

19 July 2022

Dear Members

Full Council - 20 July 2022

I am now able to enclose, for consideration, the following reports for the above meeting that were unavailable when the agenda was printed.

Item	Item
No	

8	<u>Matters referred from Cabinet or other council bodies.</u>
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The following matters are submitted to the Council for decision (council procedure rule 12 refers):

(b) Annual treasury management report. (Pages 3 - 4)

Report of Councillor Holt on behalf of the Cabinet. Referred from the meeting of Cabinet held on 13 July 2022.

12	<u>Discussion on minutes of council bodies.</u>
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Members of the Council who wish to raise items for discussion (council procedure rule 14) on any of the minutes of the meetings of formal council bodies listed below must submit their request to the Head of Democratic Services no later than 10.00 am on the day of the meeting. A list of such items (if any) will be circulated prior to the start of the meeting.

The following are appended to this agenda:

(d) Minutes of Scrutiny Committee - 11 July 2022. (Pages 5 - 12)

(e) Minutes of Audit and Governance Committee - 12 July 2022. (Pages 13 - 18)

(f) Minutes of Cabinet - 13 July 2022. (Pages 19 - 28)

Yours sincerely

Committee Services

committees@lewes-eastbourne.gov.uk



Working in partnership with **Eastbourne Homes**

Meeting: Council

Date: 20 July 2022

Subject: Treasury management annual report 2021/22

Report of: Councillor Stephen Holt on behalf of the Cabinet

The Council is asked to consider the minute and resolution of the Cabinet meeting held on 13 July 2022 as set out below.

The Council is recommended to:

- (1) Agree the annual Treasury Management report for 2021/22.**
 - (2) Approve the 2021/22 prudential and treasury indicators included in the Cabinet report.**
-

Minute extract
Cabinet – 13 July 2022.

The Cabinet considered the report of the Chief Finance Officer, reporting on the activities and performance of the Treasury Management services during 2021/22.

The Deputy Chief Finance Officer commented that the report fully complied with all regulations as required by Chartered Institute of Public Finance and Accountancy (CIPFA).

Scrutiny Committee at its meeting on 11 July 2022, supported the officer recommendations to Cabinet. They also requested the following additional information which was noted by the Cabinet:

- (1) That a full analysis of the movement of debt from 1 April 2021 – 31 March 2022 be provided.**

The information requested had been circulated to the Scrutiny Committee and Cabinet, following their meeting.

The Audit and Governance Committee, at its meeting on 12 July 2022 also considered the report and were supportive of the officer recommendations.

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

Resolved (Non-key decision):

To note the information requested by the Scrutiny Committee, at its meeting on the 11 July 2022 and detailed above.

Recommended to Full Council (Budget and policy framework):

- (1) To agree the annual Treasury Management report for 2021/22.
- (2) To approve the 2021/22 prudential and treasury indicators included.

Reason for decisions:

Requirement of CIPFA Treasury Management in the Public Sector Code of Practice (the Code) and this has to be reported to Full Council.

For a copy of the report please contact Democratic Services:

Tel. (01323) 410000.

E-mail: committees@lewes-eastbourne.gov.uk

[A copy may be downloaded on the Council's website.](#)



Working in partnership with **Eastbourne Homes**

Scrutiny Committee

Minutes of meeting held in Court Room - Town Hall, Eastbourne on 11 July 2022 at 6.00 pm.

Present:

Councillor Kshama Shore (Chair).

Councillors Steve Wallis (Deputy-Chair), Jane Lamb, Md. Harun Miah and Robert Smart.

Officers in attendance:

Philip Brown (Property Lawyer), Luke Dreeling (Performance Lead), Lee Banner (Transformation Programme Manager), Homira Javadi (Chief Finance Officer), Ola Owolabi (Deputy Chief Finance Officer - Corporate Finance), Nick Peeters (Committee Officer), Sian Hedger (Interim Deputy Chief Finance Officer), Oliver Jones (Strategy and Partnership Lead), Leigh Palmer (Head of Planning First), Lisa Rawlinson (Head of Regeneration and Planning Policy), Sean Towey (Head of Environment First) and Tim Whelan (Director of Service Delivery).

1 Election of a Chair

Councillor Kshama Shore was nominated by Councillor Smart and seconded by Councillor Wallis as Chair of the Scrutiny Committee.

Resolved unanimously that Councillor Shore be appointed as Chair of the Scrutiny Committee.

Councillor Shore thanked Councillor Freebody for his time and work as the Chair of the Scrutiny Committee.

2 Minutes of the meeting held on 7 February 2022

Resolved that the minutes of the meeting held on 7 February were submitted and approved and signed as a correct record by the Chair.

3 Apologies for absence / declaration of substitute members

Apologies were received from Councillor Babarinde.

4 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. Councillor Wallis requested that it be noted that he was no

longer the Chair of Trustees for Warming up the Homeless and as such, he did not have an interest in the organisation.

