

Audit and Governance Committee

5 October 2023



Working in partnership with **Eastbourne Homes**

Time and venue:

6.00 pm in the Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG

Membership:

Councillor Christina Ewbank (Chair); Councillors Ali Dehdashty (Deputy-Chair) Kathy Ballard, Daniel Butcher, Andy Collins, Hugh Parker, Kshama Shore, David Small and Stephen Gilbert (Audit Independent Member)

Quorum: 2

Published: Wednesday, 27 September 2023

Agenda

1 Minutes (Pages 5 - 10)

To confirm the minutes of the last meeting of the Committee.

2 Apologies for absence/declaration of substitute members

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.

4 Questions by members of the public.

On matters not already included on the agenda and for which prior written notice has been given (total time allowed 15 minutes).

5 Urgent items of business.

The Chairman to notify the Committee of any items of urgent business to be added to the agenda.

6 Right to address the meeting/order of business.

The Chairman to report any requests received to address the Committee from a member of the public or from a Councillor in respect of an item listed below and to invite the Committee to consider taking such items at the commencement of the meeting.

7 External Audits Update

A verbal report of the Deputy Chief Finance Officer and Deloitte, External Auditor.

- 8 Update and alignment of Scheme of Delegations to Officers (Pages 11 - 74)**
Report of the Monitoring Officer.
- 9 Treasury Management (Pages 75 - 92)**
Report of Director of Finance and Performance
- 10 Internal Audit and Counter Fraud Report for first quarter of financial year 2023-2024 - 1st April 2023 to 30th June 2023 (Pages 93 - 110)**
Report of the Chief Internal Auditor.
- 11 Strategic Risk Register Quarterly Review (Pages 111 - 124)**
Report of the Chief Internal Auditor.
- 12 Date of next meeting**
To note that the next meeting of the Audit and Governance Committee is scheduled for Wednesday 22 November 2023, at 6pm, in the Court Room, Eastbourne Town Hall.

Information for the public

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Information for Councillors

Disclosure of interests:

Members should declare their interest in a matter at the beginning of the meeting.

In the case of a disclosable pecuniary interest (DPI), if the interest is not registered (nor the subject of a pending notification) details of the nature of the interest must be reported to the meeting by the member and subsequently notified in writing to the Monitoring Officer within 28 days.

If a member has a DPI or other prejudicial interest he/she must leave the room when the matter is being considered (unless he/she has obtained a dispensation).

Councillor right of address:

Councillors wishing to address the meeting who are not members of the committee must notify the Chairman and Democratic Services in advance (prior to the start of the meeting), with the exception of Planning Committee meetings where registering to speak must be made in accordance with the relevant public speaking rules set out in the Council's constitution.

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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 28 June 2023 at 6.00 pm.

Present:

Councillor Christina Ewbank (Chair).

Councillors Ali Dehdashty (Deputy-Chair), Kathy Ballard, Daniel Butcher, Andy Collins, Hugh Parker, Kshama Shore, David Small and Stephen Gilbert, (Audit Independent Member).

Officers in attendance:

Homira Javadi (Director of Finance and Performance (Section 151 Officer)), Steven Houchin (Interim Deputy Chief Finance Officer (Corporate Finance)), Jackie Humphrey (Chief Internal Auditor) and Elaine Roberts (Committee Officer)

1 Minutes

Minutes from the last meeting, held on 1 March 2023, were confirmed as an accurate record.

2 Apologies for absence/declaration of substitute members

There were no apologies.

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 no declarations of interests.
For transparency, Councillor Ewbank noted her position on Eastbourne's Chamber of Commerce and Edeal Enterprise Agency.

4 Questions by members of the public.

There were none.

5 Urgent items of business.

The Chair confirmed there were no urgent items of business.

6 Right to address the meeting/order of business.

There were no requests to address the meeting.

7 Internal Audit and Counter Fraud Work Report 2022-2023

The Chair invited, Jackie Humphrey, Chief Internal Auditor (CIA), to present the report. For the benefit of Members new to the Committee, the CIA gave a detailed presentation of the report, as an introduction to the standing item.

During the presentation, the CIA drew Members' attention to Section 3 of the report, which detailed a response to an information request from the previous Committee for a progress update on creation of business continuity plans. The CIA also provided a detailed overview, with explanations, of the work of the Counter Fraud Team and of the process for gaining assurances of good governance from the Council's associated companies. The CIA talked through the final parts of the report that were only reported annually, which included a summary of the Council's overall performance, the CIA's opinion statement, and noted that results of a peer review of the audit function would be brought back to committee, once completed. The Committee considered the report.

Following comment and questions from Members, Officers clarified that:

- Some business continuity plans, which were different to 'emergency plans', were still in draft and would need to be checked before sign off. Having collated status update responses from each Head of Service, the CIA reported that considerable progress had now been made across all areas. Many plans were now complete, and monitoring was place for those few remaining outstanding areas. The CIA confirmed that managers had received training before completing their business continuity plans.
- The Audit Team was currently auditing risk management at operational level (point 8.3 of the report) and findings would be reported back to the Committee at a future date.
- The large number of follow ups had impacted Audit Team resources but recent progress in this area was expected to ease the situation and the CIA assured Members that the Team's work planning had ensured that the required breadth of work was maintained.
- The CIA agreed to share a copy of the Annual Internal Audit Plan for the current year with new Committee Members
- The high number of withdrawals from right-to-buy applications (point 4.3 of the report) was not unusual and it was not possible to know if the reason for a withdrawal was due to the abandonment of an attempt to defraud. The CIA confirmed that every application was checked and that some questions were designed to test for money laundering.
- The quarterly report was timed to work with the timeframes for financial reporting and therefore reflected findings to the end of March 2023. However, the varied timing of company board meetings meant that any governance statements from companies were reported in the next quarterly report that followed the receipt of the statement.

