

## **Cabinet**

### **Minutes of meeting held remotely on 11 June 2020 at 2.30 pm**

#### **Present:**

Councillor Zoe Nicholson (Chair)

Councillors James MacCleary (Vice-Chair), Matthew Bird, Julie Carr, Chris Collier, Johnny Denis, Emily O'Brien 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), Philip Evans (Director of Tourism & Enterprise), Tim Whelan (Director of Service Delivery), Becky Cooke (Assistant Director for Human Resources and Transformation), Peter Finnis (Assistant Director for Corporate Governance), Catherine Knight (Assistant Director of Legal and Democratic Services) and Simon Russell (Committee and Civic Services Manager)

#### **Also in attendance:**

Councillor Isabelle Linington (Leader of the Opposition), Councillor Joe Miller (Chair of Policy and Performance Advisory Committee) and Councillor Julian Peterson (Chair of Audit and Standards Committee)

### **72 Minutes of the meeting held on 7 May 2020**

The minutes of the meeting held on 7 May 2020 were submitted and approved and the Chair was authorised to sign them as a correct record.

It was confirmed that decisions made by the Leader of the Council, Councillor Zoe Nicholson in relation to items that were originally scheduled for March's Cabinet meeting, prior to lockdown, had been taken and published online, in accordance with the Council's constitution.

### **73 Apologies for absence**

An apology for absence was reported from Councillor Meyer.

### **74 Declarations of interest**

Councillor Collier declared a prejudicial interest in agenda item 8 (Pension fund divestment from fossil fuel industries) as an appointed representative to the Pension Board. He withdrew from the meeting whilst the item was being considered.

Councillors O'Brien and O'Keeffe declared a personal interest in agenda item 8 (Pension fund divestment from fossil fuel industries) as they had a pension with East Sussex County Council. They remained in the meeting and took part in the discussion.

Councillor O'Keeffe declared a personal interest in agenda item 10 (Lewes Football Club – Lease, Dripping Pan, Lewes) as she lived close to the Club and her son was an owner. She remained in the meeting whilst the item was discussed.

## **75 Pension fund divestment from fossil fuel industries**

The Cabinet considered the request from Councillor Ross in relation to pension fund divestment from fossil fuel industries.

Councillor Ross addressed and presented the item to Cabinet.

Cabinet unanimously supported the request and conveyed their thanks to Councillor Ross for submitting the item.

Councillor Collier declared a prejudicial interest in this item and withdrew from the meeting whilst the item was being considered.

Councillors O'Brien and O'Keeffe declared a personal interest in this item and remained in the meeting and took part in the discussion.

### **Resolved (Non-key decision):**

That, in light of the coronavirus crisis, Cabinet write to the Pensions Committee of East Sussex County Council asking it to:

- (1) Immediately freeze any new investment in the top 200 publicly traded fossil fuel companies.
- (2) Ask all fossil fuel companies in which the pension fund holds investments for a firm commitment to entirely decarbonise by 2030.
- (3) Commit itself, over the course of the next 4 years, to divest the East Sussex Pension Fund from any investments in companies that do not provide that commitment by March 2021.

### **Reason for decision:**

Both Lewes District Council (LDC) and East Sussex County Council (ESCC) have recognised and declared climate emergencies and have made commitments to decarbonise.

## **76 Financial assessment of Covid-19**

The Cabinet considered the report of the Chief Finance Office updating them on the financial impact of Covid-19 and associated budgetary implications.

The projected figures, detailed in the report were produced by modelling a number of best and worst-case scenarios based on potential announcements by the government. The report detailed that Covid-19 would likely leave the Council facing a budget deficit of between £3.2 million and £10.2 million, according to the latest estimates.

Referrals from an informal meeting of the Policy and Performance Advisory Committee (PPAC), held on 2 June 2020 was presented by Councillor Joe Miller, Chair of PPAC and considered by Cabinet during their discussions.

