

## **Cabinet**

**Minutes of meeting held in Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG on 12 February 2025 at 6.00 pm.**

### **Present:**

Councillor Stephen Holt (Chair).

Councillors Margaret Bannister (Deputy-Chair), Daniel Butcher, Jim Murray, Colin Swansborough and Jenny Williams.

### **Officers in attendance:**

Ian Fitzpatrick (Deputy Chief Executive and Director of Regeneration and Planning), Homira Javadi (Director of Finance and Performance (Section 151 Officer)), Becky Cooke (Director of Tourism, Culture and Organisational Development), Simon Russell (Head of Democratic Services and Monitoring Officer), Katie Dawkins (Housing Needs and Standards Lead), Nadeem Din (Planning Policy - Lead), Nick Ducatel (Assistant Director, Revenues and Benefits), Nathan Haffenden (Assistant Director, Property and Development), Jo Harper (Head of Business Planning and Performance), Steven Houchin (Deputy Chief Finance Officer), Matt Hitchen (Senior Planning Policy Officer), Lynn Ingram (Interim Head of Financial Planning) and Nick Peeters (Committee Officer).

### **Also in attendance:**

Councillor David Small (Shadow Cabinet member).

#### **45 Minutes of the meeting held on 11 December 2024**

The minutes of the meeting held on 11 December 2024 were submitted and approved and the Chair was authorised to sign them as a correct record.

#### **46 Apologies for absence**

An apology for absence was reported from Councillor Diplock.

#### **47 Declaration of members' interests**

Councillor Holt declared a personal interest in agenda item 10 (Housing Revenue Account Revenue Budget and Rent Setting 2025/26 and HRA Capital Programme 2024-29) as a leaseholder for Eastbourne Homes. He remained in the room for the duration of the item.

#### **48 Order of business**

The Chair agreed to amend the order of business to prioritise the agenda items with registered public speakers.

Agenda items 11 (Local Council Tax Reduction Scheme 2025/26) and 16 (Eastbourne Tourist Accommodation Retention Supplementary Planning Document) were therefore considered after agenda item 7 (Devolution and Local Government Reorganisation).

The Chair also agreed to consider agenda item 13 (Allocations Policy – Review of the Choice Based Lettings Model) after agenda item 9 (Treasury Management Strategy, Investment Strategy, Capital Strategy and Prudential Indicators 2025/26).

All other items proceeded as set out on the listed agenda.

#### **49 Devolution and Local Government Reorganisation**

The Cabinet considered the report of the Chief Executive, informing it of the government White Paper on Devolution and the response made to the paper impacting on the Sussex area.

Since publication of the paper, the Secretary of State for Local Government had announced on 5 February that it would include a Sussex mayoral combined authority in its priority programme for devolution in England and had agreed a postponement of county council elections due in May.

A formal invitation had also now been sent to local leaders, asking them to work together and submit reorganisation proposals for unitary reorganisation in March 2025.

Scrutiny Committee, at its meeting on 12 February 2024, considered the report and made the following recommendations to Cabinet:

- 1) That, when further information becomes available and when more clarity is provided, Cabinet appoints a cross-party working group (the political composition of which, is to be agreed), to identify, solely from Eastbourne Borough's position, appropriate areas of responsibility that would be required to ensure a successful transfer of governance and services to a new authority;**
- 2) That the Cabinet makes every effort, and at the earliest opportunity, to obtain information from Government and understand the financial impact of the Devolution and Local Government Reorganisation programme for Eastbourne Borough Council, its residents and staff over the next two-year period (as was obtaining the additional financial resources from Government to mitigate the impact); and**
- 3) That the Cabinet notes the Scrutiny Committee's grave concern for the welfare of our staff and provision of services in the interim (or until a new authority is established).**

**The Cabinet is also asked to note the Scrutiny Committee's opposition to the postponement of the County Council elections in May 2025 as being**

**undemocratic and without consultation.**

In considering the Scrutiny Committee recommendations, Cabinet noted and supported its view on the postponement of the County Council elections. Cabinet also had no objections to points (2) and (3). Whilst agreeing in principle with recommendation (1), Cabinet agreed that it was important to identify the right format for cross-party working, with the potential for utilising existing groups. This was reflected in resolution (3) below.

In addition, Cabinet also sought to instruct officers to explore undertaking a community governance review, with relation to future governance and viability of a town council. This was reflected in resolution (2) below.