Members thanked the CIA for the in-depth explanations.

RESOLVED (unanimously)

1. **To note the report; and**
2. **To agree the approach for an external assessment.**

8 Strategic Risk Register Quarterly Review

Jackie Humphrey, Chief Internal Auditor (CIA), presented the report, beginning with an explanation of what the Strategic Risk Register was, how it worked and how it was monitored. The CIA explained that, traditionally, the Strategic Risk Register (SRR) was only brought to the Committee when either changes had been made, or when there were new Committee members.

The Committee considered the report. During the follow discussion, Officers assured Members that the amber grading for risk SR_006 (page 40) was appropriate, as the Audit Team had seen evidence of progress and because the Service Delivery Department had proved that it could respond appropriately during a crisis, as demonstrated during Covid-19.

RESOLVED (unanimously)

To note the update to the Strategic Risk Register and agree that the report should continue to be brought to the Committee only when there had been a change to the Risk Register or to the Committee membership.

9 Annual Governance Statement

Jackie Humphrey, Chief Internal Auditor (CIA), presented the report in detail and talked through all parts of the Annual Governance Statement.

The Chair thanked the CIA for the report and asked Members for their questions and comments.

In response to questions over how Directors, including members of the Corporate Management Team (CMT), were audited, the CIA explained that an area audit would include a review of Director decisions and reports and Director activity was also covered by the peer audit reviews.

Officers explained that the Annual Governance Statement followed a prescribed format, every statement had to be formally evidenced-based, and had to be signed by the Leader and the Chief Executive as an assurance to Members.

Officers confirmed that digital signatures were accepted where there was a digital audit trail, supported by individual logons. Officers also confirmed that IT had already instigated a system where laptops automatically turned off when not in use.

A concern was raised around the wording concluding paragraph 4.6 of the report regarding data protection; Officers agreed to address this with a minor amendment to the corresponding element of the Annual Governance Statement in liaison with the Audit Independent Person (AIP).

Resolved (unanimously)

To approve the draft Annual Governance Statement for 2022-23, subject to the CIA making a minor amendment to tighten wording in the Annual Governance Statement's Governance/Policies section in agreement with the Audit Independent Person (AIP), prior to publication.

10 External Audits update

Steven Houchin, Interim Deputy Chief Finance Officer (IDCFO), gave a background briefing from both a national and Eastbourne Borough Council perspective, to explain the current backlog of external audits, and noted the most recent guidelines and funding arrangements issued by the Department of Levelling Up, Housing and Communities (DLUHC).

The IDCFO reported that, following delegation to Officers by the previous Audit and Governance Committee, the 2019-2020 Statement of Accounts had been signed off on 3 April 2023 and were published on the Council's website. Officers confirmed that the final Statement of Accounts would also be published on the Committee papers website, and that copies would be emailed to Committee Members, along with copies of a letter sent in May to the Minister of State, DLUHC, and to Deloitte, at the request of the previous Committee, regarding its concerns about the state of affairs with local government audits.

The IDCFO outlined Deloitte's latest estimated delivery times for the remaining external audits: A draft Statement of Accounts for 2020/21 should now be expected by 29 September and a draft Statement of Accounts for 2021/22 by 12 January 2024.

The IDCFO explained that work to publish the draft Statement of Accounts for 2022/23 was currently ongoing. He reported that the new, earlier Government deadline for publishing draft accounts of 31 May had been missed, due to the ongoing delays with Deloitte for prior year accounts, as well as the national issues created by the requirements of Local Government financial reporting, and the increase in assurance work now required of auditors, as detailed earlier in the update. A public notification of the delay had been published on the Council's website and publication of the accounts was currently expected by 31 July 2023.

The Chair thanked the IDCFO and the Committee considered the update.

Members welcomed the news that Grant Thornton UK LLP had been appointed as replacement for Deloitte but expressed concerns over the latter's commitment to deliver the outstanding audits.

Officers confirmed that, to their knowledge, Eastbourne Borough Council had

always submitted its accounts on time and that there had been no delays to the publishing of the Annual Accounts prior to working with Deloitte. The CFO, Homira Javadi, advised the Committee that the current backlog would have a negative legacy impact on the timely production of external audits going forward.

Officers confirmed that for the 2020/21 Audit, and every year thereafter, the External Auditors would be asked to present its report to the Committee including information about its findings and any areas of concern, and that Members would have the opportunity to question the External Auditor on its draft Statement of Accounts and any of its findings at Committee.

Officers confirmed that Deloitte had typically attended Committee meetings remotely via Teams, but that it was the Officers' experience to expect external auditors to appear in person at some point.

Following questions around the value of feedback of old accounts, Officers explained that timely external audits were valuable and seen as a critical part in the financial planning process by all councils and that there was still a value to securing a process for Deloitte to meet its own revised deadlines. However, Officers recognised that much of the value of information in the overdue accounts had largely passed. The CFO advised that there would be a discussion about the audit fees once Deloitte had met all its audit obligations.

In response to queries about the presentation of the draft Statements of Accounts submitted by the Council to Deloitte, Officers explained the process for an external audit, and how the allocation of an appropriate period of time for review work by the External Auditor was a critical element for ensuring a clean audit process. The CFO reminded Members that Councils around the country were suffering similar experiences of delayed external audits.

