

Cabinet

13 June 2023



Working in partnership with **Eastbourne Homes**

Time and venue:

2.00 pm in the Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG

Membership:

Councillor Stephen Holt (Chair); Councillors Margaret Bannister (Deputy-Chair) Peter Diplock, Robin Maxted, Jim Murray and Colin Swansborough

Quorum: 3

Published: Monday, 5 June 2023

Agenda

1 Minutes of the meeting held on 14 March 2023 (Pages 5 - 8)

2 Apologies for absence

3 Declaration of members' interests

4 Questions by members of the public

On matters not already included on the agenda and for which prior notice has been given (total time allowed 15 minutes).

5 Urgent items of business

The Chairman to notify the Cabinet of any items of urgent business to be added to the agenda.

6 Right to address the meeting/order of business

The Chairman to report any requests received to address the Cabinet from a member of the public or from a Councillor in respect of an item listed below and to invite the Cabinet to consider taking such items at the commencement of the meeting.

7 LGA Peer Challenge (Pages 9 - 34)

Report of Chief Executive
Lead Cabinet member: Councillor Stephen Holt

8 Local Council Tax Reduction scheme 2024/25 (Pages 35 - 40)

Report of Director of Service Delivery
Lead Cabinet member: Councillor Robin Maxted

Information for the public

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Information for Councillors

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Working in partnership with **Eastbourne Homes**

Cabinet

Minutes of meeting held in Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG on 14 March 2023 at 6.00 pm.

Present:

Councillor David Tutt (Chair).

Councillors Stephen Holt (Deputy-Chair), Margaret Bannister, Peter Diplock and Colin Swansborough.

Officers in attendance:

Robert Cottrill (Chief Executive), Homira Javadi (Director of Finance and Performance (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), Oliver Jones (Lead, Housing, Homelessness & Community Safety), Ola Owolabi (Deputy Chief Finance Officer - Corporate Finance), Leigh Palmer (Head of Planning First), Mark Walker (Head of Financial Planning), Simon Russell (Head of Democratic Services) and Kate Slattery (Solicitor).

Also in attendance:

Councillor Penny di Cara (Opposition Deputy Leader), Councillor Kshama Shore OBE (Shadow Cabinet Member) and Councillor Robert Smart (Opposition Leader).

46 Minutes of the meeting held on 8 February 2023

The minutes of the meeting held on 8 February 2023 were submitted and approved and the Chair was authorised to sign them as a correct record.

47 Apologies for absence

An apology for absence was reported from Councillor Shuttleworth.

48 Declaration of members' interests

Councillor Holt declared a personal interest in agenda item 8 (Eastbourne & Lewes Community Safety Partnership – Annual Report (Eastbourne)) as his employer contributed to the partnership work with the Kingdom Way Trust, outlined in the report. He remained in the room whilst the item was considered.

49 Finance update - performance quarter 3 - 2022-2023

The Cabinet considered the report of the Director of Finance and Performance, updating them on the Council's financial performance for the third quarter of

the year 2022-23.

Visiting member, Councillor Shore, addressed the Cabinet on this item. Following points raised, it was clarified that the figures detailed in the report were reflective of the Council's financial position as of 31 December 2022. An updated financial position at year end would be presented as part of the outturn report in July 2023.

Following a question around the extensive list of savings arising from the Recovery and Stabilisation programme, the Chief Executive advised that there would be an opportunity to forensically analyse the list at year end to potentially identify any additional savings and scope for any increase to income targets. This would then be reported back to the next Recovery and Stabilisation Member Board, as part of the next administration.

Resolved (Non-key decision):

To note the General Fund, Housing Revenue Account and Collection Fund financial performance for the quarter, as set out in the report.

Reason for decision:

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

50 Eastbourne & Lewes Community Safety Partnership – Annual Report (Eastbourne)

The Cabinet considered the report of the Director of Service Delivery, enabling them to consider the 2022/23 performance of the Eastbourne & Lewes Community Safety Partnership.

Key highlights, activities and achievements across the Partnership's 6 priorities were detailed in the report. Thanks were conveyed to officers for the achievements set out in the report.

The Lead for Housing, Homelessness & Community Safety advised that discussions were ongoing with Sussex Police to address the issues of anti-social behaviour in the Town Centre, factoring in the recent and upcoming strike days. Sussex Police had already issued several dispersal orders and had put additional resources in place for days when strike action was occurring. It was also being explored whether to utilise part of the £10,000, awarded from the recent round of *Safer Streets funding* as part of this ongoing work, exploring diversional activities etc, in consultation with external partners.

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

Resolved (Non-key decision):

To note the achievements and activities of the Eastbourne & Lewes Community Safety Partnership in 2022/23.

Reason for decision:

For Cabinet to consider progress on delivery of the current Community Safety Plan.

51 Eastbourne Local Plan

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, that provided a summary of the plan-making process, identified the main issues arising from the recent public consultation and outlined the next steps in the preparation of the Eastbourne Local Plan.

Visiting member, Councillor Smart, addressed the Cabinet on this item.

It was acknowledged that the Council's Local Plan would deliver several priorities, not just the delivery of new homes. This included the transitioning to delivery of new carbon neutral & environmentally friendly homes, help to maintain the heritage environment, encourage cycling, and use of public transport, enhance the biodiversity of public and open spaces and efficient processing of planning applications.

Following the Full Council motion on 22 February 2023, where it was resolved that the Fisherman's Green site be withdrawn from the draft Local Plan, the Head of Planning advised that significant work was ongoing to gather sufficient evidence for the removal of other sensitive sites. Full Council would have the opportunity to decide on the inclusion of any sensitive sites in the 'Proposed Submission' local plan at Regulation 19 stage, once all the evidence and information had been gathered and presented. The current Local Development Scheme anticipated that this would be presented by the end of 2023/early 2024.