Serena Stallard, member of the public, addressed the Cabinet on this item, expressing disappointment at the cancellation of the County Council elections and loss of local democracy. Points were also raised on devolution, the role of elected mayors, range of powers and subsequent impact on local communities.

Councillor Small, visiting member, addressed the Cabinet on this item. He supported the recommendations made by Scrutiny Committee, particularly around a cross-party group that could assist with lobbying as part of the local government reorganisation (LGR) process. He also commented on the fast timeline imposed on authorities to progress LGR, whilst acknowledging the potential positive impact of devolution and a new unitary authority.

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

(1) To note the report.

(2) To instruct officers to explore the option of undertaking a community governance review, with relation to future governance in Eastbourne, for consideration at a future meeting of the Council.

(3) To provide details at a future date, in relation to forming a working party group (either new or utilising existing bodies and structure), to ensure cross party working, community involvement and successful transfer of governance and services to a new authority.

**Reason for decision:**

The issues set out in the report are likely to have significant implication for this council alongside all other local authorities in England.

**50 Local Council Tax Reduction Scheme (LCTRS) 2025/26**

The Cabinet considered the report of the Director of Finance and Performance, seeking its recommendation to Full Council that the 2024/25 Local Council Tax Reduction Scheme (LCTRS) be adopted as the 2025/26 scheme.

Juliet Mead (Eastbourne Foodbank), addressed the Cabinet on this item,

commenting on the Foodbank's ongoing support for a 100% LCTRS to be implemented at Eastbourne Borough Council and expressed disappointment that it had been postponed for another year and queried what had changed. She also queried whether an additional consultation exercise would need to be undertaken for a 100% scheme for 26/27, which was confirmed by the Cabinet. It was also confirmed that it had been the ambition to recommend a 100% scheme for 25/26, however this was impacted by the severe financial challenges facing the authority and other preceptors.

The Cabinet added that it would be increasing the Exceptional Hardship Scheme fund by an additional £50k and instructed that the Chief Finance Officer and Cabinet member for finance meet with Eastbourne Foodbank to ensure targeted support. The Council were also discussing with preceptors about increasing their contribution to the Hardship Fund.

**Recommended to Full Council (Budget and policy framework):**

(1) To recommend to Full Council that the 2024/25 Local Council Tax Reduction Scheme be adopted as the 2025/26 scheme.

**Resolved (Key decision):**

(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 of the report, to amend the Scheme in consultation with the Cabinet Member for Finance

(3) That the Exceptional Hardship Scheme continues in 2025/26 to provide additional support to the most financially vulnerable.

(4) That a 100% LCTR scheme be adopted in 2026/27 following a consultation exercise and the outcome is known of the upcoming Local Government Funding Review.

That Cabinet with the objective of implementing a revised Local Council Tax Reduction Scheme in 2026/27:

(a) authorise the Director of Finance and Performance to enter into consultation with the major precepting authorities.

(b) authorise the Director of Finance and Performance 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 Director of Finance and Performance to consult with other interested parties.

**Reason for decisions:**

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

**51 Eastbourne Tourist Accommodation Retention Supplementary Planning Document (SPD)**

The Cabinet considered the report of the Chief Executive, seeking its approval to publish the Revised Tourist Accommodation Retention Supplementary Planning Document (SPD) to public consultation.

Mark Holland (on behalf of Guest House and B&B owners of Royal Parade), addressed the Cabinet on this item. He commented on the impact since the pandemic due the rise in popularity of non-serviced accommodation such as Airbnb on traditional accommodation providers, resulting in them becoming less economically viable, and felt this had not been sufficiently addressed in the accommodation survey. He welcomed the open dialogue with council officers that had seen concerns reflected in the updated guidance and hoped for ongoing dialogue that could result in further improvements to the SPD.

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

(1) That Cabinet approve the publication of the Revised Tourist Accommodation Retention Supplementary Planning Document (SPD) for public consultation between Friday 28th February and Friday 25th April 2025

(2) To delegate authority to the Head of Planning Policy, in consultation with the Cabinet Member for Enterprise, Community Spaces and Planning, to make minor or typographical changes to the SPD prior to publication.

**Reasons for decision:**

(1) To meet the requirements of Regulations 12 and 13 of the Town & Country Planning (Local Planning) (England) Regulations 2012 (as amended) for representations on supplementary planning documents.

(2) To ensure that any minor or typographical errors can be corrected prior to the Tourist Accommodation Retention SPD being published for consultation.