The CFO thanked the Committee for awarding delegated authority to Officers and the Chair to sign off the 2019/2020 Statement of Accounts. The CFO added that, without the delegation, finalisation of those accounts may have incurred further delays, due to Deloitte's decision to move its staff onto other projects in April.

In response to comments from Members regarding clarity around delegation of authority, the CFO explained that Deloitte's Statement of Accounts had been submitted in November 2022 and that the delegated authority had been requested because Deloitte had assured the Council that it was not expecting any changes. The CFO referred to the minutes of the Committee's meeting in March which captured the remit of the delegation.

In response to a question by committee, the CFO commented that the Council's Finance Team had arranged for a 'lessons learnt' session to engage with Deloitte to see how the process could be improved going forward and agreed that Deloitte would be encouraged to confirm its commitment to the delivery timelines. CFO also added that Deloitte had been copied into the letter sent to the Minister of State, and a copy sent directly to them.

The CFO assured Members that an audit trail already existed to provide a record of the on-going concerns raised by the Committee.

The Chair thanked the Committee Members for their contributions.

RESOLVED (unanimously)

To note the update.

11 Treasury Management Annual Report 2022-2023

Steven Houchin, Interim Deputy Chief Finance Officer, introduced the report and provided a detailed presentation for each section, including explanations of the key terminology and of the various tables.

The Chair thanked the Officers for the report and commented positively on its clarity and comprehensive nature.

The Committee considered the report.

Following questions around the capital expenditure budget (point 3.2 of the report) Officers confirmed that both spend and debt figures were down on the previous year and that a copy of the Capital Outturn report would be circulated for Members' information after the meeting, which included status details of all capital projects.

Officers assured the Committee that specialist Treasury Management training would be organised for Members later in the year.

RESOLVED (unanimously)

To recommend to Full Council (via Cabinet) that

1. That Members consider and approve the Annual Treasury Management report for 2022/23; and
2. To approve the 2022/23 Prudential and Treasury Indicators included in the report (Section 9.1)

The meeting ended at 7.57 pm

Councillor Christina Ewbank (Chair)

Agenda Item 8

Report to:	Audit and Governance Committee
Date:	5 October 2023
Title:	Updating and Alignment of Scheme of Delegations to Officers
Report of:	Monitoring Officer
Ward(s):	All
Purpose of report:	For the Committee to consider the draft new Eastbourne Scheme and recommend it to Cabinet and full Council for approval
Officer recommendation(s):	(1) To review and then to recommend to Cabinet the updated and aligned Scheme of Delegations to Officers (executive functions only) set out in Appendix 1 (2) To review and then to recommend to full Council the updated and aligned Scheme of Delegations to Officers (council functions only) set out in Appendix 1
Reasons for recommendations:	The existing Scheme for Eastbourne has not been fully updated since 2015, leading to uncertainty over certain officer powers and difficulty with implementation.
Contact Officer(s):	Name: Oliver Dixon Post title: Lawyer and Data Protection Officer E-mail: oliver.dixon@lewes-eastbourne.gov.uk Telephone number: 01323 415881

1 Introduction

- 1.1 The Council's Scheme of Delegations to Officers forms part of the constitution and sets out the substance and extent of powers delegated by the executive and full Council to each of the directors, the Monitoring Officer and Head of Legal Services. These delegations relate to officers' operational powers to perform their routine day to day functions.
- 1.2 Additionally, the Scheme delegates powers to Proper Officers, namely those officers designated under local government legislation to perform 'proper officer' functions.
- 1.3 Since the Joint Transformation Programme in 2015, the Council (EBC) and Lewes District Council (LDC) have continued to operate under individual Schemes. The presentation and scope of each one is drafted differently.

1.4 This differing approach, in addition to the absence of a much needed update, has led to inconsistencies at corporate level where directors acting across both authorities have sought clarity over the nature and extent of their delegated powers. Equally, references to ‘Proper Officer’ legislation require a refresh to ensure only current law is cited.

1.5 Whilst updating and alignment is the overriding objective, two individual Schemes will remain, since EBC retains exclusive functions relating to–

Eastbourne Homes, Devonshire Park culture and tourism, and the Eastbourne Downs Golf Club.

For ease of reference, these are highlighted in blue in the draft Scheme.

LDC retains exclusive functions relating to–

- (i) its development management functions on behalf of South Downs National Park Authority, and
- (ii) its management of Code of Conduct matters in relation to parish councils.

1.6 The two Schemes will in all other respects be identical in presentation and content, enabling officers to interpret and apply their powers correctly and consistently across their entire service responsibility and both authorities’ geographical areas.

2 Drafting and consultation to date

2.1 The Monitoring Officer prepared initial drafts, which he referred to the Corporate Management Team on 14 June 2023 and to the Senior Managers Forum for comment. Their recommended amendments were reflected in a revised draft.

2.2 The Eastbourne Constitution Working Group (CWG) met on 23 June 2023 to review the Eastbourne draft Scheme. CWG is a cross-party advisory body with a remit to consider proposed amendments to the constitution and make recommendations to Audit and Governance Committee. Subsequently it’s for this committee to refer the draft Scheme to Cabinet and full Council for approval.

2.3 At their meeting, CWG commented on the draft in detail. As regards financial decision-making under delegated powers, members were assured that chief officers would have regard to the Financial Procedure Rules as well. In relation to item B44 (the power to place officers at the disposal of another authority), officers agreed to limit the power by stating “Where the disposal relates to a high profile matter or one of strategic importance, the Chief Officer should give due consideration to consulting the relevant Cabinet member.”