The Head of Planning advised that there were strong reasons why the local housing need target of 738 homes per year could not be met. Based on an initial assessment and factoring in the removal of the Fisherman's Green site, the Growth Strategy indicated a potential capacity to accommodate 316 homes per year (less than half the housing need), with 80% of these homes being built on previously developed 'brownfield' sites. This number was not the proposed housing target, but an indication of what a target could be, to enable the local community to be part of the discussion, regarding how many homes should be delivered in the town.

Resolved (Key decision):

(1) To note the summary of the plan-making process that is outlined in the report

- (2) To note the risks in delaying the preparation of a 'sound' local plan
- (3) To note the initial summary of the main issues arising from the Growth Strategy consultation
- (4) To note the Full Council agreement that the Fisherman's Green site should be withdrawn from the Growth Strategy as the site is no longer available.
- (5) To agree that any further public consultation into the Eastbourne Local Plan is paused until all evidence on potential allocation sites is sought, available and assessed.
- (6) To agree to receive the Regulation 19 'Proposed Submission' draft local plan late 2023, early 2024.

Reason for decisions:

To receive and complete the required evidence base and to enable work to continue in the background on the preparation of the Eastbourne Local Plan.

52 Message of thanks

As this was the last Cabinet meeting of the current administration, the Chair expressed his thanks to officers and members cross-party for their contribution and work throughout a challenging four years for the authority.

The meeting ended at 6.40 pm

Councillor David Tutt (Chair)

Report to:	Cabinet
Date:	13 June 2023
Title:	LGA Peer Challenge
Report of:	Robert Cottrill, Chief Executive
Cabinet member:	Councillor Stephen Holt, Leader of the Council
Ward(s):	All
Purpose of report:	To consider the report provided by the Local Government Association (LGA) and the council's response to the recommendations
Decision type:	Non-key
Officer recommendation(s):	To note the Local Government Association report and the council's response to its recommendations
Reasons for recommendations:	The LGA report is intended to provide the council with suggestions and advice that may help support future improvement.
Contact Officer(s):	Name: Jo Harper Post title: Head of Business Planning and Performance E-mail: jo.harper@lewes-eastbourne.gov.uk Telephone number: 07925 893201

1 Introduction

- 1.1 A Local Government Association (LGA) Corporate Peer Challenge (CPC) is designed to be a tool to aid council improvement. It is not a mandatory process, but councils are encouraged to undertake a CPC every 5 years to provide a 'practitioner perspective' and 'critical friend' challenge to help support their improvement journey.
- 1.2 EBC undertook a CPC in September 2022, which was completed jointly with Lewes District Council. The CPC took place over one week, engaging a team from the LGA together with peer partners from various councils. The team was made up of;
- Cllr Rowena Hay, Leader, Cheltenham District Council (Liberal Democrat Member Peer)
 - Cllr Martin Fodor, Bristol (Independent Member Peer)

Rob Weaver, Chief Executive (Cotswolds District Council Chief Executive Peer)

- Andrew Jarrett, Deputy Chief Executive and S151 Officer, Mid Devon District Council (Senior Officer Peer)
- Emily Bolton, Climate Crisis Strategy Manager, Cambridgeshire (Officer Peer)
- Mia Shelton (LGA Shadow Peer)
- Angela Kawa (LGA Peer Challenge Manager)

2 The Corporate Peer Challenge

2.1 Ahead of the review, the team were provided with a comprehensive set of documentation which provided background information about the council and how it operates. This enabled them to come to the process well informed about the two councils and how we operate together. During the CPC the team carried out interviews with a large number of individuals and groups, including officers, members and partners, to gain a full picture of the councils' operations. Over the week on site, 44 meetings and 10 focus groups were held.

2.2 The LGA use a standard methodology for their CPCs. This looks at 5 key themes,

1. Local priorities and outcomes - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?

2. Organisational and place leadership - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?

3. Governance and culture - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?

4. Financial planning and management - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?

5. Capacity for improvement - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition, the council asked that the CPC also considered its approach to **sustainability and net zero**.

2.3 The full results of the CPC are set out at appendix 1. In particular, members may wish to focus on the executive summary which reads;

"The Chief Executive and senior management team of the councils are well-respected. Partners and staff consistently gave this feedback for both councils during interviews. The peer challenge team found that the political leadership of both councils provide clear direction and leadership for their areas. The political leaders at both councils are well-respected by partners and have good working relationships with them. There is very strong partnership working at both councils. Local organisations, other public sector bodies and voluntary groups

see the councils as a 'trusted partner'. The peer challenge team met with staff at both councils and found the staff to be hard-working. The peer challenge team also saw evidence that staff have delivered for the local areas during a very difficult period whilst dealing with the Covid-19 pandemic."

2.4 It is encouraging to see that many positive comments were made about the council, its staff, its members and how it interacts with its partners throughout the report. The council was found to be demonstrating good performance against the 5 criteria used by the Peer team. Particular comments were made about the councils' effective delivery of services, and how we 'make things happen'.

2.5 However, as would be expected, a number of recommendations were made where it was felt the council could further improve. These recommendations were given informal endorsement by the Leader prior to the election. Cabinet is now asked to note these recommendations, many of which have already been responded to in full by the council. The recommendations are set out at part of the appended report (appendix 1).

3 Next Steps

3.1 As indicated above, officers have already taken steps to start to address many of the recommendations in the report. Indeed, in some instances, the recommendations have already been fully acted upon. Progress in responding to the action plan is set out at appendix 2.

3.2 As part of the CPC process, it is usual practice for the LGA to provide a follow up 'check in' session. This usually takes place around 6 months on from the initial Challenge session, but due to borough elections and other factors this has been slightly delayed, and this is now scheduled to take place in July 2023. The follow up will enable the council to update the Peer team on progress made since their initial visit.