5 Questions by members of the public

There were none.

6 Urgent items of business

There were none.

7 Right to address the meeting/order of business

No requests were received.

8 Recovery and Stabilisation Programme

Lee Banner, Transformation Programme Manager, introduced the report which detailed the provision of a structured and accountable approach for delivering the level of significant organisational change needed to respond to current and future challenges. During discussion, the following points were highlighted:

- Further detail on the Homes First reshaping delivered spend, along with a detailed update on each of the recommendations within the Assurance Review (appendix B to the report) would be provided.
- The reduction in the arrears for commercial tenants was due to repayment plans and recovery action and reflected the reduction in the level of debt now experienced by businesses in the Borough.

Resolved to note the report and ask Cabinet to note the request from the Scrutiny Committee for the following additional information:

- 1) That further analysis is provided on the £936,800 delivered on Homes First reshaping; and**
- 2) That an item-by-item comparison on the CIPFA pro-forma, highlighting the status of each item and in particular those items with a six-month time frame that have not yet been enacted, is provided.**

9 Cost of Living Crisis

Seanne Sweeney, Community Services Lead, presented the report which sought to help tackle those worst affected by the cost of living crisis. During discussion, the following points were highlighted.

- The community fridges would be spread across wards in the Borough and once established, they would be self-sustaining and respond to the need in each ward.

- The demand for foodbanks had increased with Eastbourne having on of the highest demands. It was expected that the demand would increase as winter approached and heating bills increased.
- The impact of the increase in council tax arrears was a consideration, however it had not formed part of the report.
- Concern was expressed by Members that there were hard-to-reach people in the Borough who would benefit from the schemes detailed in the report but would not come forward and engage with the support offered.

Resolved to note the report.

10 Corporate Performance Quarter 4 2021-22

Tim Whelan, Director of Service Delivery, presented the report. During discussion, the following points were highlighted:

- The queue waiting time notification for the Contact Team had been disabled at peak times as customers were finding the lack of progression through the queue confusing. The enabling of the facility would be looked at.
- The IT Team would be contacted regarding the core system for the Contact Centre and the challenges that some staff were experiencing when working remotely.
- A breakdown of activity within the Contact Centre by activity area would be provided. The online chatbot (ELLIS) had now taken 22,000 online chats with an accuracy rate of 93 percent. The use of the chatbot was allowing advisors to support customers who were unable to self-serve online. The key performance indicator for increasing the percentage of calls to the Contact Centre within 60 seconds would remain at 80 percent.
- There had been a reduction in the number of customers using the 'paid for' garden waste collection service. However, the result was a more effective service with fuller bins, a reduction in vehicle movements and an improved carbon footprint for the Council.
- The 'Bring' sites were being used by trades and as a result were contaminating into the overall recycling. The reduction in the number of bring sites had resulted in a reduction in contaminated levels, which was how the Council was being measured.

Resolved to note the report.

11 Provisional revenue and capital outturn 2021/22

Homira Javadi, Chief Finance Officer, introduced the report which enabled Members to consider specific aspects of the Council's financial performance for 2021/22. During discussion, the following points were highlighted:

- The original request to the Government for exceptional financial support had undergone close scrutiny with an assurance review from an external financial assessor. There had been significant challenges since the original submission with the Council updating the Government on its continued loss of income.
- The Council's strategy was to now deliver on the Assurance Review recommendations, including the provision for any risks and the strengthening of its financial resilience. The implementing of the Recovery and Reset programme and a more affordable Capital programme had supported the Council in increasing its Unallocated Reserve.

Resolved to note the report.

12 Treasury management annual report 2021/22

Ola Owolabi, Deputy Chief Finance Officer, presented the report which was a requirement of CIPFA Treasury Management in the Public Sector Code of Practice (the Code) and would be reported to Full Council. During discussion, the following points were highlighted.

Members requested that a fuller analysis of the movement of the Council's total debt from April 2021 to March 2022 be provided.

Resolved to note the report and that Cabinet note the following request from the Scrutiny Committee for additional information, agreed at the meeting:

That a full analysis of the movement of debt from 1 April 2021 – 31 March 2022 be provided.

13 Eastbourne Borough Council Homelessness & Rough Sleeping Strategy 2022 - 2027

Oliver Jones, Housing, Homelessness & Community Safety Lead, presented the report which detailed a new strategy providing a strategic overview of the current challenges and setting out a framework and action plan addressing these. During discussion, the following points were highlighted:

- There was strict legislation around how homeless people with and without a local connection were supported. Anyone who was assessed to be a priority need would need to be housed, but investigations would then take place to establish whether a local connection exists.
- The Council's Housing Needs Team interfaced with a number of organisations who provided support to homeless people. The primary framework for this support was provided by the Rough Sleeper Initiative. The support also included initiatives at County level including drug and alcohol support services. Changing Futures was a pan-Sussex initiative that had received approximately £3.1 million funding and focused on improving

systems and services for people experiencing multiple disadvantages, including homelessness.

