is above average performance at this stage of the bot's development and will continue to improve as lessons are learned.
 - Livechat (real time, web-enabled staff discussions with customers) volumes have reduced by approximately 75% as a result of the bot answering customer enquiries.

The next phase of the project is to implement the chat bot on the contact centre phone line, and the goal is that, over time, it will reduce the volumes of queries into the contact centre, enabling the team to provide more in-depth support to those customers in the greatest need and to focus on more value-adding activity.

- The project to implement a new revenues and benefits system continues to progress well beyond the decision, last year, to purchase the NPS system from NEC. Significant work is underway to implement the system in 2023 (working around the peak period of year-end related activity).
- The project to explore options for the identification of a single system to manage environmental health and licensing activity recently identified IDOX as the preferred supplier. The project will move into its implementation phase once the commercial discussions to finalise the terms of the contract are completed.
- As the council's website was launched nearly 5 years ago, a project is launching to explore the latest technology to support better online delivery of services to and engagement with customers. The timeline to replace the website will be confirmed once resources to lead the activity are appointed.
- A review of internal communications is currently underway and progressing well. A survey seeking the views and opinions of all staff recently closed and analysis of the results will inform a new Internal Communications Strategy.

4 Solution Sprints

4.1 The council made use of solutions sprints (SS) prior to the Covid-19 pandemic as a way of realising service and performance improvements. Work is underway to relaunch SS and activity this Quarter has included:

- liaising with lead councillors to understand their ideas and aspirations for SS,
- engaging with representatives from the Managers' Reference and Staff Experience Groups to understand what worked well and less well with previous SS and seeking their ideas for improvements,

- Bringing together performance data with feedback received from customers within the Business Transformation Unit to identify additional areas of search for the refreshed SS.

Over the next Quarter, the process for relaunching SS will be finalised and the new approach will be piloted.

5 Financial appraisal

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

6 Legal implications

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

7 Risk management implications

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

8 Equality analysis









- 8.1 The equality implications of individual decisions relating to the projects/services covered in this report are addressed within other relevant council reports or as part of programmed equality analysis.

9 Appendices











- Appendix 1 – Portfolio Progress and Performance Report (Quarter 1 2022/23)
- Appendix 2 – Corporate Plan Progress Update



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Lewes District Council Portfolio Progress and Performance Report Quarter 1 2022-2023 (April to June 2022)









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	Annual Target 2022/23	Q4 2021/22	Q1 2022/23				Latest Note
		Value	Value	Target	Status	Short Trend	
1.(Finance) Maximise amount of Council Tax collected during the year	97.80%	97.41%	29.45%	29.60%			Collection is 0.15% below target and is only 0.03% down on the same period last year. The number of reminder and final notices issue this year is comparable to the same period last year which suggests that by increasing the level of support from 80% to 100% through the Council Tax Reduction Scheme it has helped to support the most vulnerable residents through the cost of living crisis so far. Work continues to lessen the impact that the cost of living crisis is having on residents through the delivery of the Household Support Fund and Council Tax Energy Rebate Schemes. Q1 2021/22 value was 29.48%, for reference.
2.(Finance) Maximise amount of Business Rates collected during the year	98%	98.37%	37.56%	28.59%			The collection rate is 8.97% above target. The increase is due to the award of Covid Additional Relief Fund in the 2021/22 financial year to eligible businesses resulting in £1.9m in overpayments to 525 accounts which is the majority of the caseload. The credits have subsequently been transferred into the 2022/23 financial year on each account where the credit hasn't been claimed putting most businesses ahead of their current instalment plans. Q1 2021/22 value was 24.05%, for reference.
3.(Community and Customers) Average number of days to process new claims for housing/council tax benefit	17.0	12.1	23.5	17.0			The various government schemes that the team are having to administer, along with the need for staff to support the Contact Centre in answering calls, has led to the reduced performance. Performance has improved in July with the latest weekly outturn being 17.8 days.
4.(Community and Customers) Average days to process change of circumstances (Housing/Council Tax Benefit)	6.0	2.5	23.2	6.0			The large increase in the average number of days taken to process changes is mainly down to some rent change files we received from the Housing Association's not being actioned for several months. We have ensured claimants have not been disadvantaged in any way and have put processes in place to ensure this does not happen again.
5.(Community and Customers) Increase the percentage of calls to the contact centre	80%	37.9%	25.7%	80%			Customer contact experienced a challenging and demanding start to the new financial year where, like previous years, the first quarter saw high levels of contact where unfortunately we were unable to meet our KPIs.

KPI Description	Annual Target 2022/23	Q4 2021/22	Q1 2022/23				Latest Note
		Value	Value	Target	Status	Short Trend	
answered within 60 seconds							<p>Quarter 1 found us at 25.7% of all calls being answered within 60 Seconds – this was a 12.2% decrease from Quarter 4's 37.9%. The average wait time for a call is currently 7 minutes and 37 seconds.</p> <p>Although call volumes largely remained the same when compared to the previous Quarter, contact is of a more complex nature where Customer Advisors are spending longer on calls dealing with residents who are struggling financially due to the cost-of-living crisis. Advisors have been ensuring that all available information and resources are provided; this is both resources found internally within the Authorities, as well as signposting other 3rd party charities and organisations.</p> <p>In addition to this, due to how the recovery timetable and cycle works, the end of May and June can see some of the highest number of recovery reminders being sent out for Council Tax and Business Rates. With residents struggling with the rise in the cost of living, recovery action is generating more contact and of a complex nature as households find themselves struggling to keep up with instalments.</p> <p>During the 1st Quarter, we had 10 New starters join the team, in addition to those who were already in training. This has meant that although we are slowly reducing the overall number of vacancies, we are currently in a position where a large proportion of the team who are not covering other service areas other than phones, are currently paired and assisting with the training. This results in our trained and experienced staff not being able to work at full capacity in answering calls as they navigate and train New Starters on our systems and processes.</p> <p>Recruitment continues at pace within Customer Contact as we try and fill our remaining vacancies, where during Quarter 2 we will start to see our New Starters becoming more confident in their learning and handling contact themselves. Our focus remains on balancing the need to answer calls as quickly as possible, coupled with ensuring that all customers and residents receive the assistance they need and leave the call with as much information and support available.</p>
6.(Housing) Decrease total number of households living in emergency (nightly paid) accommodation	Data Only	48	48	Data only			The cost of living crisis has impacted the numbers negatively. In addition to this we have seen a large number of single older customers being asked to leave the private rented sector, due to landlords selling the properties.