4 Consultation

4.1 Throughout the CPC process staff, members and partners have been kept informed of progress. In particular, in the lead up to the challenge event in September 2022, there was regular information provided to staff to prepare them for the visit. Now the CPC report has been received, further consultation and engagement with staff, members and where appropriate with partners, has been, and will be, undertaken to share the findings and help shape the resultant improvement activities.

5 Corporate plan and council policies

5.1 The CPC assessed the council's progress against its corporate plan alongside other considerations. No specific issues arose relating to this. However, it was noted by the Peer Team that the council may benefit from developing more formalised strategies around tourism and economic development.

6 Financial appraisal

- 6.1 There are no immediate financial implications arising directly from this report, other than staff time. Where decisions are taken as part of the action plan regarding the Peer Challenge recommendations, these will be subject to appropriate financial appraisal and addressed through the Council's Budget/Medium Term Financial Plan as required.

7 Legal implications

- 7.1 There are no legal implications arising out of this report. The council has voluntarily taken part in the review and is taking forward recommendations as a matter of good practice.

[012063-JOINT-KS 15th May 2023]

8 Risk management implications

- 8.1 Although not a mandatory requirement for councils, the LGA Peer Challenge is very much encouraged. The results can be very helpful to the continuous improvement of the council. If the council were not to participate in this process, there is a risk that it might miss out on opportunities to improve.

9 Equality analysis

- 9.1 Equality and fairness were a key consideration in the CPC process, as can be seen in the report at appendix 1.

10 Environmental sustainability implications

- 10.1 The CPC focused, at the council's request, particularly on sustainability. As a result, an improvement action relating to this was included in the action plan.

11 Appendices

- Appendix 1 – LGA Corporate Peer Challenge – Feedback Report
- Appendix 2 – EBC response to recommendations

12 Background papers

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

- None


LGA Corporate Peer Challenge

Eastbourne Borough Council

26th- 30th September 2022

Feedback report





1. Introduction	3
2. Executive summary.....	3
3. Key recommendations	5
4. Summary of the peer challenge approach	7
5. Feedback	8
6. Next steps	18

1. Introduction

This peer challenge was conducted at Eastbourne Borough Council and Lewes District Council. The councils share staff and senior management but have different governance systems, different councillors, different policies, separate budgets, and the areas have different challenges. As a result of these differences, it was agreed with the councils that two reports would be produced, one for each council. It was agreed that joint recommendations as well as recommendations for each council would be made by the peer challenge team.

2. Executive summary

The Chief Executive and senior management team of the councils are well-respected. Partners and staff consistently gave this feedback for both councils during interviews.

The peer challenge team found that the political leadership of both councils provide clear direction and leadership for their areas. The political leaders at both councils are well-respected by partners and have good working relationships with them.

There is very strong partnership working at both councils. Local organisations, other public sector bodies and voluntary groups see the councils as a 'trusted partner'.

The peer challenge team met with staff at both councils and found the staff to be hard-working. The peer challenge team also saw evidence that staff have delivered for the local areas during a very difficult period whilst dealing with the Covid-19 pandemic.

Some significant financial challenges with the capitalisation direction in Eastbourne appear to have been addressed. However, there are more challenges on the horizon for both councils due to the current economic climate, cost of living crisis, inflationary pressures and pay award. Both councils will need to take steps to address these challenges in the coming months and years.

The peer challenge team also noted that unallocated Revenue Reserves remain relatively low at Eastbourne, although there are plans to increase them. This will be

challenging for the council given the current economic circumstances and cost pressures.

Both councils will need to take steps to address these challenges in the coming months and years.

Both councils have clear ambitions and priorities as evidenced by the policy documents and corporate plans shared with the peer challenge team. The councils clearly 'make things happen' and have a track record of delivery.

The peer challenge team are of the view that developing strategic visions and frameworks could help drive forward key agendas for both councils. For example, the Local Plans and tourism strategies could assist the councils in meeting their ambitions on economic development, tourism, and housing.

In interviews the peer challenge team heard about Member-Officer relationships at both councils. The peer challenge team found that these relations are good, and that members and officers have a constructive relationship and work well together.

Several interviewees highlighted issues with cross-departmental communications and provided examples where this communication could have been better. The peer challenge team believe this is an area where some improvement could be made.

The peer challenge team looked at the councils' Equalities, Diversity, and Inclusion (EDI) policies and data. Whilst both councils acknowledge this is an important area, the peer challenge team are of the view that there is more to be done to develop Equalities, Diversity and Inclusion at the councils and improvements can be made.

The peer challenge team considered staff structure charts, spoke to HR, union representatives, senior management, and front-line staff. The team found that the staff structures, job titles, and pay schemes could be clearer and more transparent. A review of these may help to tackle some of the recruitment issues at both councils.

The peer challenge team are also of the view that resources including staff, could be better aligned with key corporate priorities and core business, with more investment in tools such as IT and back-office systems to support service delivery.

The peer challenge team noted some strategic planning challenges. The Local Plans for both councils have been delayed due to external issues and the Housing Delivery Tests have been missed.

The peer challenge team saw evidence of both councils' ambitious capital programmes and investment. The councils should look at ways to minimise risk and ensure these programmes and investments contribute to core business or corporate priorities.

The peer challenge team noted some good examples of innovative practice such as crowd funding for Net Zero.

3. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to both councils:

3.1. Recommendation 1:

Re-consider staffing structures, job titles, pay/grading. Align resources to core business and key priorities, support and develop staff with more training opportunities including apprenticeships.

3.2. Recommendation 2

Create strategic frameworks to guide the delivery of key priorities and empower middle management to deliver them.

3.3. Recommendation 3

Invest in improved ICT (including mobile working solutions), back-office systems, and automation, with a focus on service delivery to ensure tools are fit for purpose.