- Although there was a statutory target for the length of time people spent in temporary and emergency accommodation, people could be housed in those environments for long periods. The provision of a supply of sufficient permanent housing was an ongoing challenge. It was anticipated that there would be an increase in demand for temporary accommodation and there was additional Government funding to support this demand.
- The action plan, within the Strategy, could be amended should the need to provide support failed matches between Ukrainian households and their hosts begin to impact on resourcing within the team.
- It was confirmed that the review provided a breakdown of the number of enquiries raised with the Housing Needs Team.
- A key learning point was trying to rebalance the numbers of homeless people dealt with through the prevention and relief duties, so focussing on prevention to reduce the numbers who were homeless when they first approach the council for advice. This was the main purpose of the new Prevention Hub, along with other initiatives looking at using data to identify those at most risk of falling into financial difficulty. Early prevention would also reduce costs to the Council.

Resolved to note the report

14 Review of Planning Policy and Licensing for Houses in Multiple Occupation

Lisa Rawlinson, Strategy & Partnership Lead (Growth & Prosperity) presented the report which had been produced to enable a full understanding of the current situation regarding HMOs and other private sector residential properties in the town, including future need and impacts on local communities. During discussion, the following points were highlighted:

- One of the recommendations in the report was to collect data on smaller HMOs. The work due to be commissioned would provide a map of licensable HMOs and give a wider picture of the concentrations of HMOs in the Town.
- Members expressed concern at the anti-social behaviours and fly-tipping that occurred where clusters of HMOs existed, and the difficulties in building communities in those areas. It was felt that all HMOs should be run to an agreed standard and held to account where those standards failed.
- Members requested that an interim update be provided to the Committee by the consultants chosen to provide the evidence detailed in the report, at the Committee's November meeting.

Resolved to note the report and request that Cabinet note the request from the Scrutiny Committee for the following item to be added to the Committee's work programme, agreed at the meeting:

- 1) That the consultants commissioned to provide robust evidence to support and justify any future decisions on action regarding HMO planning policy and licensing shall provide an interim update to the Scrutiny Committee at its meeting on 28 November 2022.

15 Methodology for collecting monitoring fees in connection with the compliance with/of S106 Legal Agreements

Leigh Palmer, Head of Planning, presented the report which set out the proposal to implement a suite of charges to support the staffing resource in the monitoring and compliance of approved S106 Legal Agreements. During discussion, the following points were highlighted:

- The benefit of a charging regime provided knowledge to developers in advance of applications and allowed them to build the charge into their business plan. It was set a level that it was considered would not dissuade investment by developers.
- A number of local authorities had similar charging schedules. On the signing of the legal planning agreement developers would be required to pay the S106 fee.

Resolved to note the report.

16 Heritage Assets Update - verbal update

Leigh Palmer, Head of Planning, provided an update on the Town's heritage assets, not all of which are owned by the Council. Historic England keeps a register of historic building, including those at risk. At a national level, Natural England deals with public open space and East Sussex County Council supports the monitoring of areas of archaeological interest. There are broadly 364 listed buildings in the Town and 12 conservation areas take up 5 percent of the Town's property base. The Conservation Group's remit was being expanded to look at heritage assets beyond just at planning application level, which was a positive step forward. During discussion, the following points were highlighted.

- An asset review was being produced and this would include a comprehensive list of the Town's assets. It was confirmed that a small number of the assets were within Council ownership.

Resolved to note the update.

17 Revised Planning Pre-Application Charging Schedule

Leigh Palmer, Head of Planning, introduced the report which detailed the

proposal to implement a suite of charges to support the staffing resource in connection with delivering the:

1. pre-application process,
2. planning Performance Agreement (PPA),
3. Validation Process,
4. CIL Process
5. Local Plan Charges and Additional charges.

During discussion, the following point was highlighted:

It was not considered that the fees would deter applications and that on a larger scale, the fees provided assurance to developers.

Resolved to note the report.

18 Exclusion of the public

The Committee resolved to enter into a private session for items 18 and 19 Housing Development update and appendices 2&3 - as discussion was likely to disclose exempt information as defined in Schedule 12A of the Local Government Act 1972 Exempt. Information reason 3 – Information relating to the financial and business affairs of any particular person (including the authority holding that information).

19 Housing development update

Nathan Haffenden, Head of Development, Investment and Delivery, presented the report which detailed the progress of the development of new homes across the borough to provide new affordable housing options.

Resolved to note the report.

20 Housing development update - Exempt Appendix 2 and 3

The Housing development update – Exempt Appendix 2 and 3 were dealt with under a private session along with Item 18 – Housing development update.

21 Forward Plan of Decisions

The Chair, Councillor Shore, introduced the Forward Plan of Cabinet decisions. Members requested that the following reports be included on the agenda for the Committee's meeting on the 12 September:

- Corporate performance - quarter 1 - 2022/23
- Medium term financial strategy
- Congress and Devonshire Park Theatres – Future Governance Arrangements

Resolved to note the Forward Plan of Cabinet Decisions.