**52 General Fund Revenue Budget 2025/26 and Capital Programme**

The Cabinet considered the report of the Director of Finance and Performance, asking it to recommend to Full Council, the General Fund Budget 2025/26, updated Medium Term Financial Strategy (MTFS) and the updated Capital

Programme and Treasury Management position.

The proposed budget was set within the context of continuing financial challenges, facing the council. Full details were contained in the report.

Councillor Small, visiting member, addressed the Cabinet on this item. He queried where in the budget proposals correlated with previous statements made that the Council was spending 49p in every pound of council tax collected on temporary accommodation. Councillor Small also queried the council's total services spend, its definition of family and how much debt servicing costs had changed in last three years relative to the cost of homelessness. Questions were responded at the meeting by the Chief Finance Office and for those unanswered, a follow up response was agreed.

**Recommend to Full Council (Budget and policy framework):**

(1) The General Fund Base Budget 2025/26 and projected MTFs as set out at Appendix 1 to the report.

(2) An increase in the Council Tax for Eastbourne Borough Council of 2.99% resulting in a Band D charge of £286.04 for 2025/26.

(3) The revised General Fund & Housing Revenue Account Capital Programme 2025/26 as set out at Appendix 4 to the report.

(4) The rates of Fees & Charges proposed within Appendix 6 to the report, to apply from 1 April 2025 and to implement changes to statutory fees and charges for services when notified by Government.

(5) To note the Section 151 Officer's comments as outlined in the report.

**Reason for decisions:**

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

**53 Treasury Management Strategy, Investment Strategy, Capital Strategy and Prudential Indicators 2025/26**

The Cabinet considered the report of the Director of Finance and Performance, regarding the Council's Annual Treasury Management Strategy, Capital Strategy and Investment Strategy together with the Treasury and Prudential Indicators.

Councillor Small, visiting member, addressed the Cabinet on this item with relation to capital projects and asked at what point are viability assessments undertaken. He also requested a copy of viability assessments for the significant residential projects. The Assistant Director - Property and Development responded to the comments at the meeting.

**Recommend to Full Council (Budget and policy framework):**

(1) To approve the Treasury Management Strategy and Annual Investment Strategy for 2025/26 as set out at Appendix A to the report.

(2) To approve the Minimum Revenue Provision Policy Statement 2025/26 (Appendix A to the report).

(3) To approve the Prudential and Treasury Indicators 2025/26 to 2027/28 (Appendix A to the report).

(4) To approve the Capital Strategy 2025/26 (Appendix B to the report).

**54 Allocations Policy - Review of the Choice Based Lettings Model**

The Cabinet considered the report of the Deputy Chief Executive and the Director of Regeneration and Planning, seeking its approval to proceed with a public consultation on a new model of allocating Council housing stock.

**Resolved (Key decision):**

(1) To give its approval to proceed with a public consultation on a new model of allocating Council housing stock

(2) To approve the proposed new direct-allocations model.

**Reason for decisions:**

To provide the local authority with greater flexibility over how and to whom to allocate our limited social housing stock, to ensure the right properties are matched with the right applicants more quickly, and to help us manage false expectations about the availability and demand for these properties.

**55 Housing Revenue Account (HRA) Revenue Budget and Rent Setting 2025/26 and HRA Capital Programme 2024-29**

The Cabinet considered the report of the Director of Finance and Performance, asking it to recommend to Full Council, the detailed Housing Revenue Account (HRA) budget proposals, rent levels and service charges for 2025/26, and the HRA Capital Programme 2024-29.

The Assistant Director - Property and Development updated Cabinet on the lobbying work undertaken with other councils, in relation to the challenges facing the HRA.

**Recommend to Full Council (Budget and policy framework):**

(1) The HRA Revenue budget for 2025/26 and revised budget for 2024/25 as set out at Appendix 1 to the report.

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

(3) An increase of 2.7% to social and affordable rents (including shared ownership) with effect from 7 April 2025 in line with government policy

(4) When social rented supported accommodation properties are relet to new tenants, the applicable rent will be increased by 10% above target rent with effect from 7 April 2025 in line with government policy

(5) When affordable rented properties are relet to new tenants, the applicable rent is reset to a maximum of 80% of market rent (inclusive of Service Charges) with effect from 7 April 2025 in line with government policy

(6) That the revised service charges as set out in paragraphs 2.4 of the report and Appendix 3 are implemented with effect from 7 April 2025

(7) An increase of 10% to Garage rents with effect from 7 April 2025.