Other Performance Indicators

KPI Description	Annual Target 2022/23	Q4 2021/22	Q1 2022/23			Latest Note	
		Value	Value	Quarterly Target	Status		Short Trend
7. Housing: Decrease average number of days to re-let Council homes (excluding temporary lets)	20	40.1	40.9	20			<p>There is a strong focus on Voids for this year; including an improvement plan following impact from Covid, as this has caused a backlog.</p> <p>Still issues present for some materials and the supply chain, which is being dealt with by Property Services.</p> <p>A review of the processes, housing register and hard to let voids in progress.</p> <p>In person visits are being re-introduced for moving out inspections and viewings now it is safe to do so.</p>
8. Housing: DFGs - Time taken from council receiving a fully complete application to the council approving the grant	14 days	4 days	3 days	14 days			<p>Performance remains above target, continuing a positive trend from 2021/22.</p>
9. Housing: Rent arrears of current tenants (expressed as a percentage of rent debit) (L)	3.5%	3.88%	3.72%	3.5%			<p>Rent arrears decreased overall by £42,218 since April and the team have worked hard to achieve this. We are currently exploring options with our rent arrears optimisation software supplier Mobysoft, at ways in which we can improve rent arrears collection through improved enhancements to software which will further reduce the arrears. Additional negotiation skills training will be delivered to the team in the coming months to enhance skill levels within the team.</p>
10. People and performance: Number of new sign-ups to the Councils' social media channels	650	336	280	162.5			<p>The number of new followers of the council's social media profiles continues to grow, with Q1 2022-23 being close to double the figure in the same period in the previous year.</p>

KPI Description	Annual Target 2022/23	Q4 2021/22	Q1 2022/23			Latest Note	
		Value	Value	Quarterly Target	Status		Short Trend
11. People and performance: Number of people registering for our email service	3,250	4,178	996	812.5			PI remains ahead of target
12. People and performance: Average days lost per FTE employee due to sickness (J)	8.0 days	2.27 days	1.62 days	2.0 days			<p>This is the first quarter of reporting average days lost due to sickness for 2022/23. Despite all previous pandemic restrictions having been lifted prior to the start of Q1, we recorded an average of just 1.62 days absence which is a fairly significant reduction from Q4 (2.27 days). Absences for Covid-19 (those staff reporting symptoms) for Q1 reduced by more than half from 85 in Q4 to 40 in Q1.</p> <p>The figure of 1.62 days for Q1 puts us on track to meet our annual target of 8 days per annum.</p> <p>Taking into account LDC Waste Services, when excluded, the Q1 figure reduces to 1.36 days and Waste Services on its own is 3.37 days, which again is a reduction from the previous quarter from 4.25 days in Q4 for Waste Services.</p> <p>HR Business Partners continue to support managers in managing any attendance issues that arise.</p>
13. Planning: % of appeals allowed against the authority's decision not to grant planning permission (2 year rolling government figures)	<10%	Major – 3.2% Minor – 1.2%	Major – 3.3% Minor – 0.9%	10%			<p>PI remains below the 10% National Performance Indicator.</p> <p>30 major applications decided 1 overturned at appeal 3.3%</p> <p>956 minor applications with 9 overturned at appeal resulting in a 0.9% achievement</p>
14. Planning: Exceed government targets for the % of major applications determined within 13 weeks - LDC	60%	100%	100%	60%			Above National PI
15. Planning: Exceed government targets for the % of minor	70%	80%	86.01%	80%			Remains above National PI

KPI Description	Annual Target 2022/23	Q4 2021/22	Q1 2022/23			Latest Note	
		Value	Value	Quarterly Target	Status		Short Trend
applications determined within 8 weeks- LDC							
16. Recycling & Waste: KG waste collected per household	Data Only	111.2	37.1	Data only			Holding figure from Q4 until data from ESCC comes in
17. Recycling & Waste: Percentage of household waste sent for reuse, recycling and composting	46%	40.47%	38.38%	46%			Holding figure until data from ESCC is available.
18. Recycling & Waste: Total number of reported fly-tipping incidents	180	99	68	45			Reported incidents breakdown: April 21, May 18 and June 29. Hotspot wards: Chailey, Barcombe & Hamsey, Ditchling & Westmeston and Ouse Valley & Ringmer. Primary waste types: Other household waste, Construction / demolition / excavation and Green Waste Top 3 by volume type: Small van load, Transit van load and Car boot load or less
19. Sustainability: Air Quality: Number of times nitrogen dioxide levels exceed national air quality objectives (200 µg/m3 hourly mean ave.)	18	0	0	4.5			We are currently in the process of updating our Air Quality Action Plan, during the process (Q3) we will propose a more accurate PI to represent air quality for Lewes District. The current PI is tracked on exceedances of an hourly standard with a maximum number of permitted exceedances (18) per annum measured only at one location in Lewes town currently (as opposed to the twenty four hour average per annum which is measured via our monitoring stations and our network of approximately 50 diffusion tubes across the district).

LDC 2022 Corporate Plan Progress Update

Getting it right first time

- Implemented our new **chatbot** on our website; to enable a hybrid approach to our customer service, maintaining our telephone and face to face offering. The Human Parity level of the chatbot, meaning the chatbot has understood and responded to the query, has been at **92.5%** since conception.
- New scheme working with *Cheeky Wipes* to provide vouchers for local parents to swap to reusable nappies and/or wipes; to reduce our waste.
- Website promotion of free alternatives to the bulky waste service for reusable items.
- We now have a **90-Minute service level agreement** to respond to queries via social media.
- Reintroduced **District News** to provide quarterly updates on the work the council has been doing in the community, offering insight into the strategic plans and desired outcomes for the administration.
- **Local Council Tax Reduction Scheme**, from April 2022, which targets those on the lowest incomes not paying council tax.

Sustainability and Climate Change

- Helped **181 households** install solar panels through the Solar Together Scheme plus approx. **50 households** included an EV charger quote.
- **£1937 granted** to assist the Love Our Ouse Project (for website work)
- Regionally there has been over **£2.2m awarded** to the East Sussex region, under the Sustainable Warmth scheme for retrofitting the homes of low income households.
- Waste fleet decarbonisation plan- Renewable diesel for all our fleet (not just waste but all N1st and other vehicles that fill up at Newhaven) from April 2023 has been agreed in June.
- Research continues to be done to investigate the use of ground source heat pumps.
- A new **Zero Carbon Community Worker**, has been employed to work with tenants to reduce our carbon footprint
- **£2,000 grant** to help fund Cycle Lewes's Low Traffic Neighbourhood Study
- Woodland and Hedgerows: We **planted >19,650 native shrubs/trees** as cross-slope hedgerows (3,745m) and floodplain woodland (0.14 ha). When mature we estimate that our new cross-slope hedgerows will help to store and slow down at least 11,235 m³ of water (11,235,000 L).
- Scrapes, pond and temporary flood storage: We have created a **network of seasonal scrapes and ponds** across the catchment which hold

approximately 1,023,650 L of floodwater, whilst providing important habitat for waders, amphibians and aquatic invertebrates.

- Leaky Dams: We have **constructed 286 leaky natural woody dams**, which hold back an estimated 286,000 L 2 of water per flood event.

Building Community Wealth

- LDC **acquired the headlease to the former UTC** (now to be called The Marine Workshops) in June 2022 in order to support the regeneration of Newhaven town. The building will be developed into a mixed hub supporting marine and education, commercial space and new public space. Work is continuing on developing the tenant occupation of the building and it is planned that the Council will relocate its main office space to the property by January 2023.
- We have recently let a number of **large contracts to local contractors** including Doors & Windows Replacement Programme, Roofing Replacement Programme and Kitchen & Bathrooms Replacement Programme, all for our Homes First Team.
- LDC designed and implemented a **brand new grants programme** which allowed broader support for a wider range of voluntary and community groups for the first time. Additionally, a unique fund has been created to support those fleeing the war in Ukraine. **In response to the Cost-of-Living Crisis**, LDC has created a specific fund and post to support the local voluntary sector as it works to support people impacted by food and fuel poverty.