22 Scrutiny Work Programme

The Chair, Councillor Shore, introduced the Scrutiny Committee work programme. Members requested that the following item be added to the work programme:

- An interim update at the 28 November meeting from the consultants commissioned to provide robust evidence to support and justify any future decisions on actions regarding HMO planning policy and licensing.
- An update on Eastbourne Airshow

Resolved to note the work programme.

23 Date of the next meeting

Resolved to note that the date of the next meeting of the Scrutiny Committee is scheduled for Monday 12 September 2022, in the Court Room, Eastbourne Town Hall, Grove Road, Eastbourne, BN21 4UG.

The meeting ended at 9.05 pm

Councillor Kshama Shore (Chair)



Working in partnership with **Eastbourne Homes**

Audit and Governance Committee

Minutes of meeting held in Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG on 12 July 2022 at 6.00 pm.

Present:

Councillor Robin Maxted (Chair).

Councillors Amanda Morris (Deputy-Chair), Sammy Choudhury, Peter Diplock, Md. Harun Miah, Kshama Shore, Candy Vaughan, and Stephen Gilbert (Audit Independent Member).

Officers in attendance:

Tim Whelan (Director of Service Delivery), Nick Ducatel (Functional Lead - Growth and Prosperity), Jackie Humphrey (Chief Internal Auditor) and Ola Owolabi (Deputy Chief Finance Officer - Corporate Finance).

1 Minutes

The minutes of the last meeting, held on 2 March 2022, were confirmed as an accurate record.

2 Apologies for absence/declaration of substitute members

Apologies were received from Councillor Freebody and from Homira Javadi, Chief Finance Officer. Councillor Jane Lamb attended as substitute.

3 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.

4 Questions by members of the public.

The Chair confirmed that no questions had been received from the public.

5 Urgent items of business.

There were none.

6 Right to address the meeting/order of business.

The Chair confirmed there were no requests to address the meeting.

7 External Audits Update

External Auditor representative, Ben Sheriff, Director Audit and Assurance, Deloitte LLP, (with Niren Ramkhelawon, Deloitte, also in attendance) presented a verbal update of external auditing activity to the Committee.

Mr. Sheriff reported that Deloitte had identified and earmarked resources to work on the outstanding external audits as follows:

- 2019/20 audit of the Council as from the start of July 2022
- 2020/21 audit of the Council as from the start of September 2022
- 2021/22 audit of the Council as from the start of November 2022

The Committee considered the report.

Mr. Sheriff clarified that Deloitte planned to bring the External Audit for 2019/20 to the Committee's September meeting and that the External Audits for 2020/21 and 2021/22 would be brought to the Committee's November and March meetings respectively.

Members raised a number of concerns around the challenging nature of the timescale and the scale fees to be confirmed. Mr Sheriff highlighted that work on the 2019/20 Audit had begun the previous year, and that early work had been particularly complicated, with requirements in matters that pre-dated the current Finance Team membership.

The Chair invited comment from Ola Owolabi, Deputy Chief Finance Officer (DCFO). The DCFO reported that a meeting had taken place with Senior Deloitte representatives, senior Council Finance Officers and the Chairs and Deputy Chairs of the Audit Committees, which had agreed the importance of setting a timetable for delivery of the backlog of External Audits. Deloitte had confirmed that it was now in a position to rectify the primary issue of lack of resources. The DCFO noted that the timescale was ambitious but potentially possible and noted that many lessons had been learnt by both auditors and officers which would benefit the process going forward. The DCFO confirmed that the Council Team was committed and had taken measures to prepare itself to work to the timetable.

Mr. Sheriff noted that a cycle of regular meetings with the Council Finance Team had been established to help deliver the work, which included regular liaison between the DCFO and Mr Ramkhelawon specifically to agree a swift response to any issues that arose.

Responding to questions of the work cycle since the start of July, Mr Sheriff confirmed that the more recent initial audit information submissions from the Council's Finance Team were of a much higher standard and the Team had responded swiftly to the requests.

Resolved (unanimously):

To note the verbal update, including the proposed timetable.

8 Strategic Risk Register Quarterly review

Jackie Humphrey, Chief Internal Auditor (CIA), presented the report, which presented the outcomes of the quarterly review of the Risk Register by the Corporate Management Team (CMT). During the presentation, the CIA drew the Committee's attention to a number of changes following CMT's consideration of comments made by the Committee at its previous meeting.

The Committee considered the report.

Following a request from Stephen Gilbert, the newly appointed Audit Independent Person (AIP), for background information regarding the area of cyber security, it was agreed the Mr. Gilbert would submit his questions to the CIA, via the Chair.