2.4 In relation to item C11, members indicated that management of The Stage Door pub (delegated to the Director Tourism, Culture and Organisational Development) was not a “cultural” function. Officers agreed to delete this reference and include it as a standalone item (now C11A).

- 2.5 In response to a query about the management of Eastbourne Downs Golf Club, officers explained that, as the Council owned the Golf Club building and golf course, it was appropriate for the Director of Tourism, Culture and Organisational Development to have director-level authority for the provision and management of this important asset.
- 2.6 The Monitoring Officer has revised the draft Scheme to reflect the above items, and CWG were happy for the updated version to go forward to Audit and Governance Committee.
- 2.7 Since CWG's meeting in June, officers have made minor presentational improvements to the draft, for example listing the Director of Service Delivery's powers as consecutive entries on the Contents list, and adopting a more systematic numbering protocol throughout the document. To enable the Committee to see the most recent set of amendments, Appendix 1 is shown in tracked mode.

3 Proposal

- 3.1 Part of the Audit and Governance Committee remit is to consider governance amendments (including constitutional matters). In that capacity, the Committee is invited–
- (i) to review the draft version of the updated and aligned Scheme set out in Appendix 1; and
 - (ii) to recommend that Cabinet approve all executive functions; and that full Council approve all Council (i.e. non-executive) functions.
- 3.2 Council functions are set out in paragraphs 4.01 and 4.02 of Article 4 and section 1 of Part 3 of the constitution – see link under Background Papers (paragraph 11 below). Any functions not listed in those provisions are, by default, executive functions.
- 3.3 To assist the Committee, from Part B onwards all Council functions in the draft Scheme are denoted with the letter 'C' in red. All other entries from Part B onwards are executive functions.
- 3.4 As indicated in paragraph 1.1, the Scheme specifies powers exercisable by officers on a routine, regular basis as part of their ordinary day to day functions. These are distinct from express delegations made by resolution of Cabinet or full Council, giving effect to a stand-alone officer report and recommendations on a specific topic.
- 3.5 Subject to Cabinet approving the executive delegations at its meeting on 1 November 2023, and full Council approving the Council functions at its meeting on 15 November 2023, the new Scheme will come into force once the directors' existing sub-delegations are aligned to the new parent Scheme.
- 3.6 LDC's draft Scheme was submitted to the Lewes Audit and Governance Committee on 4 September for review. After due consideration, the committee

referred the draft to Lewes Cabinet on 9 November 2023 and Full Council on 20 November 2023 for approval.

4 Summary of Key Changes

4.1 Layout

- Contents list added for ease of reference
- Scheme opens with principles of interpretation (A) followed by delegations to all chief officers (B), and then to specified chief officers (C).
- Annex A summarises the remits of each chief officer
- Delegations to Director of Service Delivery now listed sequentially
- Consistent numbering protocol applied throughout

4.2 Content amendment

- All references to legislation checked and updated where necessary.
- Repealed legislation is deleted
- Chief Officers' titles and remits updated
- Obsolete powers removed
- Urgency powers added
- Limitations to exercise of Chief Executive's powers to take urgent action, now requiring pre-notification to the Leader or Deputy Leader where reasonably practicable
- Chief Officers' powers to determine staff matters at item B43 require consultation with the Director of Tourism, Culture and Organisational Development for the functions listed in the Limitations column
- Clarification of Chief Finance Officer's treasury management powers
- Clarification added to the Director of Regeneration and Planning's planning functions
- Clarification of Assets of Community Value review powers conferred on Head of Legal Services

5 Outcome expected

5.1 An aligned and updated Scheme should ensure lawful, valid and consistent decision making by directors and their teams across both authority areas.

6 Business Case and alternative option(s) considered

6.1 The Council is under a legal duty to include in its constitution a list of powers exercisable by officers. See further at paragraph 8 below.

7 Financial appraisal

7.1 The cost of updating and managing an updated set of Schemes can be met by the revenue budgets of the Legal Services and Democratic Services teams.

8 Legal implications

- 8.1 Section 9P(1) of the Local Government Act 2000 requires a council operating executive arrangements to prepare and keep up to date a constitution which contains (amongst other things) “such information as the Secretary of State may direct.” Under the Local Government Act 2000 (Constitution) Direction 2000, the Secretary of State directed that councils must include in their constitution–
- a. a description of those powers of the **executive** which are exercisable by an officer of the local authority, stating the title of the officer by whom each of the powers so specified is exercisable; and
 - b. a description of those powers of the **council** which are exercisable by an officer of the local authority stating the title of the officer by whom each of the powers so specified is for exercisable.
- 8.2 Apart from the record needing to list all powers delegated to specified officers, the document format is not prescribed by statute or common law. It is in the interests of council members, officers and the public, however, that the Scheme is clear and concise. It should also be prefaced by a set of principles as to how the Scheme operates (including arrangements for amending and adding to the Scheme as necessary from time to time) and guidelines by which it should be interpreted.
- 8.3 Section 100G(4) of the Local Government Act 1972 and section 9P(3) of the Local Government Act 2000 require that local authorities make a copy of its constitution available for inspection by members of the public at all reasonable hours. The council satisfies this obligation by publishing its constitution on its website.
- 8.4 The distinction between executive and council functions is specified in the Local Authorities (Functions and Responsibilities) Regulations 2000.

Date of legal advice: 15.08.23

Legal ref: ADMIN-JOINT-OD (Governance)

9 Risk management implications

- 9.1 An aligned and updated Scheme provides a sound and proper basis on which directors can exercise powers on a delegated basis. It is no longer tenable for directors to rely on the current Scheme, given its many references to obsolete job titles, repealed legislation and lack of consistency across the shared LDC-EBC areas.
- 9.2 Officer decisions made without proper authority could provide an affected party with grounds to apply for a judicial review.

