

Cabinet

Minutes of meeting held in Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG on 7 February 2024 at 6.00 pm.

Present:

Councillor Stephen Holt (Chair).

Councillors Margaret Bannister (Deputy-Chair), Peter Diplock, Robin Maxted, Jim Murray and Colin Swansborough.

Officers in attendance:

Robert Cottrill (Chief Executive), Homira Javadi (Director of Finance and Performance (Section 151 Officer)), Ian Fitzpatrick (Deputy Chief Executive and Director of Regeneration and Planning), Becky Cooke (Director of Tourism, Culture and Organisational Development), Simon Russell (Head of Democratic Services and Monitoring Officer), Kate Slattery (Head of Legal Services), Steven Houchin (Interim Deputy Chief Finance Officer (Corporate Finance)), Lynn Ingram (Interim Head of Financial Planning), Bill McCafferty (Lead for Income Maximisation and Welfare) and Ross Sutton (Head of Financial Reporting).

Also in attendance:

Councillor Penny di Cara (Opposition Deputy Leader), Councillor Christina Ewbank (Chair of Audit and Governance Committee), Councillor David Small (Shadow Cabinet member) and Councillor Robert Smart (Opposition Leader).

42 Minutes of the meeting held on 13 December 2023

The minutes of the meeting held on 13 December 2023 were submitted and approved and the Chair was authorised to sign them as a correct record.

43 Apologies for absence

None were reported.

44 Declaration of members' interests

Councillor Holt declared a disclosable pecuniary interest in agenda item 12 (Your Eastbourne Business Improvement District Renewal proposal 2024/25), as the matter concerned his employer. He withdrew from the room and took no part in the discussion or vote on the item. Councillor Bannister chaired the meeting for the duration of the item.

Councillor Bannister declared a personal interest in agenda item 12 (Your Eastbourne Business Improvement District Renewal proposal 2024/25), as she had occasionally done voluntary work for Eastbourne BID. She remained in the

room and voted on the item.

45 General fund budget 2024/25 and capital programme

The Cabinet considered the report of the Director of Finance and Performance, seeking its agreement and recommendation to Full Council of the General Fund Budget 2023/24 and updated Medium Term Financial Strategy (MTFS), together with the updated Capital Programme and Treasury Management position.

Thanks were expressed to officers for their work in producing the report and for their ongoing discussions with the Department of Levelling Up Housing & Communities (DLUHC).

Since publication of the report, the Cabinet reported that DLUHC had rejected its application for additional Council Tax setting powers above 2.99%, detailed as Option C in the report. This would therefore be withdrawn as an option to be recommended to Full Council. The Council were still to be notified of its request for Exceptional Financial Support.

A minor correction to the proposed fees and charges, set out at Appendix 6 was reported in relation to annual green waste fees. The corrected figure would be uploaded following the meeting, ahead of Full Council consideration.

Officers had also been informed of a late change to the forecast used to establish the potential business rate deficit, as part of the government return called NNDR1. Due to several last-minute appeal applications by business rate payers, the level of provision for appeals may increase.

The Scrutiny Committee at its meeting on 5 February 2024, considered the report and made the following comment for Cabinet's consideration:

- **That the Scrutiny Committee endorse the Cabinet's work in continuing to lobby the Government to support local councils through exceptional financial challenges and exploring all funding options.**

Cabinet acknowledged and expressed its thanks to the Scrutiny Committee for the comment.

Recommended to Full Council (Budget and policy framework):

(1) Continue to lobby the UK Government for additional funding in recognition of the exceptional financial pressures placed on Local Councils in tackling the cost of homelessness, which in Eastbourne is projected to be £4.9m for 23/24 to pay for temporary accommodation.

- a) In this circumstance, EBC Council Tax would increase for a Band D property to 2.99% and deliver £3.8m of savings over two years as per previous MTFS and reporting. This is Eastbourne Borough

Councils preferred option.

- b) Our preference is that the Government recognise the extreme pressures placed on Councils of all political persuasions, and agrees, as they have done with social care, to provide exceptional, emergency support to Councils to cover the costs of EA/TA in the Budget.
- c) However, in appreciation that this may be unlikely, the Council have put forward other alternatives as we continue dialogue with DLHUC to provide support for this authority.