Members raised concerns over rising energy costs and asked about the Council's internal and external plans for response. Officers at the meeting explained that:

- The Council's Income Maximisation and Welfare Team offered and signposted residents to a number of routes for assistance and had administered over 34,000 Council Tax Energy payments since April.
- Vacation of No.1 Grove Road was complete and there was on-going evaluation of best use of council buildings.
- Financial planning for the coming year now included recommendations for specific reserves for rising 'energy' as well as 'cost of living' and 'inflation' costs.

Officers confirmed that East Sussex County Council was the lead for emergency planning under the Civil Contingencies Act and that Tim Whelan, Director of Service Delivery, was the CMT lead for corporate emergency team planning.

Officers confirmed that, while the Risk Register encapsulated the high-level process of monitoring risk, risk information was also reported to CMT through CMT members' own departmental meetings.

Resolved (unanimously):

To note the update to the Strategic Risk Register.

9 Arrears Collection Update

Tim Whelan, Director of Service Delivery (DSD), and Nick Ducatel, Lead for Income Maximisation and Welfare, presented a verbal update on the Council's progress to address the outstanding recommendations from the Internal Audit (IA) Team regarding arrears collection.

The DSD provided a brief introduction and requested that the Committee consider the report within the context of the Council's obligations for continuous arrears collection and administering central government grant schemes.

Mr Ducatel then looked at the outstanding recommendations in turn, outlining activity and achievements to date and explaining how the recommendations had now been met. During the presentation, Mr Ducatel noted that, once the business case review to align income and recovery departments under the management of 'Customer First' was completed, the outcome would be reported to the Committee.

The Chair thanked Mr Whelan and Mr Ducatel for attending the meeting. Following questions and points raised by Members, the officers clarified that:

- By law, residents were required to pay Council Tax and the Council has a duty to collect Council Tax arrears. The Council's powers to write off any Council Tax debts were very limited and potentially very costly for the Council and traumatic for the resident.
- The approach to arrears collection was decided on a case-by-case basis and was necessary as some very old debts were still recoverable.
- The years referenced in the report were those with the oldest debts.
- Analysis of old debt had been due to complete in Q1, however, the deadline had been extended after resources were diverted in April to administer the Government's Council Tax energy rebate scheme which was still ongoing. The Council's Welfare team provided residents with help and advice on managing debts, maximising discounts and accessing welfare benefits and grants.
- That both Lewes District and Eastbourne Borough Councils had areas of deprivation and that the team had plans in place for both authorities to manage arrears.

Officers confirmed that the use of enforcement agents was a last resort and would only come after repeated efforts to engage with the resident had failed. The decision to use enforcement agents was being made on a case by case basis under this review; was carefully managed and could be recalled, to ensure protection of vulnerable people. Their potential use was seen as a preventative measure which deterred, in the main, those who would otherwise wilfully refuse to pay.

In response to queries on the current status of debts, officers confirmed that the total Council Tax arrears figures had decreased from £13.2m on 1 April 2022 to £12.6m by end of June. Business Rate arrears had decreased from £2.9m to £2.4m in the same period and Housing Benefit overpayments had decreased from £3.9m to £3.7m. Officers acknowledged the difficulty in clearly differentiating between accrued and current debt and that debt reporting was broken down into financial years to help indicate 'roll over'.

Resolved (unanimously): To note the report.

10 Internal Audit and Counter Fraud Quarterly Review

Jackie Humphrey, Chief Internal Auditor (CIA), presented the Internal Audit and Counter Fraud Annual Report, which summarised the work carried out by Internal Audit and Counter Fraud across the financial year 2021-22. The CIA

noted that much of the information had been brought to the Committee in the previous Quarterly Updates.

During the presentation, the CIA included updates on the progress since April 2022 of outstanding items listed in Appendix B and on new members of the Internal Audit team. The CIA noted that an agreement had been made with Rother and Hastings Councils to arrange an external peer review of the Internal Audit Team, which would be reciprocated. Results of the review would be reported to the Audit and Governance Committee, once completed. On-going measures to improve the presentation of the reports included the addition of noting the month and year of initiation against project titles.

The Committee considered the report. During the following discussion and questions, the CIA agreed to check the current status of work with The Stage Door and Film Liaison Unit and update the Committee at the next meeting.

Members raised concerns of the number of items with partial or minimal ratings and instances of three or four follow ups. The CIA explained that, in many cases, the work was complete with only minor activity outstanding and that work is ongoing, and there were no major issues. However, occasionally, the overview of the Committee was helpful to encourage action.

Officers agreed to obtain an update from the Arrears Collection Team for Committee members, ahead of the September meeting, to help the Committee evaluate progression of the extended Quarter 1 activity and to decide if a further update to the November Committee meeting was needed.

Similarly, regarding concerns around progress of recommendations for procurement, it was agreed that the Committee would review the CIA's September report before making a final decision on any next steps.

Resolved (unanimously): To note the report.