Delivering Homes

- As of June 2022, estimates show, LDC are well on their way to **delivering the 200 new homes** (new build and acquisitions) by 2024.
- In addition to the council owned properties (stated above), **153 affordable units** have already been complete and **335 on site with target completions** before March 2024 (accurate at time of reporting). This would total 488 new affordable homes between March 2020 and March 2024 within the district.
- Updated and adopted a new set of design requirements that will set high standards for its new developments. In June 2022 Cabinet also approved the principles of this “**affordable homes design standard**”. Which encompasses our sustainability commitment: high thermal performing fabric elements, evaluation at concept for renewable energy sources and a review of existing stock has been done to identify lower performing properties.
- **Improved standards for adaptable housing** by targeting fully adaptable housing (M4-2 as defined by Building Control) where possible. These

properties are adaptable to suit the needs of a wide range of people and ensure tenants can stay in their homes as they grow older.

- Suitable sites have been identified and are being built to **disabled ready standards** to meet the specific needs of families with physical disabilities.

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Agenda Item 9

Report to:	Cabinet
Date:	22 September 2022
Title:	Finance update – Performance Quarter 1 2022/23
Report of:	Homira Javadi, Chief Finance Officer
Cabinet member:	Councillor Zoe Nicholson, Deputy Leader of Council, Cabinet Member for Finance and Assets
Ward(s):	All
Purpose of report:	To update members on the Council’s financial performance in Quarter 1 2022/23
Decision type:	Non-Key
Officer recommendation(s):	Cabinet is recommended to (1) Note the General Fund, HRA and Collection Fund financial performance for the quarter ended June 2022. (2) Note the capital programme as set out in Appendix 2.
Reasons for recommendations:	To enable Cabinet members to consider specific aspects of the Council’s financial performance.
Contact Officer(s):	Homira Javadi, Chief Finance Officer Tel: 01323 415512 or email Homira.Javadi@lewes-eastbourne.gov.uk

1 Introduction

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

1.3 The budget approved by Council in February 2022 was balanced over the medium term and was set based on a number of key assumptions including pay and cost inflation. Inflation had been calculated for premises and transport related costs including utilities, business rates and fuel based on latest market intelligence and CPI forecasts from Central Government. Whilst there were concerns about the rapidly rising levels of inflation, the advice at that time indicated a short term and sharp spike rise in inflation followed by a return to previously experienced levels by early spring.

The CPI has since nearly quadrupled which when coupled with the proportion of use and demand for consumables such as utilities, fuel, goods and services has created and continues to give rise to significant budgetary concerns.

UK CPI table

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2022	5.4%	6.1%	7.0%	9.0%	9.0%	9.4%	10.1%						
2021	0.7%	0.5%	0.7%	1.5%	2.1%	2.5%	2.0%	3.2%	3.0%	4.1%	5.1%	5.4%	2.6%
2020	1.8%	1.7%	1.5%	0.8%	0.6%	0.6%	1.1%	0.2%	0.6%	0.7%	0.4%	0.6%	0.9%

1.4 The Council operates Directorate cash limited budgets and Corporate Management Team/Directors are responsible for ensuring that appropriate action is taken to contain both revenue and capital spending in line with the directorate's overall budget limit. The challenges facing local residents as a result of the cost of living crisis are very real and very urgent. There has been a wave of authorities at every level that have revealed their budget plans are in pieces due to the huge spike in costs since April 2022 and authorities across the country are not immune to the national financial pressures while facing increasing demand and increasing cost pressures.

1.5 Various authorities are dealing with a very difficult set of circumstances currently and face a real challenge to balance the budget this year, while forecasting a significant overspend with the main causes being record inflation levels, soaring energy prices, pay deal for staff, etc. This is the reality for councils across the country at the moment and it has been widely reported that inflation, energy costs and other current challenges are predicted to lead to £2.4bn in extra cost pressures to councils this year alone, rising to £3.6bn in 2024-25.

1.6 Through the Priority Based Budgeting approach, each area of the Council's expenditure was scrutinised, and a range of budget reduction options prepared for members' consideration. Some of the proposals will deliver a level of budget reduction in the current financial year, whilst others will yield savings, or increased income generation, from 2022/23. The Council has a robust governance process for tracking delivery of agreed savings through the Recovery and Stabilisation Programme meetings, whilst work is still underway to assess developed savings plans.

2 General Fund

2.1 The projected out-turn for 2022/23 as advised by budget holders as of 30 June 2022 is an overspend of £108,060, as shown in table 1 below:

Summary Table:

Table 1: Summary of projected out-turn as at Quarter 1	Budget 2022-23	Actual & committed	Projected Outturn	Projected Variance at year end
	£	£	£	£
Corporate Services	4,919,850	(511,122)	4,921,200	1,350
Service Delivery	10,533,950	(2,482,542)	11,013,086	479,136
Regeneration and Planning	1,783,450	376,930	1,791,274	7,824
Tourism and Enterprise	508,950	218,700	478,700	(30,250)
Recharges to the Housing Revenue Account	(4,356,300)	0	(4,356,300)	0
Net Cost of Services	13,389,900	(2,398,034)	13,847,960	458,060
Other Operating Income & Expenditure	350,000	0	0	(350,000)
Capital Financing	550,000	73,326	550,000	0
Transfer to (from) reserves	841,000	0	841,000	0
Proposed transfer (from) reserves*(661,500)	0	0	0	0
Net Budget	15,130,900	(2,324,707)	15,238,960	108,060
			0	
Financing	(15,130,900)	0	(15,130,900)	0

2.2 Some of the provisions from 2021/22 were carried forward due to reprofiling and alignment of budget. Where applicable these have been incorporated into relevant budgets. These are for noting at this point and will be formerly updated as part of the mid-year revision and budget setting process.

2.3 The residual projected overspend of £108k is due to the anticipated impact of price inflation for energy costs and good and service.

2.4 Inflation is currently at over 10% and is expected to rise to over 13% by October 2022, fuel prices continue to be the main contributor to this. The bank of England has increased base rates to the highest they have been in over 13 years impacting the cost of borrowing and impacting mortgage interest rates.

2.5 The impact on consumer spending power, and bad debts is uncertain, however due to careful planning in 2021/22 we have been able to mitigate against this impact of inflation.

2.6 We afforded and set aside reserves as at 2021/22-year end to provide resilience and as a result we have been able to bring into position £661,500 of one of funds to support 2022/23 position, this could be offset by the plan to transfer to reserves £841k and further consideration will be proposed at the mid-year revision and budget setting. Regeneration will have the support of S31 grants and reserves set aside to fund activity in this year.

2.7 The budget includes savings targets of £1.2m, which have been deducted from the relevant service.

2.8 Key variances are set out in the following table:

2.9 Corporate Services slight overspend of £1,350:

Corporate Services	Budget 2022-23	Actual & committed	Projected Outturn	Projected Variance at year end
	£	£	£	£
Corporate Management	460,250	(414,687)	459,450	(800)
Emergency Planning	40,850	0	42,850	2,000
Financial Services Team	838,650	0	838,650	0
Internal Audit and Corporate Fraud	243,400	(56,450)	243,400	0
Corporate Finance	42,000	15,900	42,000	0
Corporate Finance - Pension Costs	70,400	10,946	70,400	0
Human Resources	343,950	(66,831)	343,950	0
Information Technology	1,760,150	0	1,760,300	150
Local Land Charges	(74,850)	0	(74,850)	0
Legal Services	397,900	0	397,900	0
Democratic Services	797,150	0	797,150	0
Recovery and Stabilisation	0	0	0	0
Corporate Services	4,919,850	(511,122)	4,921,200	1,350

There are small variances to budget that are manageable by the year end.