(2) To give delegated authority to the Section 151 Officer and Chief Executive in consultation with the Leader of the Council and the Cabinet Member for Finance to approve one of the following options in respect to the General Fund Budget 2024/25 dependent on the outcome of the Councils application to the Department of Levelling Up Housing & Communities for Exceptional Financial Support.

- a) Option A is based on Department of Levelling Up Housing & Communities recognising and directly funding the increased number of homelessness and temporary accommodation placements activity from 2023/24 onwards (Appendices 1A, 2A, 3A & 4A).
- b) Option B which assumes the acceptance of Exceptional Financial Support by Department of Levelling Up Housing & Communities but does not include additional Council Tax setting powers over and above the existing pre-referendum limit of 2.99% (Appendices 1B, 2B, 3B & 4B).
- d) Option D which assumes the refusal of Exceptional Financial Support by Department of Levelling Up Housing & Communities (Appendices 1D, 2D, 3D & 4D).

(3) To give delegated authority to the Section 151 Officer and Chief executive in consultation with the Leader of the Council and the Cabinet Member for Finance to approve an increase in the Council Tax for Eastbourne Borough Council dependent on the options described above.

- a) Option A, B & D- An increase of 2.99% resulting in a gross Band D charge of £277.74 for 2024/25 an increase of £8.06 per annum.

(4) The revised General Fund & Housing Revenue Account Capital Programme 2024/25 as set out at Appendix 5 to the report.

(5) The rates of Fees and Charges proposed within Appendix 5 to apply from 1 April 2024 and to implement changes to statutory fees and charges for services shown within Appendix 5 as and when notified by Government.

(6) To note the Section 151 Officer's sign off as outlined in the report.

Reason for decisions:

The Cabinet has to recommend to Full Council the setting of a revenue budget and associated Council Tax for the forthcoming financial year by law.

46 Treasury Management Strategy, Investment Strategy, Capital Strategy and Prudential Indicators 2024/25

The Cabinet considered the report of the Director of Finance and Performance, asking them to approve and recommend to Full Council, the Council's Annual Treasury Management Strategy, Capital Strategy and Investment Strategy, together with the Treasury and Prudential Indicators.

Recommended to Full Council (Budget and policy framework):

(1) To approve the Treasury Management Strategy and Annual Investment Strategy for 2024/25 as set out in Appendix A;

(2) To approve the Minimum Revenue Provision Policy Statement 2024/25 (Appendix A);

(3) To approve the Prudential and Treasury Indicators 2024/25 to 2026/27 (Appendix A);

(4) To approve the Capital Strategy 2024/25 (Appendix B).

Reason for decisions:

It is a requirement within the budget setting process for the Council to review and approve the Prudential and Treasury indicators, Treasury Strategy, Investment Strategy and Capital Strategy.

47 Housing Revenue Account (HRA) Revenue Budget and Rent Setting 2024/25 and HRA Capital Programme 2023-28

The Cabinet considered the report of the Director of Finance and Performance, asking it to agree and recommend to Full Council, the detailed Housing Revenue Account (HRA) budget proposals, rent levels, service charges and heating costs for 2024/25, and the HRA Capital Programme 2023-28.

In response to a question, officers advised that they would update Cabinet with regards to any impact on proposals as a result of the Government's announcement on Local Housing Allowance rates.

Recommended to Full Council (Budget and policy framework):

(1) The HRA budget for 2024/25 and revised 2023/24 budget as set out at Appendix 1 to the report.

(2) That social and affordable rents (including Shared Ownership) are increased by 7.7% with effect from 1st April 2024 in line with government policy.

(3) That, with effect from 1 April 2024, when social-rented properties are relet to new tenants, the applicable rent will be increased by 5% above target rent.

(4) That the revised service charges as set out in paragraphs 2.3 to 2.6 of the report are implemented with effect from 1st April 2024.

(5) That Garage rents are increased by 6.7%.

(6) To grant delegated authority to the Chief Executive, in consultation with the Cabinet Portfolio holder for Finance and Resources and the Chief Finance Officer to finalise Eastbourne Homes' Management Fees and Delivery Plans for both 2023/24 and 2024/25.

(7) The HRA Capital Programme as set out at Appendix 2 to the report.

(8) To note that £871.5k of Major Works expenditure is shown in the Capital Programme in 2024/25 and 2025/26 to improve EPC ratings in HRA properties, this expenditure being the subject of a Government grant bid to secure 50% match-funding.