11 Annual Governance Statement

Jackie Humphrey, Chief Internal Auditor (CIA), presented the report, which asked the Committee to review and approve the draft Annual Governance Statement (AGS) in accordance with the Accounts and Audit Regulations, 2015.

The presentation included an explanation of the new Appendix 4 'Feedback received from Managers' Assurance Statements', and the late submission of a revised Appendix 5, with revisions under the headings of 'Managing the Risk of Fraud and Corruption' and 'Financial Management Code'. The CIA also noted and explained the variation to the approved and published versions of the AGS for 2021.

The Chair thanked the CIA for the report and invited comments and questions from the Committee Members. Officers responded to Members' questions regarding classifying 'significant issues' and confirmed that the approach had

been agreed by External Auditor, Deloitte.

Resolved (unanimously):

To approve the draft Annual Governance Statement 2021/22.

12 Treasury Management Annual Report 2021/22

Ola Owolabi, Deputy Chief Finance Officer (DCFO) presented the report, which was due to go to Cabinet ahead of Full Council.

The DCFO explained that the preparation of the Annual report, reviewing treasury management activities and the actual prudential and treasury indicators for 2021/22, was a requirement of the Local Government Act 2003. He then summarised the key elements of the report and its appendices.

The Committee considered the report and extended its appreciation to both the Finance and Internal Audit Teams for all their work.

Resolved (unanimously): To note the report.

13 Date of next meeting

The date of the next meeting was confirmed as Wednesday 28 September, at 6pm, in the Court Room at Eastbourne Town Hall.

The meeting ended at 7.51 pm

Councillor Robin Maxted (Chair)



Working in partnership with **Eastbourne Homes**

Cabinet

Minutes of meeting held in Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG on 13 July 2022 at 6.00 pm.

Present:

Councillor David Tutt (Chair).

Councillors Stephen Holt (Deputy-Chair), Margaret Bannister, Helen Burton, Alan Shuttleworth, Colin Swansborough and Rebecca Whippy.

Officers in attendance:

Robert Cottrill (Chief Executive), Homira Javadi (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), Sian Hedger (Interim Deputy Chief Finance Officer), Ola Owolabi (Deputy Chief Finance Officer (Corporate Finance)), Simon Russell (Head of Democratic Services) and Kate Slattery (Solicitor).

Also in attendance:

Councillor Penny di Cara (Opposition Deputy Leader), Councillor Jane Lamb (Shadow Cabinet member), Councillor Kshama Shore OBE (Chair of Scrutiny Committee) and Councillor Robert Smart (Opposition Leader).

5 Welcome

Councillor Tutt welcomed Councillor Burton to her first meeting of the Cabinet, following her appointment. Councillor Burton portfolio title was property assets, heritage assets and communications.

6 Minutes of the meeting held on 1 June 2022

The minutes of the meeting held on 1 June 2022 were submitted and approved and the Chair was authorised to sign them as a correct record.

7 Apologies for absence

None were reported.

8 Declaration of members' interests

Councillor Burton declared a personal and non-pecuniary interest in agenda item 8 (Cost of Living Crisis) as she manages the Volunteers Network, which runs one of the community ladders that may apply for funding. She remained in the room and voted on the item.

Councillor Holt declared a personal and non-pecuniary interest in agenda item 12 (Eastbourne Borough Council Homelessness & Rough Sleeping Strategy 2022-2027) as his employer (Your Eastbourne BID) work in partnership with the Rough Sleeping Initiative and Housing Team. He remained in the room and voted on the item.

9 Recovery and Stabilisation Programme

The Cabinet considered the report of the Chief Executive, updating them on progress of the Recovery and Stabilisation Programme.

Scrutiny Committee at its meeting on 11 July 2022, supported the officer recommendations to Cabinet. They also requested the following additional information, which was noted by the Cabinet:

- (1) That further analysis is provided on the £936,800 delivered on Homes First reshaping; and**
- (2) That an item-by-item comparison on the CIPFA pro-forma, highlighting the status of each item and in particular those items with a six-month time frame that have not yet been enacted, is provided.**

Part (1) of the requested information had been circulated to the Scrutiny Committee and Cabinet, following their meeting. Part (2) of Scrutiny Committee's request would be circulated in due course.

It was further clarified that prior to the pandemic there had been an expediential increase in homelessness in the town. Council officers had worked to provide accommodation for many of those cases. The subsequent work with partners and the Rough Sleeper Initiative had led to greater access to temporary accommodation and less reliance on emergency accommodation, which was financially beneficial to the Council. This was reflected in the subsidy savings on Homes First reshaping.

The Leader commended Cabinet colleagues and officers for their work in securing the achievements as set out in the report.

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

Resolved (Non-key decision):

- (1) To note the progress made with the Recovery and Stabilisation Programme
- (2) To note the Recovery and Stabilisation savings set out at Appendix A to the report.
- (3) To note and endorse the assurance review update set out at Appendix B to the report.