2.10 Service Delivery projected overspend of £479,136:

Service Delivery	Budget 2022-23	Actual & committed	Projected Outturn	Projected Variance at year end
	£	£	£	£
Customer First	200,100	(83,797)	255,265	55,165
Homes First	51,850	0	51,850	0
Specialist Advisors	397,700	(1,196,456)	580,553	182,853
Specialist Advisors	870,150	134,798	875,207	5,057
Specialist Advisors - Building Control	57,600	(158,453)	92,078	34,478
Specialist Advisors	20,000	0	20,000	0
Account Management	1,109,600	(251,180)	1,095,163	(14,437)
Case Management	(23,850)	28,767	(23,700)	150
Neighbourhood First	765,450	(216,079)	766,450	1,000
Customer Contact	943,450	(126,552)	925,291	(18,159)
Waste & Recycling	3,766,000	(21,494)	3,852,004	86,004
Homes First - Housing Property Services	786,150	0	786,150	0
Homes First - Neighbourhood Management	887,750	0	887,750	0
Homes First - Customer Experience	165,850	0	165,850	0
Homes First - Housing Needs & Standards	161,000	0	161,000	0
Homes First - Housing Needs and Standards	375,150	(592,097)	522,175	147,025
Service Delivery	10,533,950	(2,482,542)	11,013,086	479,136

Main variances include:

Customer First, £55k due to staff cost pressures

Specialist Advisors £182k. The majority £140k is due to shortfall in anticipated collection of overpayments for housing benefit payments & £42k of increased staff costs due to agency staff within regulatory services.

Building Control £34k due to anticipated reduced income receivable for inspection fees

Waste and Recycling £86k due to vehicle hire

Housing Needs & Standards £147k due to £85k of staff agency costs, £53k due to increased costs of accommodating the homeless and £9k for rough sleepers

2.11 Regeneration and Planning, projected overspend of £7,824:

Regeneration and Planning	Budget 2022-23	Actual & committed	Projected Outturn	Projected Variance at year end
	£	£	£	£
Estates & Property	(125,500)	39,601	(31,350)	94,150
Solar Panel Trading Account	(74,200)	17,780	(74,200)	0
Planning	531,300	(229,211)	647,773	116,473
Regeneration	529,700	222,985	326,901	(202,799)
North Street Properties	128,400	123,392	128,400	0
Business Planning & Performance	793,750	202,383	793,750	0
Regeneration and Planning	1,783,450	376,930	1,791,274	7,824

The service is anticipating a lot of pressures and the projected out-turn includes reserve movements of £661k to support it, the main variances are as follows:

Estates and Property £94k, this includes a proposed release of £50k from reserves for the marine workshop pending business case and review, £112k pressure for industrial vacant units, delayed letting of Lewes house £60k, £40k energy and telephone costs on Southover House, reduced parking income £121k, which is being offset by positive EBC staff recharge of £289k, overall, the budget and savings target need to be reviewed with the budget holder.

Planning variance of £116k include the local plan that is being developed, which is an investment required every 4 years that will be funded as one-off from £255k reserves to support this activity.

Regeneration underspend of £202k, this is net of £157k anticipated to be funded from reserves carried forward from last year. The £202k positive variance is an underspend on salaries and will need to be reviewed as part of revised budget and budget setting.

2.12 Tourism and Enterprise projected underspend of £30,300

Tourism and Enterprise	Budget 2022-23	Actual & committed	Projected Outturn	Projected Variance at year end
	£	£	£	£
Arts Development	5,900	(11,886)	3,700	(2,200)
Tourism	279,500	62,535	283,000	3,500
Leisure Centres and Swimming Pools	121,200	65,136	90,000	(31,200)
Newhaven Fort	102,350	102,916	102,000	(350)
Tourism and Enterprise	508,950	218,700	478,700	(30,250)

The positive balance is an anticipated additional income from the solar panels at the swimming pools.

2.13 Other Operating Income and Capital Financing and Reserve movements positive variance of £350,000

Other Operating Income and Capital Financing & Reserve movements	Budget 2022-23	Actual & committed	Projected Outturn	Projected Variance at year end
	£	£	£	£
Contingencies	350,000	0	0	(350,000)
Capital Financing and Interest	550,000	73,326	550,000	0
Contributions to/(from) reserves Earmarked	841,000	0	841,000	0
Note contribution from reserves	0	0	(661,500)	0

There are no specific calls on the contingency budget which has been shown as contributing towards the bottom line.

2.14 Please note that due to re-profiling and carry forwards the position has required the transfer in from reserves of £661,500, this could be offset against the budget to transfer to reserves £841,000, it is embedded the projected position, and has been shown above pending revised budget setting.

3 Housing Revenue Account

3.1 HRA performance for the quarter is as follows:

HRA Summary Quarter 1	Original Budget	Projected Outturn	Variance
	£000's	£000's	£000's
Income	(17,752)	(17,752)	
Expenditure	16,047	16,046	(1)
Capital Financing	2,031	2,031	
Total	326	325	(1)

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

- 3.2 The position at the end of June shows a favourable variance in expenditure of £1k.
- 3.3 A full review of the 30-year Business Plan is underway and will provide a more comprehensive assessment of the overall position for the current and future years. This will be reported to Members as part of the budget setting process for 2022/23.

4 Capital Expenditure

4.1 Capital Expenditure – General Fund

- 4.2 The capital programme at Appendix 2 provides a detailed summary of spend for quarter 1 compared to the revised allocation for 2022/23. The Capital Programme (including slippages from 2021/22) for 2022/23 totals £35.7m compared to the original Capital Programme approved by Council 21 February 2022 of £26.5m. The summary of the General Fund Capital Programme movements are shown in the following table.

	Original Programme 2022/23	B/F 2021/22	Other Variation 2022/23	Revised Programme 2022/23	Q1 Expenditure 2022/23
	£'000	£'000	£'000	£'000	£'000
NON-HOUSING CAPITAL PROGRAMME					
Recovery and Stabilisation	430	622	-	1,052	-
Regeneration	16,660	5,865	-	22,525	2,066
Asset Management	1,920	453	-	2,373	49
Indoor Leisure Facilities	721	461	-	1,183	8
Energy Schemes	2,000	62	-	2,062	38
Community Inf. Levy	900	-	-	900	7
Service Delivery	227	90	720	1,037	23
Specialist Projects	136	57	-	193	-
Coastal Defence Works	100	394	-	494	-
Parks, Pavilions, Open Space- Biodiversity	3,142	104	-	3,246	-
IT Block Allocation	150	254	-	404	-
Finance Transformation	150	179	-	329	-
GENERAL FUND	26,536	8,541	720	35,798	2,190

- 4.3 The total spends and commitments at the end of June 2022 totalled £2.2m against a revised budget of £35.7m. The revised programme includes a proportion of the £19.3 million Government funding award for Newhaven, following the successful bid that focused on five core themes.
- 4.4 Other variation relates to the waste and recycling services immediate purchase of second-hand recycling collection vehicles (RCVs), to replace six vehicles currently on hire, thus saving on significant hire costs that are presently being incurred. The Full Council at its meeting on 18 July 2002 approved the release of funding (£720,000) within this financial year (2022/23).
- 4.5 At the end of Quarter 1 the spend against year 1 of the programme was very low and it is too soon to forecast what level of slippage we might anticipate into future years, but it is unlikely that all aspects of the programme will be deliverable this

year and so this will be kept under continuous review by the Capital Programme Overview Board (CPOB).