Reason for decisions:

The Cabinet must recommend to Full Council the setting of the HRA revenue and capital budget and the level of social and affordable housing rents for the forthcoming year.

48 Local Council Tax Reduction Scheme 2024/25

The Cabinet considered the report of the Chief Executive, asking for its recommendation to Full Council that the 2023/24 Local Council Tax Reduction (LCTR) Scheme is adopted as the 2024/25 scheme and to seek Cabinet's approval to commence the statutory consultation process the Council needs to follow in order to make changes to the current LCTR scheme.

It was advised that discussions were ongoing with the local voluntary sector on how best to utilise the Exceptional Hardship Scheme and work would continue on exploring opportunities to supplement that fund further.

Recommended to Full Council (Budget and policy framework):

(1) Cabinet recommend to Full Council that the 2023/24 Local Council Tax Reduction Scheme is adopted as the 2024/25 scheme.

(2) Subject to Full Council approval Cabinet grants the Chief Executive delegated authority:

(a) to implement the Scheme, such delegated authority to include any measures necessary for or incidental to its management and administration; and

(b) if necessary, and in accordance with paragraph 2.3, to amend the Scheme in consultation with the Cabinet Member for Finance and Resources

(3) That the Exceptional Hardship Scheme continues in 2024/25 subject to funds being available.

(4) That an initial £25,000 be added to the Exceptional Hardship Scheme with this coming from the additional income raised from changes to Council Tax Discounts and Exemptions.

Resolved (Key decision):

(5) That Cabinet with the objective of implementing a revised Local Council Tax Reduction Scheme in future years:

(a) authorise the Chief Finance Officer to enter into consultation with the major precepting authorities.

(b) authorise the Chief Executive 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.

(c) on completion of the consultation and drafting authorised under (a) and (b) above, authorise the Chief Executive to consult with other interested parties.

Reason for decisions:

The Council must review the scheme each year and adopt a scheme for the coming year.

49 Corporate Plan 2024 - 2028

The Cabinet considered the report of the Chief Executive, asking it to consider and recommend the draft Corporate Plan 2024-2028 to Full Council for adoption.

Thanks were expressed to those that engaged in the consultation process.

Resolved (Key decision):

(1) To consider the Corporate Plan.

(2) That any final minor amendments arising from the consultation responses

be delegated for amendment to the Chief Executive, in consultation with the Leader, and

Recommended to Full Council (Budget and policy framework):

(3) That full council adopt the Plan as its overarching corporate policy document for the next 4 years.

Reason for decisions:

To enable the Council to set out its strategic vision, objectives and priority projects for the next four years and provide a firm basis for forward planning and performance management.

50 Your Eastbourne Business Improvement District Renewal proposal 2024/25

The Cabinet considered the report of the Chief Executive, outlining the process for Your Eastbourne Business Improvement District (BID) to carry out a ballot in July 2024.

(N.B: Councillor Holt declared a disclosable pecuniary interest in this item and withdrew from the room whilst the item was considered. Councillor Bannister chaired the meeting for the duration of this item. Councillor Bannister declared a personal interest in this item and remained in the room and voted on the item.)

Resolved (Key decision):

(1) To approve the BID ballot and the Council's Returning Officer (as 'ballot holder') to proceed with the ballot.

(2) To give the Director of Finance and Performance delegated authority to vote in the ballot on behalf of the Council.

(3) To give the Director of Finance and Performance delegated authority to approve the BID proposal and Operating agreement.

(4) To agree the expected costs of the ballot (c.£5,485) will be met by the Council.

(5) To agree that the Council will pay the estimated annual BID levy cost (c.£10,197) for Council owned properties within the BID boundary.

(6) To note that the Council's reasonable costs of collecting the levy and the associated financial management costs will be recoverable from the BID levy monies.

(7) To note that the Council's Returning Officer is permitted to delegate his responsibilities to others and that he has engaged the services of Civica to

undertake the ballot on his behalf.

Reason for decisions:

To set out the specific role of the Council and its responsibilities in relation to the ballot and to note and agree the associated costs of the ballot as well as the ongoing administration of the BID levy.

The meeting ended at 6.28 pm

Councillor Stephen Holt (Chair)