(4) To note the information requested by the Scrutiny Committee, at its meeting on the 11 July 2022 and detailed above.

Reason for decisions:

The Recovery and Stabilisation programme provides a structured and accountable approach for delivering the level of significant organisational change needed to respond to current and future challenges.

10 Cost of Living Crisis

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, asking them to agree a range of measures to support local people struggling due to the cost-of-living crisis.

Councillor Holt identified a couple of errors in the published report. Section 1.2 should reflect that Full Council at its meeting in May 2022 agreed broader actions in response to the pandemic and it was the Leader of the Council, rather than Full Council, who established a cost-of-living emergency fund, following that meeting, which had led to the proposals set out in the report. The two figures in Section 5.1 also should read £250,000. Officers agreed to update and republish the report following the meeting.

Visiting member, Councillor Lamb, addressed the Cabinet on this item. The Cabinet agreed that work was needed to target those individuals who weren't necessarily willing or able to come forward for the available support.

To reflect the Leader's recent appointment of Councillor Babarinde to the Council's newly created Cost of Living Champion post, the Cabinet unanimously agreed to amend resolution (2) to include the Champion as part of the consultation and this was reflected below.

Councillor Burton declared a personal and non-pecuniary interest in this item and remained in the room and voted on the item.

Resolved (Key decision):

(1) To agree that £250k be allocated from the newly created Cost of Living Support Reserve to establish a cost-of-living crisis fund.

(2) To agree that the Deputy Chief Executive, in consultation with the Grants Task Group and Council's Cost of Living Champion, be given delegated authority to allocate the cost-of-living crisis fund.

Reason for decisions:

To help tackle those worst affected by the cost-of-living crisis.

11 Corporate performance - quarter 4 - 2021/22

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, updating them on the Council's performance against Corporate Plan priority actions, performance indicators and targets for the fourth quarter of the year 2021-2022.

Thanks were conveyed to staff, particularly those in the Customer Contact Centre for their performance during an incredibly challenging year.

Following points raised around chasing outstanding arrears, the Chief Finance Officer reported that nationally on average, billing authorities had £21 million outstanding arrears.

Visiting members, Councillor Di Cara and Shore addressed the Cabinet on this item.

Resolved (Non-key decision):

To note progress and performance for quarter 4.

Reason for decision:

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

12 Revenue & Capital Outturn - 2021/22

The Cabinet considered the report of the Chief Finance Officer, updating them on the provisional outturn for 2021/22.

Resolved (Key decision):

(1) To note the provisional outturn for 2021/22.

(2) To approve the transfers from/to reserves as set out in section 3.

Reason for decisions:

To enable Cabinet members to consider specific aspects of the Council's financial performance for 2021/22.

13 Treasury management annual report 2021/22

The Cabinet considered the report of the Chief Finance Officer, reporting on the activities and performance of the Treasury Management services during 2021/22.

The Deputy Chief Finance Officer commented that the report fully complied with all regulations as required by Chartered Institute of Public Finance and

Accountancy (CIPFA).

Scrutiny Committee at its meeting on 11 July 2022, supported the officer recommendations to Cabinet. They also requested the following additional information which was noted by the Cabinet:

(1) That a full analysis of the movement of debt from 1 April 2021 – 31 March 2022 be provided.

The information requested had been circulated to the Scrutiny Committee and Cabinet, following their meeting.

The Audit and Governance Committee, at its meeting on 12 July 2022 also considered the report and were supportive of the officer recommendations.

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

Resolved (Non-key decision):

To note the information requested by the Scrutiny Committee, at its meeting on the 11 July 2022 and detailed above.

Recommended to Full Council (Budget and policy framework):

(1) To agree the annual Treasury Management report for 2021/22.

(2) To approve the 2021/22 prudential and treasury indicators included.

Reason for decisions:

Requirement of CIPFA Treasury Management in the Public Sector Code of Practice (the Code) and this has to be reported to Full Council.

14 Eastbourne Borough Council Homelessness & Rough Sleeping Strategy 2022 - 2027

The Cabinet considered the report of the Director of Service Delivery, introducing a new homelessness and rough sleeping strategy and asking them for approval of the strategic goals, objectives, and associated action plan.

The Cabinet commended officers for their work in producing the report and strategy.

Councillor Holt declared a personal and non-pecuniary interest in this item and remained in the room and voted on the item.

Resolved (Key decision):

(1) To consider the final draft of the Eastbourne Homelessness & Rough Sleeping Strategy 2022 – 2027, set out at Appendix 1 to the report.

(2) Subject to there being no requirement for significant amendments, to authorise the Director of Service Delivery to adopt the strategy for public release.

Reason for decisions:

(1) To secure Cabinet approval for a new homelessness and rough sleeping strategy, which local authorities have a statutory obligation to review and publish every five years.

(2) The new strategy provides a strategic overview of the current challenges and sets out a framework and action plan addressing these.