3.4. Recommendation 4

The peer challenge team strongly recommends revising the members allowance from the very low base in time for the new municipal term, taking onboard the views of the Independent Remuneration Panels.

3.5. Recommendation 5

Improve cross-department communications and joint working. Create opportunities for staff to meet in person and across teams.

3.6. Recommendation 6

Continue to closely monitor the finances and consider a longer-term approach to financial planning.

3.7. Recommendation 7

Make greater use of financial scenarios to evaluate the impact of inflationary pressures, cost of living and increased borrowing costs.

3.8. Recommendation 8

Undertake an asset review to ensure assets contribute and align to core services, key priorities, and have a demonstrable value. Re-evaluate the cost of upcoming projects and returns on investment to ensure key projects are still financially viable

3.9. Recommendation 9

Demonstrate commitment to the key corporate priority of sustainability and carbon neutrality by assigning a suitable budget to ensure delivery.

3.10. Recommendation 10

Housing Delivery Tests have not been met and the Local Plans are still under development and have been delayed due to external issues. Addressing this needs to be a priority so the councils retain control over the local planning and place making, which will be essential to meet their ambitious goals.

The following are key recommendations that only relate to Eastbourne Council:

3.11. Recommendation 11

Put in place measures to ensure ongoing evaluation of investments, commercial activities, and the capital programme in the current challenging economic context.

3.12. Recommendation 12

Conduct a self-assessment against the CIPFA Assurance Review to help the organisation move forward

3.13. Recommendation 13

Continue to work on financial resilience, focussing on adequacy of reserves.

4. Summary of the peer challenge approach

4.1. The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Liberal Democrat Member Peer – Cllr Rowena Hay, Leader, Cheltenham District Council
- Independent Member Peer – Cllr Martin Fodor, Bristol
- Chief Executive Peer - Rob Weaver, Chief Executive, Cotswolds District Council
- Senior Officer Peer – Andrew Jarrett, Deputy Chief Executive and S151 Officer, Mid Devon District Council
- Officer Peer – Emily Bolton, Climate Crisis Strategy Manager, Cambridgeshire
- LGA Shadow Peer - Mia Shelton
- LGA Peer Challenge Manager – Angela Kawa

4.2. Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?

3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

At the request of the Councils, we also considered the following area of focus:

6. Sustainability and Net Zero

4.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent five days onsite, during which they:

- Gathered information and views from more than 44 meetings and 10 focus groups, in addition to further research and reading.
- Spoke to a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

5. Feedback

5.1. Local priorities and outcomes

The peer challenge team found that the councils have clear priorities and ambitious

goals. However, the peer challenge team believe that more work needs to be done on some strategic areas such as strategic planning and housing.

The peer challenge team were impressed by the effective delivery of services during difficult times such as the covid-19 pandemic. Staff coped admirably with very challenging circumstances and with increased demand from the public.

Senior officers, frontline staff and councillors across the board are keen to deliver for their local areas. There is a real commitment to get things done and to make things better for local people.

The peer challenge team interviewed a range of partners across both Lewes and Eastbourne. There was consistent feedback about the strength of the councils' partnership working. There is a strong partnership working approach and good community engagement in both councils. The peer challenge team believe that there may be opportunities to use the strong partnership working to tackle some of the strategic issues and key priorities of both organisations. However, the council will need to be careful not to overload voluntary sector partners, who reported a lack of capacity in some key areas.

The peer challenge team reviewed data on housing delivery for both councils. It is clear that Housing delivery is a key challenge for both authorities with government housing delivery targets being missed. In Eastbourne there is also a particular challenge with Houses in Multiple Occupation (HMOs). The peer challenge team heard about the work that the council is doing to tackle this; it is an issue that the council will need to continue to work on to improve housing conditions in the area.

There is some good work being done to address the housing challenge with a number of projects underway to deliver new housing. Both councils have been very successful in bidding for external funding to deliver some of this work.

The peer challenge team considered the projects being undertaken at the councils and whilst they were impressed by them, there were some concerns that resources and capacity could be stretched. The peer challenge team believes that there is a need to balance projects with core services to ensure that core services do not suffer, and that staff and resources are not stretched too far. This would ensure that the councils continue to deliver good services for local people whilst delivering their ambitions.

The peer challenge team reviewed the councils' current strategies and plans and noted that at present there is not a tourism strategy. Given the changes to the economy following the pandemic and the importance of tourism to the local economy of both areas the peer challenge team are of the view that a dedicated tourism strategy may now be needed.

The peer challenge team reviewed evidence of the progress to date on the Recovery and Stabilisation Programme. The programme is progressing well but there is still work to be done. Regular and routine attention should be given to the programme to ensure further opportunities for making efficiencies are not missed.

5.2. Organisational and place leadership

The Chief Executive and senior management team are well-respected by partners, staff, and members. The councils have a good working relationship with the County Council. The peer team heard very positive feedback from partners and staff about the lead members at both councils.

The Leaders at both councils give clear direction and political steer to the officers. Both councils have ambitions and a vision for their local areas and the political Leaders are clear in their expectations.

The peer team reviewed both councils strategic planning documents and were concerned that Local Plans are still in the process of being updated. The reasons for this were explored and it was clear the plans have been delayed due to external factors such as the pandemic. However, these Local Plans need to be progressed, so the councils maintain control of their own 'planning destiny' as far as possible, and in order to drive forward their place-shaping agendas.

The peer challenge team reviewed the councils housing delivery and noted there were some good schemes in the pipeline in both authorities to deliver new homes. However, there is more to be done as the Housing Delivery Tests are being missed for both authorities. The peer challenge team noted that action plans are in place at both authorities and the councils are seeking to address the problem. It should also be noted that a number of other local authorities are also not meeting their Housing Delivery Tests and that recent Government announcements suggest the housing targets for local government may be reviewed in the future. However, the councils

cannot rely on this and will need to provide more housing in order to meet local needs.

