

Scrutiny Committee

Minutes of meeting held in Court Room - Town Hall, Eastbourne on 18 September 2023 at 6.00 pm.

Present:

Councillor Kshama Shore (Chair).

Councillors Alan Shuttleworth (Deputy-Chair), Kathy Ballard, Ali Dehdashty, Jane Lamb, Hugh Parker and Robert Smart.

Officers in attendance:

Philip Brown (Property Lawyer), Luke Dreeling (Performance Lead), Nick Peeters (Committee Officer), Robert Cottrill (Chief Executive), Nathan Haffenden (Head of Development, Investment and Delivery), Steven Houchin (Interim Deputy Chief Finance Officer (Corporate Finance)) and Lynn Ingram (Interim Head of Financial Planning).

15 Minutes of the meeting held on 10 July 2023

Resolved that the minutes of the meeting held on 10 July 2023 were submitted and approved and signed as a correct record by the Chair.

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16 Apologies for absence / declaration of substitute members

Apologies for absence were received from Councillors Goodyear and Morris. Councillor Smart was a substitute for Councillor Goodyear.

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

There were none.

18 Questions by members of the public

There were none.

19 Urgent items of business

There were none.

20 Right to address the meeting/order of business

There were no requests.

21 Assurance Review follow up - CIPFA (Chartered Institute of Public Finance and Accountancy) Rapid Finance Review

Jo Harper, Head of Business Planning and Performance, presented the report which updated the Scrutiny Committee on the results of a recent review undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA) and associated recommendations. During discussion, the following points were highlighted:

- Members felt that the rising costs of homelessness were continuing to impact on the Council and people in the Borough, both in terms of the human and financial cost. Members requested that the issue be looked at further and that it be included as a topic for the Committee's work programme.
- It was confirmed that the investment Company Eastbourne Limited (ICE), a wholly owned council company established as the loan guarantor in connection with a commercial property in Leicester, was not for sale.
- Members noted that there were many positive responses in the Assurance Review that were provided by an external, independent body, including the Council's positive progress towards financial stability, and its management of short-term debt and repayment plans (where no concerns were identified). However, a member expressed concerns that there were factual omissions that questioned the credibility of the CIPFA report.
- Officers confirmed the long-term debt provision of £114m related to long term loans held with the Public Works Loan Board and also confirmed that the council maintained a short-term debt balance of £67m, details of which would be reported as part of the Quarter 1 Treasury Management Report due to be presented to the Councils Audit & Governance Committee.
- Members noted a previous balance of £46m of short-term debt and sought clarification that short term debt had increased significantly over a short period?" Officers responded that short term debt had increased by £4m since the end of this financial year (31 March 2023) to £67m, but they were not aware of the balance quoted by members as the published level of short-term debt held as of the 31 March 2022 was £41m.
- Members then asked officers to confirm the levels of interest paid against existing short terms debt. Officers confirmed there were 12 items outstanding of short-term debt with values between £4 million and £10 million. The rates between the items had varied over the previous 6 months between 4.1% and 4.85%, with an overall average of 4.56 %. Officers also agreed to circulate an analysis of £67m short-term debt, including the dates loans were agreed, the dates they matured, and the interest rate charged

against each loan.

- In conclusion to the discussion regarding the CIPFA report, it was noted that opposition members had raised concerns about the Councils management of short-term debt, but that CIPFA had not raised any specific concerns about the Councils debt. It was noted that the council was in an “under borrowed” position and debt levels were comparable with other councils.
- It was anticipated that the overarching strategy recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) for objectives on tourism, income, and economic diversification would be available in December 2023.

Resolved to note the report.

22 LGO annual complaints review 2022 - 2023

Rob Cotterill, Chief Executive, presented the report provided an update to members on the Local Government Office (LGO) annual review (22-23) of complaints received and investigated. During discussion, the following points were highlighted:

- Members questioned whether delays in the processing of stage 1 complaints led to an increase in stage 2 complaints and follow up complaints with the Ombudsman. Officers explained The expectation by the public in terms of very quick response times to enquiries was a possible factor in the number of stage 1 complaints. Homelessness and housing options produced a high volume of enquiries, including people trying to access suitable housing within a limited supply. It was a complex area, involving investigation and assessments, and a challenge to provide responses and outcomes within timescales.
- Members requested further information on the five complaints that were upheld and that the number of stage 1 complaints be looked at further to see how processes could be improved.