10 Appendices

Appendix 1 – proposed Scheme of Delegations to Officers, aligned and updated.

11 Background papers

The background papers used in compiling this report were as follows:

- Eastbourne Borough Council's current Scheme of Delegations
[Microsoft Word - part 3_D \(Responsibility for Functions\) \(Section D - Scheme of delegations\) \(Updated April 2023\) \(lewes-eastbourne.gov.uk\)](#)
- Lewes District Council's current Scheme of Delegations
[Microsoft Word - Constitution_Part9_T \(Scheme of Delegation\) \(June 2021\) \(lewes-eastbourne.gov.uk\)](#)
- List of functions reserved to full Council
[Microsoft Word - part 2 \(Articles of the Constitution\) \(Dec 2020\) \(lewes-eastbourne.gov.uk\)](#)
[EBC Constitution Part 3B \(lewes-eastbourne.gov.uk\)](#)



Part 9

Scheme of Delegations to Officers and Proper Officer List

EASTBOURNE BOROUGH COUNCIL

CONTENTS

A – General Principles

- A1 to A4: Principles
- A5: Interpretation
- A6: Abbreviations

B – Delegations to **all** Chief Officers

- B1: to manage functions for which the Chief Officer is responsible, per Annex A
- B2-44: generic delegations

C – Delegations to **specific** Chief Officers

- C1: Scope of delegations
- C2 - C6: Chief Executive
- C7: Chief Officers other than Chief Executive
- C8 - C11: Director of Tourism, Culture and Organisational Development
Director of Service Delivery
- C12 - C36 - benefits, local taxes and rates, housing, community safety and waste
- C37 - C41: - parks, pleasure grounds, boats, regulatory functions, health and safety investigations and prosecutions
- C42 - C56: Director of Finance and Performance
- C57 - C82: Director of Regeneration and Planning
- C83 - C103: Head of Legal Services
- C104 - C106: Monitoring Officer

D – Proper and/or Authorised Officer Functions

E – Specific authorisations for Court

F – Authorisation to enter land or premises

Annex A – Chief Officers' and Monitoring Officer's Areas of Responsibility

A General Principles

A1. Statutory authority permitting the Council to delegate the discharge of its functions to an officer is provided by:

- The Local Government Act 1972, section 101(a), in respect of **non-executive** functions. The power to decide which of these functions are to be delegated to an officer resides with full Council or, where full Council has authorised a committee to discharge any function, with that Committee.
- The Local Government Act 2000, section 9E(2)(b), in respect of **executive** functions. The power to decide which executive functions are to be delegated to an officer is in the sole gift of the Leader or, where the Leader has authorised the Cabinet or a Cabinet Member to discharge any function, in the gift of the Cabinet or Cabinet Member as applicable.

The Proper Officer appointments are made under the relevant provisions of section D of this scheme.

An officer or other person is authorised to exercise such powers as are shown in the Scheme of Delegations including those reasonably applied or incidental to the matters specified in respect of the functions of the Council. Functions, matters, powers, authorisations, delegations, duties and responsibilities etc. within the scheme shall be construed in a broad and inclusive fashion.

A2. For the purposes of this scheme:

If the post of an officer to whom a function is delegated (or to which he/she has been appointed as a Proper Officer) is vacant, or if the post-holder is absent through sickness, on leave (of whatever type), or otherwise unavailable, then unless the Council otherwise decides:

- i) In the case of the Chief Executive, the delegation shall be exercisable by the Deputy Chief Executive, a formally-appointed Acting Chief Executive (to include an Interim Chief Executive) or any one of the Chief Officers (as defined below).
- ii) In the case of a Chief Officer the delegation shall be exercisable by the Chief Executive or another Chief Officer.
- iii) In the case of the Officer who carries the role of a Section 151 Officer, the delegation shall be exercisable by the Deputy Section 151 Officer in relation to matters under Section 151 of the Local Government Act 1972.

- iv) In the case of the Officer who carries the role of Monitoring Officer, the delegation shall be exercisable by the Deputy Monitoring Officer in relation to matters which are the responsibility of the Monitoring Officer.
- v) In the case of a Head of Service, the delegation shall be exercisable by the Chief Executive, Deputy Chief Executive or a Director or a Head of Service sub-delegated to in writing by one of these officers, provided that the officer exercising the delegation has the requisite professional qualification, where such is required (e.g. planning).

A3. Where decisions are taken by officers under delegated powers the following conditions and rules shall apply:

- i) Powers shall be exercised in accordance with the Council's Constitution (including budgetary, financial and contractual procedural rules), in accordance with professional advice and , if appropriate, from the relevant lead service officer, in accordance with the Council's approved Policy Framework and other approved plans and policies and also with regard to all relevant legislative provisions.
- ii) Any Officer exercising a delegation, except in cases of emergency, shall only do so:
 - a) in accordance with the relevant policies and procedure of the Council, and
 - b) where provision has been made for any expenditure within the relevant budget.
- iii) In cases of emergency an Officer may, if justified by all of the circumstances, exercise delegations in a manner which is not in accordance with Council policies or procedures and/or where provision has not been made in any budget. A written record of the reasons for deviating from the policies and procedure and/or expenditure without a relevant budget must be made and kept.
- iv) The Officer exercising such power shall give effect to any resolution or decision of the Council, Leader, Cabinet, Cabinet Member or a Committee upon any matter of principle or policy in relation to the functions concerned.
- v) Where an Officer is authorised to take a decision or exercise a function either directly or by virtue of the provisions relating to absence detailed in paragraph A2 above, he/she may authorise any other officer specifically or generally to take such action as is necessary to implement that decision or exercise that function either in the name of the Officer so delegating or in the sub-delegate's own name.
- vi) Officers carrying delegations under this Scheme of Delegations, while retaining the delegation themselves, may also, in writing, further delegate the authority to exercise the delegation to another officer, although final responsibility for the actions taken under any such sub-delegation will remain with the original delegator. Officers entrusted with such sub-

delegations may, with the written agreement of the relevant Director or Assistant Director, further delegate the authority.