The Cabinet resolved to support recommendation (1)(b) from PPAC and that was detailed at resolution (5). An additional recommendation resolving to write to central government for further funding and necessary support for the Council and community was detailed at resolution (6).

**Resolved (Key decision):**

- (1) To note the initial financial impact of Covid-19 and associated vulnerability of the authority's budget.
- (2) To note the assumptions being made about the ongoing financial impact of Covid-19.
- (3) To approve the reserve transfers included in the report.
- (4) To authorise the Chief Executive, in consultation with the Leader of Council, Cabinet member for Finance and the Chief Finance Officer, to make use of monies held in the Council's COVID19 earmarked reserve as he believes most appropriate in order to continue essential service delivery and/or to mitigate the impact of the emergency on residents and/or service users.
- (5) To ask the Chief Executive to formally pass on the thanks of all members to officers of the Council for their hard work and diligence during a difficult and unprecedented period.
- (6) That the Leader, Deputy Leader and Chief Executive of the Council send a letter to the Prime Minister and Chancellor of the Exchequer. The letter would acknowledge the funding received to date, although the focus would very much be on what is needed from Government to support the community going forward. The letter would focus on the flexibilities and measures needed as a Council in order to support the community and contribute to its economic recovery.

**Reason for decisions:**

The Council's response to Covid-19 has been and continues to be fast paced. Budgetary assumptions are liable to change and are only given as an indication. This report provides a position statement at this time to keep Cabinet informed.

**77 Lewes Football Club - Lease, Dripping Pan, Lewes**

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning seeking recommendation regarding the grant of a 25 year lease to Lewes Football Club of the Dripping Pan site, subject to further approval from Full Council on 20 July 2020.

Referrals from an informal meeting of the Policy and Performance Advisory Committee (PPAC), held on 2 June 2020 was presented by Councillor Joe Miller, Chair of PPAC and considered by Cabinet during their discussions.

In response to a question with regards to whether the insertion of a break-clause in the lease would be suitable, the Cabinet advised that this was not necessary and would have an impact on the Club's ability to attract grant funding.

Taking into account the recommendations from PPAC and acknowledging the importance of sport and leisure and stress placed on clubs and organisations across the District, the Cabinet added in an additional recommendation and that was detailed at resolution (2).

Councillor O'Keeffe declared a personal interest in this item. She remained in the meeting whilst the item was discussed.

**Recommended to Full Council:**

(1) To recommend to Full Council the grant of a 25- year lease to Lewes FC of the Dripping Pan. For this purpose, the Council will be sitting in its capacity as the sole charitable trustee of the Mountfield Pleasure Ground Trust.

**Resolved (Non-key decision):**

(2) To request that a future report be submitted on the impact of Covid-19 on all of the Council's leisure and recreational facilities.

**Reason for decision:**

To enable Lewes Football Club to seek grant funding to make improvements to the Club's site. The Dripping Pan forms part of Mountfield Pleasure Ground Trust and as such the final decision in this matter resides with Full Council as sole charitable trustee.

**78 HRA Capital Programme - Housing Delivery Update**

The Cabinet considered the report of the Deputy Chief Executive and the Director of Regeneration and Planning providing an update on the Housing Revenue Account (HRA) Capital Programme for housing delivery to bring forward new affordable homes to the District.

Referrals from an informal meeting of the Policy and Performance Advisory Committee (PPAC), held on 2 June 2020 was presented by Councillor Joe Miller, Chair of PPAC and considered by Cabinet during their discussions.

Councillor MacCleary responded to the recommendations made by PPAC. In addressing recommendations (2) and (3) it was clarified that Lewes Town was a difficult location to deliver affordable homes but with now certainty over costs, it is financially viable to proceed with this important scheme. It was believed that investing in affordable homes at Saxonbury would be cost effective. In terms of PPAC's recommendation to re-tender, Councillor MacCleary responded that the current tender was in line with market expectations and any further delay would increase the risk of costs rising.