4.6 Capital Expenditure – HRA

4.7 The detailed HRA capital programme at Appendix 2, provides a summary of spend for quarter 1 compared to the allocation for 2022/23. The HRA Capital Programme (including slippages from 2021/22) for 2022/23 totals £21.3m compared to the original Capital Programme approved by Council 21 February 2022 of 15.3m. The changes to the Capital Programme are shown in the following table.

HRA HOUSING

SUMMARY	Original	B/F	Revised	Q1
	Programme		Programme	Expenditure
	2022/23	2021/22	2022/23	2022/23
	£'000	£'000	£'000	£'000
Housing Investment	12,901	5,408	18,309	1,027
General Fund Housing	1,487	172	1,659	25
Housing Companies Loans	1,000	419	1,419	-
TOTAL HOUSING	15,388	5,999	21,387	1,052

4.8 The revised budget for the Housing Capital Programme for the year is £21.3m, with expenditure and commitments at the end of Quarter One of £1.05m. Capital budgets from the previous year have been carried forward to 2022/23, relating to the maintenance of the Council's housing stock, and the New Build programme.

4.9 Project team leaders will, as with every year, be encouraged to review scheme progress on an ongoing basis throughout the year and advise where there are significant revisions. Based on this information reprofiling will be undertaken where necessary to reflect these changes within the HRA Capital Programme.

4.10 At the end of Quarter 1 the spend against year 1 of the programme was very low and it is too soon to forecast what level of slippage we might anticipate into future years, but it is unlikely that all aspects of the programme will be deliverable this year and so this will be kept under continuous review by the Capital Programme Overview Board (CPOB).

5 Collection Fund

5.1 The Collection Fund records all the income from Council Tax and Business Rates and its allocation to precepting authorities.

5.2 The Collection fund for the year is as follows:

	Council Tax £'000	Business Rates £'000
Actual Balance 1 April 2022 - (Surplus) / Deficit	(3,692)	6,357
Recovery/Distribution of Prior Year Deficit or Surplus	2,950	(3,659)
Total Collectable Income for year*	(87,050)	(25,354)
Payments to Preceptors	83,789	24,270
Write offs, provisions for bad debts and appeals	420	690
Estimated Balance 31 March 2023 – (Surplus) / Deficit	(3,583)	2,304
Allocated to:		
Central Government	-	1,152
East Sussex County Council	(2,534)	207
Lewes District Council	(540)	922
Sussex Police & Crime Commissioner	(353)	-
East Sussex Fire Authority	(156)	23
Total	(3,583)	2,304

* This represents the latest total amount of income due for the year and allows for changes as a result of discounts, exemptions and reliefs, as well as changes in the Council Tax and Business Rate bases.

5.3 The allocation to preceptors reflects the operation of the Collection Fund for Council Tax and Business Rates which are distributed on different bases under regulations. The distributions have now been finalised for 2022/23 in line with the above allocations.

5.4 Council Tax has a forecast surplus for the year of £3.583m as at the end of June. The Council's share of the estimated surplus is £540k.

5.5 Business Rates has a forecast deficit for the year of £2.304m at the end of June. The Council's share of the estimated deficit is £922k.

5.6 The final surplus or deficit positions for Council Tax and Business Rates budget setting will be formalised in January 2023.

6 Financial appraisal

6.1 As set out in the report

7 Legal implications

7.1 None associated with the report.

8 Risk management implications

8.1 Continued monitoring of the Council's financial position is essential to ensure it remains within budget and can take necessary action if and when required.

9 Equality analysis

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

10 Environmental sustainability implications

- 10.1 None associated with the report.

11 Appendices

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

12 Background papers

- None

Housing Revenue Account 2022/23			
	Original Budget £000's	Projected Outturn £000's	Variance £000's
INCOME			
Dwelling Rents	(15,798)	(15,798)	0
Non-Dwelling Rents	(484)	(484)	0
Charges for Services and Facilities	(1,276)	(1,276)	0
Contributions towards Expenditure	(194)	(194)	0
GROSS INCOME	(17,752)	(17,752)	0
EXPENDITURE			
Repairs and Maintenance	4,834	4,834	0
Supervision and Management	3,530	3,530	0
Special Services	1,454	1,453	(1)
Rents, Rates, Taxes and Other Charges	280	280	0
Increase in Impairment of Debtors	148	148	0
Depreciation of Fixed Assets	5,450	5,450	0
Amortisation of Intangible Assets	3	3	0
Debt Management Costs	52	52	0
GROSS EXPENDITURE	15,751	15,750	(1)
NET COST OF HRA SERVICES	(2,001)	(2,002)	(1)
HRA share of Corporate and Democratic Core	296	296	0
NET OPERATING COST OF HRA	(1,705)	(1,706)	(1)
Capital Financing and Interest Charges			
Interest Payable	2,043	2,043	0
Interest Receivable	(12)	(12)	0
Revenue Contributions to Capital Expenditure	0	0	0
Total Capital Financing and Interest Charges	2,031	2,031	0
Transfer to (from) Reserves	0	0	0
HRA (SURPLUS) / DEFICIT	326	325	(1)

	Original Budget	Projected Outturn
HOUSING REVENUE ACCOUNT WORKING BALANCE		
Working Balance at 1 April	(4,406)	(4,406)
(Surplus) or Deficit for the year	326	325
Working Balance at 31 March	(4,080)	(4,081)
Allocation of Working Balance:		
- General Working Balance	(3,535)	(3,536)
- Special Projects	(270)	(270)
- Self Insurance	(275)	(275)
Working Balance at 31 March	(4,080)	(4,081)