- vii) Any sub-delegation is to be recorded in writing.
- viii) A copy of any sub-delegation or its revocation shall be provided to the Head of Democratic Services within five working days. The Head of Democratic Services shall maintain a central register of sub-delegations and the current list of sub-delegations shall be shown on the intranet and be available to Members and Officers.
- ix) An Officer may be required under this Scheme of Delegations to Officers to exercise a delegation after consultation with the Leader, a Cabinet Member or other nominated Councillors. Any sub-delegation or further sub-delegation of the original delegation will retain any original consultation requirement. The Officer dealing with a matter shall also arrange for any inter-departmental consultation that may be required.
- x) Where an Officer is authorised to take decisions, action to implement such decisions shall be taken in the name of (but not necessarily personally by) that Officer.
- xi) Any Officer to whom a delegation or sub-delegation is given may waive his/her right to exercise the delegation or sub-delegation and refer the matter back to the Council, the Leader, the Cabinet, the Individual Cabinet Member or to the relevant Committee or the original delegate for a decision.
- xii) Where an Officer is taking a decision which could attract legal liability to the Council, he/she shall consider whether or not the nature of the decision justifies it being taken in consultation with the Head of Legal Services to the Council (e.g. termination of a contract).
- xiii) Each delegated power includes authority, after consultation with the Council's senior legal officer, for:
 - (a) the prosecution, defence, institution of or appearance in any legal or other proceedings in any Court, inquiry or tribunal or before any similar body; and
 - (b) the conduct of any such proceedings. All legal proceedings shall be undertaken under the name of the Council's senior legal officer.
- xiv) Any decision which has financial implications other than those budgeted for shall be taken in consultation with the Council's Director of Finance and Performance.

- xv) Unless specifically stated, no delegation authorises the taking of decisions as to whether or not simple cautions (as a punishment) should be administered to defendants or legal action should be taken by or on behalf of the Council.
- xvi) Subject to any express provision or instruction from the Council, the Leader, the Cabinet or other decision-making body of the Council to the contrary, any power to approve or deal also includes the power to refuse and the power to impose appropriate conditions.
- xvii) Decisions taken under delegated powers may need to be recorded. Rule 13 of the Access to Information Procedure Rules shall apply in respect of any key decision taken by an Officer under delegated authority of the Leader or the Cabinet. An Officer exercising a delegated power shall, where necessary, append a note to the record of his/her decision detailing the steps taken to inform/consult with the Leader/Cabinet Members/Councillors and the responses received. In accordance with regulation 13(4) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 and regulation 7 of the Openness of Local Government Bodies Regulations 2014, where a written statement of executive and non-executive officer decisions must be recorded, it is published as soon as reasonably practicable after a decision has been made.
- xviii) This Scheme of Delegation should be read in conjunction with any of the Council's business plans. These set out the general priorities for the Council's activities and are agreed by the Council on an annual basis. Chief Officers are delegated to carry out the activities described in these plans, with overview by the Council carried out through its performance management and budget monitoring framework.

A4. Other matters

- i) Those Officers designated as proper officers, authorised officers, appropriate person or any other statutory description of officer listed in Section D shall exercise the powers and have the responsibilities attributed to them by legislation.
- ii) The Chief Executive, Deputy Chief Executive, Directors and the Director of Finance and Performance may appoint any appropriate officer to be a proper officer, authorised officer, appropriate person or any other statutory description of officer in respect of any legislation and written confirmation of such appointment shall be conclusive evidence of its application in particular cases.

- iii) In the event that a post to which a delegation is given ceases to exist and its responsibilities are transferred to another post temporarily or permanently, then the delegations given under this scheme shall be exercisable by the post to which the responsibilities have been transferred. There should be written confirmation of the change in responsibilities from the Chief Executive, which shall be provided to the Head of Democratic Services to be retained with the central copy of the Scheme of Delegations and sub-delegations.
- iv) An Officer acting up to or seconded to a post on which delegations have been bestowed in accordance with this Scheme of Delegations shall be able to exercise those delegations in the same way as the original postholder.

A5. Interpretation

Term	Definition
Act, Order or other legal provision	Any reference to an Act, Order or other legal provision shall include a reference to any modification or re-enactment thereof and any reference to any Directive, Act, Order or other legal provision shall include any Regulations, Orders, Rules, Instruments, Directions, Statutory Guidance or other legal provision made thereunder.
Chief Officer	The Chief Executive and any of the Directors.
Consultation	Consultation shall mean seeking the comments of the person(s) to be consulted with. Consultation shall not mean obtaining the consent of the person(s) to be consulted with. A written record of the consultation shall be retained by the officer managing the exercise.
The Council	Shall include the Council, the Leader, the Cabinet, an Individual Cabinet Member or a Committee.
Emergency	Circumstances where action is necessary immediately and where inaction may lead to a loss of life, injury to a person or animal or damage to or loss of property.
The Planning Acts	The Town and Country Planning Act 1990, the Town and Country Planning Act 2008, the Planning (Listed Building and Conservation Areas) Act 1990, and the Planning (Hazardous Substances) Act 1990; and, in respect of them all, any amendments as may be made from time to time and any regulations and orders made pursuant to the same.
In writing	When applied to a sub-delegation, further sub-delegation or the cancellation of such a sub-delegation or further sub-delegation from this Scheme of Delegations, “in writing” shall be taken to include email, whether or not by specific reference to the elements of the scheme within such an email, or by a combination of general sub-delegation and attachment to the email of part or parts of this Scheme. As provided at A3(vii) above, the Head of Democratic Services shall be responsible for maintaining an up to date register of such sub-delegations, further sub-delegations or retractions of such delegations and sub-delegations, which shall be available to view on the Council’s Intranet.