Both councils have good partnership working, although the peer challenge team noted there could be more use of community involvement and engagement. Communications with partners, community groups and the voluntary sector could be improved further.

There was evidence of a number of local community groups being directly engaged and involved in helping to communicate key messages for specific projects, with good outcomes. The peer challenge team believe that the councils could benefit from adopting this approach for other projects, to really capitalise on the strengths of the local community. This would allow the councils to bring the community with them on many of the key priorities. This approach would clearly need to be balanced with the need to manage the expectations of the local community and voluntary sector.

5.3. Governance and culture

The peer challenge team found that there are strong member officer relations at both councils with good mutual trust and respect between officers and members.

In interviews members at both authorities were clear that they feel well-served by officers as part of the shared service arrangements. There was positive feedback about both senior and junior staff at the councils and the good work they are doing. The 'Stronger together' value holds true.

The peer challenge team reviewed the councils' governance arrangements and noted that recent changes such as the strategic property board have improved governance in this key area. We found both councils were open to discussions about governance arrangements, with a willingness to change them when this would improve outcomes, processes, and oversight.

It was clear in interviews, with staff, councillors, and partners that the councils have a 'can-do' culture. The councils have been very effective at moving swiftly to bid for Government funds and have been successful in making progress with key projects. The peer challenge team found that members were engaged and visible.

In interviews with lead members, it was clear that there is a commitment to social value. This needs to be further embedded so that it is consistently applied. The

councils may wish to consider ways of strengthening and further embedding social value. For example, with changes to procurement processes with greater emphasis given to the non-financial benefits or outcomes, alongside the more traditional need to demonstrate value for money when procuring or commissioning.

The peer challenge team reviewed the councils' members allowances. The team were concerned that the members allowance at both authorities are unusually low. This may be a barrier to recruiting a more diverse set of councillors and could make it more difficult to ensure that members of the local community from all walks of life are in a position to be able to stand should they wish to.

Members were very positive about the member induction programme and described it as good. More needs to be done to ensure that this good base is built on so that member training opportunities are ongoing throughout the municipal cycle.

5.4. Financial planning and management

The finance team which serves both councils have worked very hard to deliver during a very difficult period with the capitalisation direction at Eastbourne and Covid-19 pandemic. The team have achieved a lot and this hard work should be acknowledged.

The peer challenge team noted that there has been a high turn-over in the finance team, and at present morale appears to be low. Given the pressures the finance team have been under and the high turn-over, regularly checking-in should be undertaken, to ensure they feel connected and valued. The councils should ensure the finance team have sufficient capacity and ongoing training so they can continue to deliver in what remains a challenging set of circumstances.

The peer challenge team were impressed by the success of external funding bids, with several examples provided that demonstrated how effective the councils have been in levering-in significant, multimillion pound external funding to deliver key projects in both areas.

In interviews the commercialisation framework was discussed. Whilst it is positive that this work is progressing it was clear that this was still in development. This now needs to be finalised and embedded.

The peer challenge team noted that the financial planning and service performance

team are being embedded into the core finance team. This a positive development and was welcomed by the peer challenge team as a way of ensuring joined up working in these key areas.

The peer challenge team reviewed some of the councils' financial processes and noted that there is a high level of internal recharging. Some staff at different levels within the organisation reported that this was creating unnecessary work. The peer challenge team urge the councils to consider alternatives to internal recharging as this is a significant administrative burden on officers and there may be opportunities to work more efficiently.

The current economic situation following the pandemic, with the cost-of-living crisis, high inflation, and the local government pay award present challenges for the revenue budgets for both councils. There will need to be careful consideration of the pressures this will create on both budgets and how the councils will address them.

The peer challenge team noted that there are a number of capital projects being undertaken at both councils involving significant sums of money. Given high inflation, the increased costs for materials, labour and borrowing, these important capital projects need to be carefully and regularly considered to ensure they remain economically viable. The councils should also consider carrying out regular reviews and risk assessments of the increased costs and economic situation. The councils can also consider what measures may be needed to ensure the projects are still deliverable, or whether some projects will need to be reprioritised or paused. This approach is particularly important in light of the principles of the Recovery and Stabilisation Programme.

Eastbourne Council has achieved a lot in past two years despite critical work on the capitalisation directive. This challenge has forced corporate checks and challenge on commercial ventures and investments. This has also helpfully created a number of new processes that have been very beneficial, i.e., Strategy Property Board and ownership of savings plans.

During this time Eastbourne has delivered a range of savings plans and an asset sales programme. The council has increased some reserves and balanced the budget and Medium-Term Financial Plan. These are significant achievements in very challenging circumstances. The peer challenge team suggests that the council now

consider an asset review to build on the work already undertaken, and to ensure momentum is maintained.

The peer challenge team reviewed the council's reserves and noted the reserves replenishment strategy. This strategy needs a rationale for current and future contributions if the council is going to increase this to the current goal of circa £5m. The council should set out why they are undertaking this work and how they will do it, so that officers, members, and residents are clear on this and understand the rationale.

The peer challenge team were provided with a copy of the CIPFA review conducted at the council in 2021. Following the CIPFA review the peer challenge team believe that a self-assessment report would be helpful for the organisation and should be undertaken, to allow it to demonstrate the full completion of the recommendations. Some of the lessons and new processes from this review need to be fully embedded into business as usual. The peer challenge team are also of the view that a prudent attitude to risks and investment needs to be maintained, particularly given the turbulent economic circumstances, the focus on tourism, and the cost pressures faced by the council.