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	Original Programme 2022/23	2021/22 Underspend B/F	Cabinet Approved variations	Revised 2022/23 Programme	Q1 Actual Spend 2022-23	Q1 Variance 2022/23
	£	£	£	£	£	£
THE CAPITAL PROGRAMME 2022/23						
HRA HOUSING INVESTMENT CAPITAL PROGRAMME						
Construction of New Dwellings						
- New Acquisitions & New Build	9,336,000	3,938,040	-	13,274,040	-	13,274,040
- Newhaven Police Station Redevelopment	-	-	-	-	612,951	- 612,951
- Newhaven Fire Station Redevelopment	-	-	-	-	750	- 750
-The Lynchetts, Lewes	-	-	-	-	5,155	- 5,155
- Oakfield House, Plumpton Green	-	-	-	-	4,754	- 4,754
Improvements to Stock	3,565,000	1,470,144	-	5,035,144	-	5,035,144
- Heating Improvement Programme	-	-	-	-	119,699	- 119,699
- Roofing & Chimney Works	-	-	-	-	240	- 240
- Structural Works	-	-	-	-	52,072	- 52,072
- Electrical T & R	-	-	-	-	74,176	- 74,176
Improvements to Stock - OTHER - not included in survey						
- Adaptations for Disabled Tenants	-	-	-	-	157,483	- 157,483
Total HRA Housing	12,901,000	5,408,184	-	18,309,184	1,027,279	17,281,905
GF HOUSING INVESTMENT CAPITAL PROGRAMME						
Mandatory Disabled Facilities Grants	1,487,000	172,238	-	1,659,238	24,200	1,635,038
Private Sector Housing Grants	-	-	-	-	-	-
- Emergency Repair Grants	-	-	-	-	515	- 515
Total General Fund Housing	1,487,000	172,238	-	1,659,238	24,715	1,634,523
Loans to Housing Companies						
- Aspiration Homes LLP (Loan for Delivery of Mixed Tenure Homes)	1,000,000	419,055	-	1,419,055	-	1,419,055
Total Loans to Housing Companies	1,000,000	419,055	-	1,419,055	-	1,419,055
TOTAL HOUSING	15,388,000	5,999,477	-	21,387,477	1,051,994	20,335,483
GENERAL FUND NON HOUSING CAPITAL PROGRAMME						
JTP						
Recovery and Reset Programme	430,000	621,736	-	1,051,736	-	1,051,736
Total JTP	430,000	621,736	-	1,051,736	-	1,051,736
Regeneration						
Commercial Property Acquisition & Development	2,000,000	-	-	2,000,000	-	2,000,000
North Street Quarter, Lewes						
NSQ - North Street Quarter	300,000	71,614	-	228,386	-	228,386
NSQ - Springman House	100,000	-	-	100,000	-	100,000
Asset Development Newhaven (November 2017) (September 2018)	-	652,932	-	652,932	-	652,932
Newhaven High Street- Newhaven Re-imagining	4,165,870	3,163,706	-	7,329,576	325,723	7,003,853
Construction of Avis Way Depot, Newhaven (July 2018)	1,300,000	32,680	-	1,332,680	-	1,332,680
The Sidings, Railway Quay, Newhaven	-	154,417	-	154,417	21,784	132,633
- UTC (Newhaven)	1,534,090	724,350	-	2,258,440	503,023	1,755,417
Caburn House, Lewes Refurbishment	170,000	90,376	-	260,376	176,548	83,828
The Friars Redevelopment, Lewes	1,000,000	-	-	1,000,000	-	1,000,000
Re-connecting our Town: Pedestrian Gateway	3,906,510	307,951	-	4,214,461	94,517	4,119,944
Re-connecting our Town: Wayfinding & Visitor Trails	-	-	-	-	5,800	- 5,800
An Active Community: Fort Road Recreation Ground	-	-	-	-	8,974	- 8,974
An Active Community: Newhaven Football Club	-	-	-	-	215,999	- 215,999
Destination Newhaven: Newhaven Port	-	-	-	-	41,500	- 41,500
Newhaven Fishing Landing Stages:	2,183,480	810,380	-	2,993,860	-	2,993,860
Unit 7 Oak Estate – Newhaven Processing Facility	-	-	-	-	672,100	- 672,100
Newhaven West Beach Restaurant	-	-	-	-	-	-
Total Regeneration	16,659,950	5,865,178	-	22,525,128	2,065,968	20,459,160
Asset Management						
Asset Management Block Allocation	1,920,000	452,928	-	2,372,928	-	2,372,928
Lewes (Stanley Turner Recreation Ground Improvements) (Feb 2018)	-	-	-	-	3,549	- 3,549
Car Parks - (Capital Maintenance Programme)	-	-	-	-	4,810	- 4,810
Flint Walls Repairs (November 2015)	-	-	-	-	16,200	- 16,200
Newhaven Fort Refurbishment	-	-	-	-	1,155	- 1,155
Public Conveniences	-	-	-	-	22,918	- 22,918
Changing Places Toilets	-	-	-	-	-	-

Total Asset Management	1,920,000	452,928	-	2,372,928	48,631	2,324,297
Indoor Leisure Facilities - Major Repairs and Improvements (Block)	80,000	461,322	-	541,322	-	541,322
Lewes, Peacehaven & Downs (Leisure Centres), Seahaven Swim and	641,200	-	-	641,200	-	641,200
Seahaven Swim and Fitness, Newhaven Priority Works	-	-	-	-	7,864	7,864
Total Indoor Leisure Facilities	721,200	461,322	-	1,182,522	7,864	1,174,658
Local Energy Schemes	2,000,000	-	-	2,000,000	-	2,000,000
OVESCO- Ouse Valley Solar Farm	-	62,000	-	62,000	38,000	24,000
Total Energy Schemes	2,000,000	62,000	-	2,062,000	38,000	2,024,000
Community Infrastructure	900,000	-	-	900,000	7,389	892,611
Total Community Infrastructure Levy (CIL)	900,000	-	-	900,000	7,389	892,611
Service Delivery						
Vehicle & Plant Replacement Programme	227,000	89,660	720,000	1,036,660	-	1,036,660
- Other Equipment	-	-	-	-	15,058	15,058
- MOT Test Equipment (Roller Brake Tester and Headlamp Aligner)	-	-	-	-	7,485	7,485
Total Service Delivery	227,000	89,660	720,000	1,036,660	22,543	1,014,117
Specialist	136,000	57,225	-	193,225	-	193,225
Total Specialist Projects	136,000	57,225	-	193,225	-	193,225
Coastal Defence Works	100,000	394,280	-	494,280	-	494,280
Total Coastal Defence Works	100,000	394,280	-	494,280	-	494,280
Parks, Pavilions etc - Remedial works	962,300	44,077	-	1,006,377	-	1,006,377
Open Space	180,000	40,010	-	220,010	-	220,010
New Crematorium & Green Burial Facility (Biodiversity)	2,000,000	20,000	-	2,020,000	-	2,020,000
Total Parks, Pavilions, Open Space- Biodiversity	3,142,300	104,087	-	3,246,387	-	3,246,387
IT Block Allocation	150,000	253,615	-	403,615	-	403,615
Finance						
Finance Transformation (Feb 2019)	150,000	179,310	-	329,310	-	329,310
Total General Fund Non Housing Capital Programme	26,536,450	8,541,341	720,000	35,797,791	2,190,395	33,607,396
				-		-
TOTAL OVERALL CAPITAL PROGRAMME	41,924,450	14,540,818	720,000	57,185,268	3,242,389	53,942,879

Report to:	Cabinet
Date:	22 September 2022
Title:	Lewes District Council Cost of Living Emergency Fund
Report of:	Tim Whelan, Director of Service Delivery
Cabinet member:	Councillor Zoe Nicholson, Deputy Leader of Council, Cabinet Member for Finance and Assets
Ward(s):	All
Purpose of report:	To consider the proposed Lewes District Council Cost of Living Emergency Fund Scheme
Decision type:	Key
Officer recommendation(s):	(1) Cabinet approves the Lewes District Council Cost of Living Emergency Fund Scheme, as specified in the proposal at paragraph 2 of this report. (2) To authorise the Director of Service Delivery in consultation with the Portfolio Holder for Finance and Assistant Director of Finance to finalise the scheme criteria any take necessary steps to implement the Lewes District Council Cost of Living Emergency Fund Scheme.
Reasons for recommendations:	Cabinet approval is required for the scheme to be implemented.
Contact Officer:	Name: Bill McCafferty Post title: Lead for Income Maximisation and Welfare E-mail: bill.mccafferty@lewes-eastbourne.gov.uk Telephone number: 01323) 415171

1 Introduction

- 1.1 The country is in the grip of a cost-of-living crisis. The annual inflation rate in the UK increased to 9.4% in June 2022, which is the highest rate since 1982. The rate is being driven by the increased costs of fuel and energy as well as rising prices for food.
- 1.2 In its March 2022 forecast, the Office for Budget Responsibility (OBR) expected household incomes after tax and adjusted for inflation to start falling in Q2 of 2022 and to not recover until Q3 2024

1.3 Responding to this, the Council has acted for its residents by:

- Increasing, from April 2021, the maximum Council Tax Reduction from 80% to 100% of a person's liability, meaning the most disadvantaged do not have to pay anything
- declaring a cost-of-living emergency at the Full Council meeting on 18 July 2022
- allocating £500,000 to a Lewes District Council Cost of Living Emergency Fund
- agreed a new £250,000 Cost of Living Crisis Fund, with the first £50,000 immediately being awarded to foodbanks to help meet the unprecedentedly high levels of need in the district now. The remaining £200,000 will be distributed through a grants programme in the autumn and fund the creation of a dedicated officer to coordinate the funding.