(8) 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 devolve the relevant Management Fee from now the former Eastbourne Homes Limited (EHL) to services inside the HRA.

(9) To note that £2.227m of Major Works capital expenditure profiled over 4 years between 2024/25 to 2027/28 is being 50% match funded by grant, subject to government grant bids. The Government scheme aims for improve EPC ratings in HRA properties.

**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.

**56 General Fund Accommodation Programme**

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, seeking to establish a new programme to acquire and/or develop additional accommodation within the General Fund to meet immediate housing priorities including reducing the pressures of homelessness.

**Resolved (Key decision):**

(1) To approve the General Fund Accommodation Programme in-line with the following business case principles:

- i. Each scheme must reduce overall cost to the council;



- ii. Any HRA land used shall be appropriated into the General Fund;
- iii. Acquisitions will be limited to the freehold;
- iv. Third-party leases must be value for money;
- v. All arrangements are subject to full legal and financial due diligence.

(2) To approve making an initial allocation within the 2025/26 General Fund Capital Programme of up to £3.17m, subject to Full Council approval.

(3) To approve entering into a Nominations Agreement with Eastbourne Housing Investment Company Ltd.

(4) To authorise the Assistant Director – Property and Development, in consultation with the Director of Finance and Performance (S151 Officer) and Lead Member for Housing and Homelessness, to take all necessary actions to deliver the programme, including acquisitions, appropriations, and developments, as well as determining and executing all leases, contracts, funding agreements, nominations agreements and fees, and other related documentation.

**Reason for decisions:**

(1) To lessen the reliance and cost of nighty paid emergency accommodation.

(2) To increase the provision of better quality, more affordable alternative accommodation.

(3) To make best use of council land, assets, and resources, including Eastbourne Housing Investment Company Ltd.

(4) To provide autonomy and resilience in the programme delivery, enabling the council to be responsive and competitive to opportunities as they arise and in accordance with the business case principles.

**57 Eastbourne Local Development Scheme**

The Cabinet considered the report of the Chief Executive, seeking its endorsement of the Local Development Scheme and recommend that it be formally adopted by Full Council on 5 March 2025.

A Local Development Scheme (LDS) is a requirement for every local planning authority under the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011).

**Recommended to Full Council (Budget and policy framework):**

(1) That Cabinet recommends to Full Council that the Eastbourne Local Development Scheme as set out at Appendix 1 to the report be adopted at the Full Council meeting on 5 March 2025 and thereafter be reported to Government.

(2) That delegated authority be given to the Chief Executive in consultation with the Cabinet Member for Enterprise, Community Spaces and Planning to make on-going minor and technical updates to timetables within the Local Development Scheme where necessary.

**Resolved (Key decision):**

(3) That Cabinet agrees that the preparation of the Houses in Multiple Occupation Development Plan Document (HMO DPD) is discontinued and replaced with a Supplementary Planning Document (SPD).

**Reasons for decisions:**

(1) To meet the Government requirement for local planning authorities to publish an updated LDS before 6 March 2025. The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 and the Council's constitution identifies that the adoption of the Local Development Scheme is a function of Full Council.

(2) To ensure that the Local Development Scheme can be kept up to date without needing to bring minor amendments back to Full Council.

(3) To enable the new Eastbourne Local Plan to be prepared and submitted by the deadline of December 2026 for examination under the existing plan-making system.

**58 Houses in Multiple Occupation Supplementary Planning Document (HMO SPD)**

The Cabinet considered the report of the Chief Executive, seeking its approval to publish the Houses in Multiple Occupation Supplementary Planning Document (HMO SPD) for public consultation.

**Resolved (Key decision):**

(1) That Cabinet approve the publication of the Houses in Multiple Occupation Supplementary Planning Document (HMO SPD) for public consultation between Friday 28th February and Friday 25th April 2025.

(2) To delegate authority to the Chief Executive, in consultation with the Cabinet Member for Enterprise, Community Spaces and Planning, to make changes to the SPD prior to publication.

**Reasons for decisions:**

(1) To meet the requirements of Regulations 12 and 13 of the Town & Country Planning (Local Planning) (England) Regulations 2012 (as amended) for representations on supplementary planning documents.

(2) To ensure that any necessary amendments can be made, or errors can be corrected prior to the HMO SPD being published for consultation.

The meeting ended at 8.08 pm

Councillor Stephen Holt (Chair)