The peer challenge team reviewed the council's work on longer-term financial planning. The team are of the view that there is more to do on scenarios and longer-term financial planning, particularly as there is now time and space to do this. There needs to be a clear focus on financial resilience and capacity building to help the organisation face an uncertain financial future.

The peer challenge team notes that the current economic challenges and increased cost of trades and supplies is a concern. There is an awareness in the organisation that this is an issue that will present financial challenges. The peer challenge team are of the view that there needs to be a re-evaluation of the cost of upcoming projects and a re-examination of returns on investment, in light of the challenging economic situation, high inflation and increased costs. This re-evaluation should include continued reviews at least annually, of the ICE investment in light of the risks involved. The council should consider ways to actively manage this risk.

The peer challenge team spoke to local business, members and senior officers and it is clear that tourism is a key part of the local economy in Eastbourne. The council

should consider what happens if tourism doesn't bounce back to pre-pandemic levels. The council should consider if there is a need for a 'plan b' in terms of the local economy and economic development.

5.5. Capacity for improvement

Eastbourne and Lewes councils merged their officer core six years ago. The peer challenge team are of the view that six years after the merger of staff, there is now a good opportunity to review current staffing structures to ensure they are best set up to maximise delivery of core services and key priorities.

The peer challenge team noted that some job titles and responsibilities are unclear; this was echoed by less senior staff who expressed some frustration with unclear job titles and roles. The councils should re-consider if posts are in the departments they need to be in, and if there is sufficient capacity in frontline services. The peer challenge team also urge the councils to consider a pay and grading review, as this could aid recruitment and retention.

In interviews it was clear that there is a real willingness by frontline staff, CMT (senior management), Heads of Service and the political leadership to deliver improvements for residents and to the local areas. There was a clear commitment to delivering across the organisation at every level. Reviewing staffing structures will help ensure this commitment is maximised.

The peer challenge team reviewed the councils' Equality, Inclusion and Diversity (EDI) policies and data, and spoke to staff, unions, and Human Resources. The team believe that there is an opportunity to strengthen and broaden understanding of EDI across the organisation, including in the workforce. There are also opportunities to increase understanding of EDI in external-facing services that work with residents and partners.

In interviews the peer challenge team heard about the way the organisation works together across departments. The team are of the view that the councils should create further opportunities for cross-departmental and joint working. This would improve communications between teams, and ensure departments are aware of relevant work in other parts of the organisation.

The peer challenge team heard consistently in interviews that there are issues with

older ICT, back-office systems, and a lack of up-to-date mobile working systems. These older systems and equipment are creating inefficiencies and are understandably a source of frustration for staff who want to get things done quickly and efficiently for residents. Improving and updating these systems and equipment, including the provision of appropriate mobile technology, will improve efficiencies and free-up staff capacity.

In interviews staff were aware that the councils are undertaking a number of substantial projects. There was a perception from some staff that special projects and bids may sometimes take precedent over business as usual. The councils need to ensure that day-to-day services are also a priority and balance the need to deliver important projects with the need to get day-to-day business done.

The peer challenge team heard about the work being done in managing projects. The councils should continue the use of 'solution sprints' to deliver efficiencies, as this has been effective so far and the approach is well regarded by staff across the councils

The capacity of both councils to deliver will be dependent on the councils continuing to address their longer-term financial sustainability, particularly given the difficult economic circumstances and the likelihood of an increase in demand for services from residents.

5.6. Net zero/Sustainability

The peer challenge team reviewed the councils' policy documents, plans and projects for sustainability and net zero. The team found that there are strong strategies and levels of ambition. The councils clearly articulate the strategic position.

The councils are now moving into the mobilisation phase and focussed on making changes. In the view of the peer challenge team these efforts could do with internal support that is suitably aligned to the level of ambition identified in the strategies. This would allow the councils to deliver at the pace and scale required.

In interviews with members at both councils it was clear that they understand the importance of net zero and sustainability and that they are keen to deliver on this agenda. There is good articulation of the challenge within the climate strategies and awareness of the need for collaboration and community empowerment. The peer

challenge team found that there is impressive engagement with the community, which is something that many other councils struggle to achieve. The team also noted that the councils have been successful in securing grant funding for the authorities and community groups in this area.

The peer challenge team were given some examples of good practice in this area. Both councils have some innovative practice, for example crowd funding for net zero, which has been highlighted in an [LGA Case Study](#).

Having reviewed the staff structures and resources available the peer challenge team believe that there are opportunities to improve capacity and resourcing, particularly in relation to project delivery in this area. The team are also of the view that significantly increasing the level of funding and resource (including staff and a budget) assigned to the strategic development and mobilisation of the action plans, will enable the councils to make more progress.

Ensuring the climate response is given sufficient priority amongst the councils' other priorities will be essential in order to meet the councils' ambitions in the next eight years.

The peer challenge team found that staff are aware that sustainability and net zero are important priorities for the councils. However, all officers need to recognise the role they play in delivery of this strategy, not only those directly working under the "climate and sustainability" banner. The councils should consider how they can ensure carbon neutrality principles are fully embedded through the organisational structures.

The peer challenge team reviewed the councils' current arrangements in terms of data collection and analysis in this area. The peer team believe that developing a data framework to support collation of the data required for carbon foot-printing calculations from across the organisation will improve efficiencies in this area and free-up capacity that is currently taken up with data collation.

The peer challenge team encourage the councils to utilise the good relationships they have with key partners such as the County Council through identification of commonalities to maximise the alignment with these partners on net zero and sustainability. This will provide officers with the strategic partnership framework to accelerate delivery and bring increased grant funding to the region.

6. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss, and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in session, which provides space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Mona Sehgal, Principal Adviser for South-East, is the main contact between your authority and the Local Government Association. Mona Sehgal is available to discuss any further support the council requires. mona.sehgal@local.gov.uk

EBC response to Peer Challenge Recommendations

	Recommendation	Response
1	Re-consider staffing structures, job titles, and pay. Align resources to core business and key priorities, supporting and developing staff with more training opportunities including apprenticeships.	Initial discussions have taken place with LGA. Working to amend job descriptions - moving away from specialist advisor / senior specialist advisor roles. Also looking at corporate back-office functions and numbers. Continued focus on training and development, detailing the number of opportunities on offer including apprenticeships which are available to existing as well as new staff and can result in qualifications from the same level as GCSE's through to bachelors or master's degrees.
2	Create strategic frameworks to guide the delivery of key priorities and empower middle management to deliver them.	A variety of strategies have been introduced to address these key priority areas, with involvement of middle managers. External consultant in final stages of assessing catering and conference offering in Devonshire Quarter. Plans underway to transfer theatres to a Local Authority Controlled Company in advance of potential Trust model. Opportunities being considered to get operators to take on services where more appropriate for private sector to run e.g. Pavilion/Glass House, Helen Garden.
3	Invest in improved ICT (including mobile working solutions), back-office systems, and automation, with a focus on service delivery to ensure tools are fit for purpose.	Continuing to review and align ICT systems through the Digital Transformation programme of the Recovery & Stabilisation portfolio. A range of projects are in progress to update the ICT systems used by the council e.g., replacing revenues/benefits with single system in autumn 2023. Project to replace the 2 Planning systems with single system started in Jan 2023. Considering further investment in improved mobile working solutions. The Artificial Intelligence and robotics project is maximising benefits of existing technology and exploring opportunities for further automation. Business case on next phase of chat bot - ELLIS - on the phones, is being finalised.
4	The peer challenge team strongly recommends revising the members allowance from the very low base in time for the new municipal term, taking	EBC considered the Independent Remuneration Panel (IRP) recommendation at full Council in Feb 2023. It was resolved not to accept the

	onboard the views on the Independent Panels.	recommendations this side of the election and instead reconvene a new IRP, following May, for consideration in November 2023.
5	Improve cross-department communications and joint working. Create opportunities for staff to meet in person and across teams	Following the discussion at the Senior Managers Forum in February, an Internal Communications Working Group has been created to lead the implementation of the new Internal Communications Strategy. The first meeting of the group was held on 24 April 2023.
6	Continue to closely monitor the finances and consider a longer-term approach to financial planning.	A new fully integrated business and financial planning process has been devised and will be delivered this year, addressing both revenue and capital requirements in a joined-up way. Training for Senior Managers Forum will be delivered in June. The Medium-Term Financial plan also now shows a detailed 4-year position more strongly than previously.
7	More use of financial scenarios to evaluate the impact of inflationary pressures, cost of living and increased borrowing costs.	This will be considered, and awareness created at the Senior Managers Forum in June to ensure relevant data/info are provided when writing future reports and for future business plans.
8	Undertake an asset review to ensure assets contribute and align to core services, key priorities and have a demonstrable value. Re-evaluate the cost of upcoming projects and returns on investment.	The capital programme now only contains items which address health and safety issues, or which help us to maintain financial stability. A further review of assets which may be disposed of in the longer term is now also taking place.
9	Demonstrate commitment to the key corporate priority of sustainability and carbon neutrality by assigning a suitable budget to ensure delivery.	Commitment to this corporate priority remains for 2023/24 and activity to deliver the corporate climate action plans. Regular meetings with members and climate change panel (outside of the pre-election period) to ensure this work remains on track. £500,000 allocated in HRA to sustainability. Officers working on a sustainability programme. A green consultancy team has been established to progress carbon reduction initiatives. The revised Corporate Plans will also focus on this area.
10	Housing Delivery Tests have not been met and the Local Plans are still under development and have been delayed due to external issues. Addressing this	The Council has published a revised Local Development Scheme (agreed/endorsed by Cabinet) which gives new milestones for the delivery of the

	needs to be a priority so the councils retain control over the local planning and place making, which will be essential to meet their ambitious goals.	Local Plans. Cabinet has agreed to support financially (with a dedicated payment) the delivery of the evidence to support the Local Plan Production.
11	Ongoing evaluation of investments, commercial activities, and the capital programme in the current challenging economic context	Phase 2 of the Recovery and Stabilization Programme will continue to look at this as a priority. CMT reviewing the need for a commercial strategy/framework for the council.
12	Conduct a self-assessment against the CIPFA assurance review to help the organisation move forward.	Self-assessment work completed as recommended. CIPFA carried out a follow up light touch re-assessment in April 2023. Outcome awaited.
13	Continued work on financial resilience focussing on adequacy of reserves.	This was set out in the budget report for 23/24. It was demonstrated how Recovery and Stabilisation will ensure the council has the ability to maintain adequate reserves.

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Agenda Item 8

Report to:	Cabinet
Date:	13 June 2023
Title:	Local Council Tax Reduction scheme 2024/25
Report of:	Tim Whelan, Director of Service Delivery
Cabinet member:	Councillor Robin Maxted, Cabinet member for finance and resources
Ward(s):	All
Purpose of report:	To seek Cabinet approval to commence the statutory consultation process the Council needs to follow in order to make changes to the current Local Council Tax Reduction scheme.
Decision type:	Key
Officer recommendation(s):	That Cabinet, with the objective of implementing a revised Local Council Tax Reduction Scheme for 2024/25 – (1) authorise the Chief Finance Officer to enter into consultation with the major precepting authorities (2) authorise the Director of Service Delivery to produce a draft scheme that calculates a Council Tax Reduction of 100% of a person’s council tax liability, removes the Minimum-Income Floor for the self-employed and removes the £5.00 minimum award (3) on completion of the consultation and drafting authorised under (1) and (2) above, authorise the Director of Service Delivery to consult with other interested parties.
Reasons for recommendations:	Any billing authority wishing to revise its Council Tax Reduction scheme for the working-age must follow the statutory process as set out in this report.
Contact Officer(s):	Name: Bill McCafferty Post title: Functional Lead for Income Maximisation and Welfare E-mail: bill.mccafferty@lewes-eastbourne.gov.uk Telephone number: (01323) 415171