1.4 The Government is providing support in the form of:

- A £150 Council Tax (Energy) Rebate to those persons liable for Council Tax residing in a Band A to D property
- A Discretionary Council Tax (Energy) Rebate aimed at those liable for Council Tax in Bands E to H and on a low income
- A Household Support Fund distributed to the Council to help with utility costs and food
- A cost-of-living payment of £650, paid in two instalments, to those households on one of the following benefits - Universal Credit, Income Related Employment and Support Allowance, Income Based Jobseeker's Allowance, Income Support, Pension Credit, Child Tax Credit, Working Tax Credit. It should be noted that those residents in receipt of Housing Benefit or a Council Tax Reduction, but not on any of these benefits, will not receive this payment
- A payment of £150 to those on certain disability benefits
- A credit of £400 to be applied to household energy bills
- An increase of £300 on the Winter Fuel Payment for pensioners

The Council administers the Energy Rebate schemes and has received funding from County to administer a local Household Support Fund.

2 Proposal

2.1 It is proposed that the Lewes District Council Cost of Living Emergency Fund of £500k, £170k of which is allocated to be spent on Lewes District Council tenants, is aimed at those residents on a low income but who do not benefit from the Government's cost-of-living payment of £650.

2.2 The mechanisms of eligibility to a means-tested benefit means that people whose income is just £1 above certain levels will not qualify and miss out on the £650 payment. It is one of the aims of the local scheme to capture those residents who just miss out.

- 2.3 The proposed scheme will make an award to those residents who;
- i. do not receive the Government payment of £650.00 and who have less than £6,000 in savings; and
 - ii. are in receipt of Housing Benefit and/or a Council Tax reduction but not in receipt of any other means-tested benefit, or
 - iii. have weekly net income below the set levels. Those levels are:
 - For a single person - £320
 - For a lone parent - £370
 - For a couple - £420
 - For a couple with children - £470

The eligibility criteria is at Appendix 1.

- 2.4 The rationale for proposing these levels is that they are above the amount at which most families would receive a means-tested benefit or a Council Tax Reduction and below the average earnings for Lewes District.

The average earnings in Lewes in 2020/21, taken from East Sussex in Figures (ESiF) data is £671 per week, which equates to £470 per week after tax and national insurance.

The maximum net incomes have been adjusted to consider the make-up of a household.

- 2.5 The Government have just published draft guidance on the new Household Support Fund which is to run from 1 October 2022 to 31 March 2023 and the Council will be in discussions with East Sussex County Council and the other East Sussex Councils on how this will operate and the level of award.
- 2.6 Once it is decided what the level of award is to be under the new Household Support Fund the Council's Cost of Living Emergency Fund will provide an additional award to top-this up to £650.00.
- 2.7 The scheme will go live on 1 October 2022 and run until the funds are extinguished. Applications will be made online through a Portal to enable efficient processing and reduce the risk of fraud. Support will be available for those who may struggle to make an online application.
- 2.8 Only one award per household during the lifetime of the scheme will be made.

3 Outcome expected and performance management

- 3.1 The fund will support those people who are most affected by the cost-of-living crisis, but miss out on the Government's £650 payment, in assisting them to meet their energy costs, including those households that use oil to heat their homes, and put food on the table.
- 3.2 Monthly monitoring of spend will ensure the budget is not exceeded.

4 Consultation

4.1 Discussions around the scheme have taken place with the Citizens Advice Bureau.

5 Corporate plan and council policies

5.1 The scheme will provide financial support to those residents most in need.

6 Business case and alternative option(s) considered

6.1 The proposed scheme is considered to offer targeted support to those most in need after taking into consideration the other sources of financial support available.

7 Financial appraisal

7.1 There will be a cost involved in setting up the on-line application process and in securing the resources to administer the scheme. This is estimated to be c£1,000.00 for the application and £25,000.00 for the staffing resource. This scheme is cash limited and will cease once the allocated budget is fully utilised.

8 Legal implications

8.1 As the executive, Cabinet has authority to approve the Lewes District Council Cost of Living Emergency Fund Scheme. Delegated powers granted to the Director of Service Delivery should ensure the Scheme is implemented, managed and amended as necessary to maintain overall compliance.

Legal advice given 31.08.22

Legal ref: 011367-LDC-OD

9 Risk management implications

9.1 There are three main risks:

- That expenditure exceeds the budget. This will be managed by regular monitoring of spend and as stated at 7.1 the scheme will cease once the budget has been spent.
- That expenditure does not reach the expected levels. There will be the ability, through delegated powers, to amend eligibility criteria.
- The fund does not reach those eligible. The Council will target those hard-to-reach groups who are most vulnerable and will be working with partners in the voluntary sector to achieve this.

10 Equality analysis

10.1 An Equality & Fairness Analysis has been undertaken on these proposals. This has concluded that the cost-of-living crisis is likely to impact household budgets across the board, with utilities, food products and fuel increasing in price. Working-age people on low-incomes or squeezed budgets are likely to be impacted more as the year progresses, as well as older people particularly by increased heating costs in autumn and winter.

Residents in rural locations who rely on oil to heat their homes will be subject to increased oil costs. People reliant on cars, including those in rural locations, could be impacted by increased running costs. Food items have already seen some price increases, and households – particularly larger ones – are likely to feel that increased cost.

Women are disproportionately affected by domestic abuse and more likely to be the resident parent in separated families.

It is hoped these proposals will go some way towards mitigating the generally negative impacts brought by the cost of living crisis.

11 Environmental sustainability implications

11.1 There are no adverse sustainability implications in this report.

12 Contribution to Community Wealth Building

12.1 Not only will the Cost of Living Emergency Fund help residents manage the cost-of-living crisis but will also increase spend in the local economy.

13 Appendices

- Appendix 1 – Eligibility criteria

14 Background papers

- None

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Lewes District Council Cost of Living Emergency Fund LOCAL ELIGIBILITY FRAMEWORK

Introduction

Lewes District Council have, along with other measures, set aside £500,000 as a fund to support residents in managing the cost-of-living crisis.