A6. Abbreviations

Post	Abbreviation
Chief Executive (and Head of Paid Service)	CE
Director of Regeneration and Planning	DRP
Director of Service Delivery	DSD
Director of Finance and Performance	DFP
Director of Tourism, Culture and Organisational Development	DTCOD
Head of Legal Services	HLS
Head of Democratic Services	HDS
Head of Elections and Local Land Charges	HE & LLC

Act / Regulation or Order	Abbreviation
Planning (Listed Buildings and Conservation Areas) Act 1990	P(LB&CA)A
Town and Country Planning Act 1990	TCPA
Town and Country Planning (Control of Advertisement) Regulations 1992	TCP(CA) Regs
Town and Country Planning (General Permitted Development) Order 2015	GPDO

B Delegations to all Chief Officers

Subject to the foregoing, there are delegated to the Chief Officers those matters detailed in column 2 below, subject to any consultation requirements set out in column 3 and any limitations listed in column 4 below. Chief Officers can make any decision that can be made by a Head of Service or other Officer.

General:

No.	Delegation	Consultees	Limitations
B1.	To manage the functions for which they are responsible as set out in Annex A .		
B2.	To make consequential amendments to any policy, strategy, consultation or similar document and sign notices, other than legal notices, arising from any decision of the Council.		
B3.	To respond to consultations.	Relevant Cabinet Member	
B4.	To dispose of lost or uncollected property.		
B5.	To procure goods and services in accordance with Contract Procedure Rules.	DFP	
B6.	To exercise powers under Section 1 of the Localism Act 2011 (the general power of competence) in respect of the functions for which they are responsible as set out in Annex A .		
B7.	To exercise powers and determine all matters relating to the supply of goods and services to other local authorities and public bodies in respect of the functions for which they are responsible as set out in Annex A .	DFP	

No.	Delegation	Consultees	Limitations
B8.	To carry out the 'Proper Officer' and “authorised Officer” functions as identified in the list set out in Section D below.		
<u>B9.</u>	To carry out minor development for which planning permission is not required.		
<u>B10.</u>	To authorise Officers to carry out inspections, take samples, enter premises, form opinions and take any other necessary action as may be required by law or in accordance with the Council's functions and policies in relation to the functions for which they are responsible.		

Contracts:

No.	Delegation	Consultees	Limitations
<u>B11.</u>	To do all matters in relation to the letting of contracts.		In accordance with Contract Procedure Rules
<u>B12.</u>	To invite and accept tenders received on any matter in accordance with Contract Procedure Rules.		<u>In accordance with Contract Procedure Rules</u>
<u>B13.</u>	To sign contracts on behalf of the Council.		In accordance with Contract Procedure Rules

Financial:

No.	Delegation	Consultees	Limitations
<u>B14.</u>	To manage budgets allocated to the functions for which they are responsible as set out in Annex A, including authority to incur expenditure, and enter into contracts, on items included in the approved Revenue Estimates or Capital Programme except where the Council has placed a reservation on any such item.		In accordance with Financial Procedure Rules and Contract Procedure Rules
B15.	To implement the substance and conditions of a grant provided by the government under s.31 of the Local Government Act 2003.		
<u>B16.</u>	To provide business grants under government schemes.		
<u>B17.</u>	To write off amounts as irrecoverable.	DFP/Relevant Cabinet Member	In accordance with Financial Procedure Rules
<u>B18.</u>	To determine grant applications in relation to the functions for which they are responsible as set out in Annex A.		(NB this delegation does not relate to the award of grants to Voluntary sector organisations)
<u>B19.</u> C	To vary, in exceptional circumstances, annual fixed fees and charges, subject to any relevant Council policies.	Relevant Cabinet Member	
<u>B20.</u> C	To determine charges for the use of relevant services and events not covered by the annual review of fees and charges.	Relevant Cabinet Member	

No.	Delegation	Consultees	Limitations
B21.	To take any action authorised by Financial Procedure Rules.		
B22	To submit bids for the Council to receive grants etc from outside bodies in accordance with the functions of the Council.	DFP	

Assets:

No.	Delegation	Consultees	Limitations
B23.	Disposal of surplus / redundant moveable assets (i.e. not land or buildings).		Not to include any item that may be considered to be of historical significance, interest or value.

Data Protection and Freedom of Information:

No.	Delegation	Consultees	Limitations
B24.	Respond to requests under Data Protection and Freedom of Information legislation, the latter comprising the Freedom of Information Act 2000 and Environmental Information Regulations 2004.		

Emergency Powers:

No.	Delegation	Consultees	Limitations
B25.	To take any action necessary with regard to the Council's Emergency Planning functions, as required under the Civil Contingencies Act 2004 and the Council's other emergency plans. including authority to incur expenditure.		

Land:

No.	Delegation	Consultees	Limitations
<u>B26.</u>	In accordance with Council policies, to manage land, property and other assets allocated to the functions for which they are responsible.		