1 Introduction

1.1 The Local Council Tax Reduction (LCTR) scheme 2023/24 for the working-age has the following features:

- a) Calculates LCTR on 80% of a claimant's council tax liability
- b) Applies a minimum-income floor to certain self-employed claimants
- c) Has a minimum award of £5.00 per week such that a claimant qualifying for less than £5.00 per week does not receive any LCTR

1.2 The LCTR scheme acts as a discount and reduces the amount of council tax available to be collected.

2 Proposal

2.1 That the Council consults on adopting a scheme for 2024/25 that:

- a) Calculates LCTR on 100% of a claimant's council tax liability
- b) Does not apply the Minimum-Income Floor to self-employed claimants
- c) Does not have a minimum award value

2.2 If the Council decides to revise its scheme this will be another form of support to those most vulnerable. The Council has already set up a Cost-of-Living Crisis Fund which is primarily intended to support our local voluntary sector partners as they respond to the extreme challenges facing local people. In light of the urgency of this crisis, the Council made an initial payment of £20,000 to Eastbourne Food Bank to ensure availability of food for those in immediate need.

In addition, upwards of £130,000 has been awarded to local initiatives including specialist money and homelessness advice, new and existing community fridges and help for schools going above and beyond to help struggling families through activities including breakfast clubs and uniform banks.

2.3 The effect of these proposals would be to reduce the amount of council tax available be collected. i.e. increase the cost to the Council and preceptors.

3 Outcome expected and performance management

3.1 That following the consultation process Cabinet can make recommendations to Full Council in February 2024.

4 Consultation

4.1 The Local Government Finance Act 1992 requires that, for each financial year, the Council consider whether to revise its LCTR scheme or to replace it with another scheme. Cabinet has authority to recommend a revised or replacement scheme, but formal adoption is reserved to full Council.

To comply with the Act, before revising its scheme the Council must in the following order–

- (a) consult any major precepting authority which has power to issue a precept to it,
- (b) publish a draft scheme in such manner as it thinks fit, and
- (c) consult such other persons as it considers are likely to have an interest in the operation of the scheme.

4.2 Any consultation must adhere to the following principles:

- Consultation should occur when proposals are at formative stage;
- Consultations should give sufficient reasons for any proposal to permit intelligent considerations; and
- Consultations should allow adequate time for consideration and response

In addition, there must be clear evidence that the decision maker has considered the consultation responses, or a summary of them, before taking a decision.

A draft timetable is set out below:

07/06/2023	Report to Cabinet
08/06/2023 to 07/07/2023	Consultation with major preceptors
21/07//2023	Produce a draft scheme for 2024/25
24/07/2023 to 27/10/2023	Consultation with interested parties
04/12/2023	Report to Scrutiny Committee
13/12/2023	Report to Cabinet
21/02/2024	Report to Full Council

5 Corporate plan and council policies

5.1 Not relevant at this stage.

6 Business case and alternative option(s) considered

6.1 There are no other options available should the Council want to revise its scheme.

7 Financial appraisal

The cost to the Council in terms of a reduction in tax base would be c£122k.

7.1 The current cost of the scheme is c£8.02m and is met by the Council and preceptors in proportion to their share of council tax:

	% share of Council Tax	Current cost
East Sussex County Council	73%	£5,855,697
Eastbourne Borough Council	12%	£962,580
Police	10%	£801,150
East Sussex Fire and Rescue	5%	£401,075
Total cost		£8,021,502

A scheme based on 100% liability, no minimum-income floor and no minimum award would, at the current caseload and current levels of council tax, reduce the amount of Council Tax to be collected to c£9.03m and the additional cost of c£1m would be met by the Council and preceptors as set out in the table below:

	% share of Council Tax	Revised cost
East Sussex County Council	73%	£6,597,107
Eastbourne Borough Council	12%	£1,084,456
Police	10%	£903,713
East Sussex Fire and Rescue	5%	£451,857
Total cost		£9,037,133

8 Legal implications

- 8.1 The statutory basis for a billing authority's LCTR scheme is provided by section 13A of the Local Government Finance Act 1992; and the statutory basis for consulting over revisions to such a scheme is provided by Schedule 1A to the same Act.
- 8.2 The legal principles governing the consultation process reflect case law made by the High Court in judgments relating to consultations conducted by public bodies. The Council should, additionally, have regard to the consultation principles issued by the Cabinet Office in 2018.

Legal Services consulted 12.04.23

Legal ref: 011988-EBC-OD

9 Risk management implications

- 9.1 The forecasted increase in cost of the proposed new scheme is based on current caseload and Council Tax levels. An increase in caseload will increase the cost of the scheme by approximately £1,200 per case.

The preceptors contribute, in proportion to their share of council tax, to 2.5FTE posts in the Customer First Resolution Income maximisation and Welfare team that deal with council tax administration and collection. This contribution has been in place since 2016 when the 80% maximum award was introduced. The additional 2.5 posts were to assist in the collection of council tax from people who may not have had to pay anything towards their council tax in the past and to administer the Exceptional Hardship scheme. Should the scheme revert to a 100% scheme it is likely the preceptors will withdraw their financial support for the 2.5 posts.

10 Equality analysis

10.1 At this stage there is no requirement for an Equality Analysis.

11 Environmental sustainability implications

11.1 There are no environmental sustainability implications arising from this report

12 Appendices

- None

13 Background papers

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

- None

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