In addressing recommendation (4) from PPAC, Councillor MacCleary advised that Cabinet were keen to empower officers to deliver within the framework set however he would ask officers to review the Officer Scheme of Delegation. Existing safeguards were already in place within the Council's Contract Procedure Rules.

Finally in addressing recommendation (5) from PPAC, Councillor MacCleary concluded that Directors could only exercise delegation, in consultation with the Lead member for Housing and Chief Finance Officer. The recommendation as set out in the report provided financial and political oversight to progress the scheme in a timely matter.

Visiting member and Leader of the Opposition, Councillor Linington addressed the Cabinet in relation to officer recommendation (3) and asked that they revisit the proposal for Saxonbury.

Cabinet also considered the exempt appendix that accompanied the report but did not make reference to the named sites contained in the proposals.

The Cabinet agreed to unanimously accept the officer recommendations as set out in the report.

**Resolved (Key decision):**

(1) To approve the S106 acquisition proposals outlined within Appendix A (exempt) enclosed as part of the HRA Capital Programme for housing delivery subject to contract, valuation, legal advice and the usual due diligence. The overall project costs will be covered by a combination of sales receipts, Right to Buy (RTB) receipts and borrowing as required in accordance with the HRA Business Plan.

(2) To approve a waiver to the Contract Procedural Rules (CPR), as set out in Para. 2.4.1(a) of the CPR to allow the direct selection of the contractor(s) associated with any S106 proposals due to the developer(s) already owning the site(s) and being the only party with whom the Council could contract.

(3) To approve the revised scheme proposal for Saxonbury including the change in budget from £1.5m to £1.8m, the change in tenure and the use of RTB receipts to support the financial viability and delivery of new Council rented homes.

(4) To approve a waiver to the CPR, as set out in Para. 2.4.1(a) of the CPR to allow the direct selection of a main contractor for Saxonbury, due to the lack of 4 competitive tenders received in response to the Invitation to Tender.

(5) To authorise the Director of Regeneration and Planning to carry out all necessary actions to facilitate the proposals outlined at Recommendations 1) and 3) including feasibility, development and determining the terms of all necessary documentation and to subdelegate those actions as required. To also authorise the Director of Regeneration and Planning to authorise the signature of all necessary documentation to allow the purchase and development of the sites for residential housing as proposed and to let the homes to new tenants and dispose on shared ownership terms as required.

(6) To approve the increase to the existing feasibility revenue budget as implemented in June 2017 to a total amount of £350,000 to enable the development of the new housing delivery project pipeline as part of the HRA Capital Programme and to delegate authority to the Director of Regeneration and Planning to approve all expenditure, to be sub-delegated as required.

(7) To authorise and delegate authority to the Director of Regeneration and Planning, in consultation with the Lead Member for Housing and Chief Finance Officer, to carry out all necessary actions to progress and approve all acquisitions (including S106 acquisitions) as part of the HRA Capital Programme and to authorise the signature of all necessary documentation to allow the purchase(s) and further development of S106 sites subject to the development of a sound and financially viable business case presented in accordance with the HRA Business Plan and to let the homes to new tenants and dispose on shared ownership terms as required.

(8) To note the continued progress of the Council's housing infills programme.

**Reason for decisions:**

(1) To provide an update on the development of the HRA Capital Programme for housing delivery and highlight the opportunities coming forward.

(2) To present proposals to meet the objectives of the HRA Business Plan to increase the amount, availability and accessibility of diverse Council housing within the district.

(3) To progress projects that utilise retained Right to Buy receipts from social housing sales to support financial viability.

(4) To develop existing budgets and approvals to enable the delivery of a consolidated, well-managed pipeline of housing delivery projects in accordance with corporate objectives.

**79 Vote of thanks**

Councillor Nicholson thanked officers for their work behind the scenes in delivering live remote meetings and enabling elected members to participate.

Thanks were also conveyed to visiting members for their contribution to the meeting.

The meeting ended at 3.56 pm

Councillor Zoe Nicholson (Chair)