Resolved to note the report.

23 Corporate performance - quarter 1 - 2023/24

Luke Dreeling, Performance Lead, presented the report which provided members with detail on the Council’s progress and performance in respect of service areas for the First Quarter of the year (April-June 2023). During discussion, the following points were highlighted:

- Qualitative data was also now being monitored for customer telephone calls. It was recognised that calls were taking slightly longer but this allowed staff to have more in-depth conversations with customers to ensure that potentially complex enquiries were resolved. The possibility of a front-end

message advising customers of the same would be looked at.

- Members thanked the Environment First team for their prompt action when notified of incidents of fly-tipping. Members requested that the number of fly tipping cases where prosecution took place, be provided as a percentage of the total number of incidents. Members felt that wider publicity of the impact of fly-tipping would raise public awareness and the use of cameras in high incident areas could be used, as it was a cause of distress to residents.
- Members noted the improvement in the number of households living in emergency (nightly paid) accommodation and thanked officers for their hard work in difficult circumstances. The improvement in the average number of days taken to process new claims for housing and council tax benefit was also noted.

Resolved to note the report.

24 Revenue and Capital Financial Monitoring Report Quarter 1 2023-24

Steve Houchin, Deputy Chief Finance Officer and Lynne Ingram, Interim Head of Financial Planning, presented the report which provided an assessment of the Council's financial performance against its approved 2023-24 budget, incorporating key financial risks, issues and opportunities identified since 1 April 2023 for the General Fund and the Housing Revenue Account (HRA). During discussion, the following points were highlighted:

- It was confirmed that the predicted overspend for 2024 was an appraisal with the Council working towards mitigating the causes of the overspend and reducing it.
- Homelessness and homelessness support were a significant financial pressure for the Council. The issue was one that was impacting on many local authorities on the South Coast.
- The Housing Revenue Account did not take into account the overspend from the previous year, when the Council provided additional funding to cover the overspend position at that point.
- The funding for the Better Care Fund reflected discussions between the Section 151 Officers (Chief Finance Officer) at Eastbourne Borough Council and East Sussex County Council on the transfer of grants between the two authorities.
- The Council approved a capital expenditure budget of £27 million in February 2023 and £3.992 million was carried forward from the previous year (page 63 paragraph 5,2). Variations, including a reduction in anticipated capital spend meant a slippage to a revised budget of £25.328 million. It was not anticipated that the Council would spend the entire budget - the current level of spend was significantly below that expected. The slippage in the Capital programme was due to a reduction in resources

and the Council was focusing on priority areas, rather than externally funded projects. The Capital Programme Oversight Board had been appointed to review the capital programme from a strategic perspective and also to review the funding arrangements.

Resolved to note the report.

25 Forward Plan of Decisions

The Chair introduced the Forward Plan of Cabinet Decisions which outlined decisions due to be presented to the Cabinet at its future meetings.

Resolved to note the Forward Plan of Cabinet Decisions.

26 Scrutiny Work Programme

The Chair, Councillor Shore, introduced the Scrutiny Committee's work programme. Members requested that the following areas be considered for scrutiny at future meetings:

- The schedule of works for the Seafront lighting.
- Housing and homelessness in the Borough

Resolved to note the Scrutiny Committee's work programme.

27 Exclusion of Press and Public

Resolved to enter into an exempt part of the meeting for item 11. Housing Delivery & Assets Update and item 13. Housing delivery and assets update - Exempt Appendix 2, as it was considered that public interest in maintaining the exemption outweighed the public interest in disclosing the information.

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

28 Housing Delivery & Assets Update

Nathan Haffenden, Head of Development, Investment and Delivery, presented the report which provided an update on the housing development and delivery programme.

Members discussed housing development in the Borough, the types of build that would be appropriate and the associated issues with finding solutions to providing affordable housing, and reducing homelessness numbers. Members also discussed the types of government funding potentially available and whether they were suitable for housing development needs in the Borough.

Resolved to note the report.

29 Housing delivery and assets update - Exempt Appendix 2

This item was dealt with as part of item 11. Housing delivery and assets update.

30 Date of the next meeting

Resolved to note that the next meeting of the Scrutiny Committee is scheduled to be held on 4 December 2023 in the Court Room, Town Hall, Eastbourne commencing at 6:00pm.

The meeting ended at 7.50 pm

Councillor Kshama Shore (Chair)