Eligibility criteria

- Applicants must be over the age of 18
- Resident in the Lewes District Council area
- Have less than £6,000 in capital
- Not be in receipt of one of the following means tested benefits –
 - Universal Credit
 - Pension Credit
 - Working Tax Credit
 - Child Tax Credit
 - Income Support
 - Income Based Job-Seeker's Allowance
 - Income-related Employment and Support Allowance
- Be in receipt of Housing Benefit or a Council Tax reduction but not in receipt of one of the benefits listed above; or
- Have a weekly net income below the following levels -
 - Single person - £320.00
 - Lone parent - £370.00
 - Couple - £420.00
 - Couple with children - £470.00

Income and capital will be calculated in line with the Housing Benefit regulations

Scheme awards

There will be one award of £(to be decided) to a household during the lifetime of this scheme.

Applications

Will be made through an on-line application process.

Complaints and appeals

Complaints will be dealt with under the Council's Complaints procedure.

There is no right of appeal under this scheme.

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Report to: Cabinet

Date: 22 September 2022

Title: Housing development update

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

Cabinet member: Councillor William Meyer, Cabinet Member for Housing

Ward(s): Newhaven South

Purpose of report: To provide an update on the progress of the housing delivery programme.

Decision type: Key Decision

Officer recommendation(s):

- (1) To approve the updated business case (Appendix 1 - Exempt) and Capital Budget Allocation (up to £7.1m) for the project known as the Former Newhaven Police Station within the capacity of the HRA Capital Programme.
- (2) 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 the project including financing, 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: Marc Stephens
Post title: Capital Delivery Lead
E-mail: Marc.Stephens@lewes-eastbourne.gov.uk

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

1 Introduction

1.1 This paper provides a progress and budget update on the new Council housing project at the Former Newhaven Police Station.

2 Background

- 2.1 In September 2021, Cabinet approved the business case to enable the redevelopment of the former Police Station in Newhaven to create 21 x new affordable homes (19 x flats and 2 x houses) with high sustainable features, including PV solar panels, green living roof, and high performing thermal elements. This business case included the purchase of the land from Sussex Police and the allocation of a budget within the Housing Revenue Account (HRA) Capital Programme of up to £6.2m.
- 2.2 This business case was based on a tender figure that was received from Sunninghill Construction Co Ltd in July 2021, the preferred contractor. This tender figure was secured for 120 days, through to 23rd November 2021.
- 2.3 In June 2022, a report was presented to Cabinet ('Housing Development Update') setting out the current economic environment and specific inflationary impacts on the construction sector nationally. These unprecedented challenges will have implications to projects not already in contract and will require a review to ensure ongoing viability.

3 Project Update

- 3.1 Following Cabinet approval in September 2021, the purchase was unexpectedly delayed and did not complete until April 2022. The tender figure from the contractor therefore become invalid and had to be updated to reflect changes in the market over that period.
- 3.2 The contractor has re-engaged with their supply chains and subsequently updated their original tender figure to reflect the current market valid up to 03/10/2022. Following the purchase of the site, Sunninghill have been engaged to carry out initial enabling works and site security, to ensure works can continue at pace and the Council-owned site is sufficiently protected.
- 3.3 The project costs for this development have therefore increased and so require a variance to the previously approved capital budget from £6.2m up to £7.1m in order to award the full construction contract. This includes the cost of the land, construction costs, and all associated project on-costs.
- 3.4 As set out in Appendix 1 (Exempt), the increased costs will be minimised mainly through the additional use of available Right to Buy (RTB) receipts which, following the statutory reforms in 2021, allow the authority to finance up to 40% of the development costs from those retained 1-4-1 receipts. The changes in market rents nationally have also changed however the Council continues to maintain levels at circa 60% of the market, which is approximately 67% of the 2022/23 Local Housing Allowance (LHA) levels.
- 3.5 With the increased costs being supported by a combination of additional subsidy and income, the scheme remains deliverable within the capacity of the HRA Capital Programme and tolerances of the HRA Business Plan. and will be reported in the next budget update.

3.6 All the homes will continue to be developed and owned within the HRA and rented out as affordable Council housing, managed by Homes First.

4 Outcome expected and performance management

4.1 The overall outcomes of the recommendations will be the continued delivery of the Council's HRA Capital Programme to meet corporate objectives to bring forward more Council homes that meet local housing need.

5 Consultation

5.1 Local consultation has been undertaken on site prior to the planning application being submitted, as well during the statutory consultation process. Additional consultation has also been carried out with Ward Councillors and the Town Council will continue to be engaged with as the scheme move towards on-site works commencing.

6 Corporate plan and council policies

6.1 The new housing delivered 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 and increase sustainable development.

7 Next Steps

7.1 Following approval of this report, the formal appointment of a contractor will be made, and the demolition of the existing building carried out by the end of the calendar year. A target completion of the development works has been programmed for 2023/24 Q4.

8 Financial implications

8.1 The proposals outlined within this report are in accordance with the HRA Business Plan and Capital Programme approved for 2022/23.

8.2 The HRA Revenue Budget and Rent Setting 2022/23 and HRA Capital Programme 2020-24 includes the overall allocation for new acquisitions and new construction. The outline plan for projects being covered by this allocation is covered in the July 2021 Cabinet Report entitled 'Housing Development Update' and includes an allocation for the Former Newhaven Police Station Site.

9 Legal implications

9.1 The Council can rely on section 9 of the Housing Act 1985 (HA 1985) to undertake the development. This is a power to provide sub-market rented housing for its area i.e., to address a gap in the housing market and meet the needs of the local community. Right to Buy will apply to these properties.

In disposing of properties, Section 32 of the HA 1985 permits the Council to let on secure tenancies without the requirement for Secretary of State consent.

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

[011347-LDC-PB 23 August 2022]

10 Risk management implications

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

Ref	Risk	Mitigations
1	External/world pressures (CV-19, war in Ukraine, Brexit) increasing construction/fuel costs, inflation and impacts on development viability	Entering into a fixed price D&B contract now will secure the development cost and enable the council to monitor spend moving forward.
2	Security risk and vandalism to an empty Council own building	The former police station is now empty and enabling works have installed temporary security measures to stop unwanted access. Once in contract, the security responsibility will sit with the contractor until completion.

11 Equality analysis

11.1 The reports previously presented to Cabinet for the proposed development were subject to Equality and Fairness (E&F) assessments. This update does not affect the proposed development and only relates to an increased budget allocation therefore an additional analysis is not required.

It should be noted, the development includes a disabled ready unit and this will be designed for the individual needs of the tenant once they have been identified during the construction process.

12 Environmental impact analysis

12.1 The previous approved report from September 2021 outlined the measure undertaken and being taken forward. This updated report does not affect this as it relates only to an increased budget allocation.

13 Contribution to Community Wealth Building

13.1 The construction contract was advertised and assessed using a social value assessment toolkit that has been designed around the Corporate Plan objectives, including those focused on Community Wealth Building. As part of the main contract, Sunninghill Contractors have signed up to support up to 12 local people with a combination of work experience, NVQs and apprenticeships. They have also pledged up to £10k to support local voluntary and community groups with local fundraising and other initiatives

14 Appendices

- 14.1
- Appendix 1 (Exempt) – Updated Business Case.

15 Background papers

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

- LDC Cabinet Report (10th February 2020) - Former Police and Fire Station Sites, Newhaven
- LDC Cabinet Report (8th July 2021) – Housing Development Update.
- LDC Cabinet Report (23rd September 2021) – Housing Development Update
- LDC Cabinet Report (23rd June 2022) – Housing Development Update

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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