15 Review of Planning Policy and Licensing for Houses in Multiple Occupation

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, providing an update on a review of planning policy and licensing for Houses in Multiple Occupation (HMOs).

Cabinet expressed its thanks to Lisa Rawlinson, Strategy & Partnership Lead (Growth & Prosperity) for her work already undertaken on the subject.

Scrutiny Committee at its meeting on 11 July 2022, supported the officer recommendations to Cabinet. They also requested the following item to be added to the Committee's work programme.

(1) That the consultants commissioned to provide robust evidence to support and justify any future decisions on action regarding HMO planning policy and licensing shall provide an interim update to the Scrutiny Committee at its meeting on 28 November 2022

The Cabinet noted the request from Scrutiny Committee, and whilst preferable for an update to be reported in November, until further details and a timescale was established, it would be more appropriate for a commitment to provide an update to Scrutiny Committee but not to confirm a date of which meeting at this stage.

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

Resolved (Non-key decision):

(1) To note the issues and implications associated with the potential courses of action identified in this report relating to the review of planning policy and licensing for Houses in Multiple Occupation and selective licensing of other private sector residential properties

(2) To seek approval to commission robust evidence to fully underpin future strategies to manage and tackle Houses in Multiple Occupation and other

private sector residential properties in the town and to allocate £25,000 to enable this to happen.

(3) To note the Scrutiny Committee's request that the consultants commissioned to provide robust evidence to support and justify any future decisions on action regarding HMO planning policy and licensing provide an interim update to a future meeting of the Scrutiny Committee.

Reason for decisions:

(1) To enable a full understanding of the current situation regarding HMOs and other private sector residential properties in the town, including future need and impacts on local communities.

(2) To provide evidenced justification for any future decisions relating to local plan policy and additional or selective licensing schemes for HMOs and other private sector residential properties.

16 Methodology for collecting monitoring fees in connection with the compliance with/of S106 Legal Agreements

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, seeking their approval to implement a regime S106 monitoring and apply monitoring fees in accordance with this report.

Visiting member, Councillor Di Cara, addressed the Cabinet on this item.

Resolved (Non-key decision):

To authorise the incorporation of S106 Monitoring fees.

Reason for decision:

The proposal to implement a suite of charges to support the staffing resource in the monitoring and compliance of approved S106 Legal Agreements.

17 Revised Planning Pre-Application Charging Schedule

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, seeking their approval to implement an updated Discretionary Fee Setting Regime.

Resolved (Non-key decision):

To authorise the use of the updated discretionary fee charging schedule.

Reason for decision:

The proposal to implement a suite of charges to support the staffing resource in connection with delivering the

1. pre-application process
2. planning Performance Agreement (PPA)
3. Validation Process
4. CIL Process
5. Local Plan Charges and Additional charges

18 Housing development update

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, providing an update on the progress of the Council's housing delivery programme.

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

Resolved (Key decision):

(1) To note the progress of the Council's housing delivery programme as set out at Appendix 1 to the report.

(2) To approve the Cavalry Crescent development, making an allocation within the Housing Revenue Account (HRA) Capital Programme of up to £6m, and entering into a construction contract in accordance with the business case as set-out at the Exempt Appendix 2 to the report.

(3) To approve the Fort Lane development, making a revised allocation within the Housing Revenue Account (HRA) Capital Programme of up to £3m, and entering into a construction contract in accordance with the business case as set-out at the Exempt Appendix 3 to the report.

(4) To authorise entering into an Access Agreement to enable the Council to use the "Framework Agreement for the Provision of Modular Housing" dated 30th July 2021 between Lewes District Council and Boutique Modern Limited to call off contracts for off-site manufactured house building solutions, to aid in the delivery of the Capital Programme alongside other procurement routes.

(5) To authorise the Director of Regeneration and Planning, in consultation with the Portfolio Holder for Housing, also the Chief Finance Officer, to carry out all necessary actions to facilitate the recommendations including financing, appointment of professional services, award of contract, development, lettings, and determining the terms of, and authorising the execution of, all necessary documentation, in accordance with the business case(s).

Reason for decisions:

To progress the development of new homes across the borough to provide new affordable housing options.

19 Exclusion of the public**Resolved:**

That the public be excluded from the remainder of the remote meeting as otherwise there was a likelihood of disclosure to them of exempt information as defined in schedule 12A of the Local Government Act 1972. The relevant paragraph of schedule 12A and a description of the exempt information was shown below. (The requisite notice having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

20 Housing development update - Exempt Appendix 2 and 3

The Cabinet considered the exempt appendices in relation to agenda item 16 (Housing development update).

Resolved (Non-key decision):

That the exempt appendices be noted.

Reason for decision:

As detailed in minute 18.

Notes: (1) The appendices remained exempt. (2) Exempt information reasons 3 - Information relating to the financial and business affairs of any particular person (including the authority holding that information).

The meeting ended at 7.59 pm

Councillor David Tutt (Chair)

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