Health and Safety:

No.	Delegation	Consultees	Limitations
B27.	To exercise all powers, functions, duties and responsibilities of the Council with regard to Health & Safety.		

Equalities:

No.	Delegation	Consultees	Limitations
B28.	To exercise all powers, functions, duties and responsibilities of the Council with regard to equalities.		

Legal:

No.	Delegation	Consultees	Limitations
B29.	To make application for warrants of entry to land or property under the provisions of any legislation, other than warrants for possession of land or property, in relation to functions for which the Chief Officer is responsible.	Where practicable, with the HLS	
<u>B30.</u>	After consultation with the Head of Legal Services,		

No.	Delegation	Consultees	Limitations
	(i) to prosecute, defend, commence or appear in any legal or other proceedings in any Court, inquiry or tribunal or before any similar body; and (ii) to conduct any such proceedings. All legal proceedings shall be undertaken under the name of the Head of Legal Services.		
<u>B31.</u>	To sign, issue and serve all notices required by statute or otherwise to be given by the Council and all necessary advertisements.		

Regulatory:

No.	Delegation	Consultees	Limitations
<u>B32.</u>	To issue fixed penalty notices where permitted by statute in relation to the functions for which they are responsible.		
<u>B33.</u>	The grant, review, renewal and cancellation of authorisations under the Regulation of Investigatory Powers Act 2000 (RIPA) and Investigatory Powers Act 2016, in accordance with the Council’s surveillance and communications data acquisition policies.		Applies to RIPA authorising officers only.
<u>B34.</u>	The making of ex gratia payments in cases of maladministration.	DFP	

Licences, notices etc.

No.	Delegation	Consultees	Limitations
B35. C	The determination of any application for permissions, consents or licences or for registration within the functions for which he/she is responsible.		Except where they are reserved to Council, the Leader, the Cabinet, a Cabinet Member or Committee.
B36. C	The issue and service of any notice or requisition for information concerned with matters within the functions for which he/she are responsible.		
B37. C	The carrying out of works in default following non-compliance with any notice concerned with matters within the functions for which the/she are responsible.		
B38.	The management of any internal appeal, challenge or objection process against or in support of any of the Council's decisions, other than before a court or tribunal.		
B39.	The incurring of expenditure on the reception and entertainment by way of official courtesy of persons representative of or connected with local government or other public services whether inside or outside the United Kingdom.		To maximum of £2000.

Planning:

No.	Delegation	Consultees	Limitations
<u>B40.</u>	To make application for all consents required in relation to planning permission in respect of Council land or property in relation to the functions for which they are responsible as set out in Annex A .		

Regulation etc:

No.	Delegation	Consultees	Limitations
<u>B41.</u>	To make application for all consents required in relation to Building Regulation Approval in respect of Council land or property in relation to the functions for which they are responsible as set out in Annex A .		

Staffing:

No.	Delegation	Consultees	Limitations
<u>B42.</u>	To determine and take action in relation to all staff matters relating to permanent and temporary staff below Chief Officer level, allocated to the functions for which they are responsible.		Ill health retirement only in consultation with relevant Cabinet Member. In respect of applications from ill health retirement, and applications from former employees to have their LGPS pensions released on compassionate or exceptional grounds, directors may proceed only in consultation with DTCOD and Council appointed Occupational Health Team.

No.	Delegation	Consultees	Limitations
<u>B43.</u>	To appoint officers as ‘Authorised Officers’, ‘Inspectors’, ‘Proper Officers’ or similar and to undertake enforcement functions excluding the issuing or defending of legal proceedings in respect of functions for which the officer is responsible.		
<u>B44.</u>	In accordance with section 113(1) of the Local Government Act 1972, to place officers at the disposal of other local authorities.	The individual officer(s) to whom the disposal applies	Where the disposal relates to a high profile matter or one of strategic importance, the Chief Officer should give due consideration to consulting the relevant Cabinet member.

C Delegations to Specific Chief Officers

Subject to the foregoing, there are delegated to the Officers listed below those matters detailed in column 2 subject to any consultation requirements in column 3 and any limitations in column 4.

No.	Scope of Delegations
C1.	<p>Chief Officers and Head of Legal Services shall exercise the following powers or may authorise suitably experienced or qualified officers who shall have, save for any consultation requirements and limitations listed, the range of powers set out below. The powers referred to shall not include the following:</p> <ul style="list-style-type: none"> a) Powers where an individual officer is required by law to hold a relevant qualification and he/she does not hold that qualification. b) Powers which fall outside the individual’s actual authority as determined by his/her post or are not covered by the authorisation issued by or on behalf of the delegating Officer. c) Any situation where an individual Officer is prevented, for whatever proper reason, from exercising such power. d) Powers to determine whether or not civil or criminal proceedings should be issued once evidence to support the issue of such proceedings is available save as set out below in respect of cautions and administrative penalties. e) Powers to authorise civil or criminal proceedings.

Chief Executive:

No	Function	Consultation	Limitation
C2. C	The taking of any action required in connection with the organisation or holding of neighbourhood, parish, district, county, general elections or referenda.		
C3.	To take urgent action on behalf of the Council.		<p>The Leader or Deputy Leader will be kept informed if they are available. This power may be exercised only where all efforts, so far as reasonably practicable, have been made to inform the Leader or Deputy Leader in advance.</p> <p><u>Where it is not practicable to inform the Leader or Deputy Leader in advance, the Chief Executive should do so at the earliest feasible time thereafter.</u></p> <p>For the purposes of this delegation, “urgent action” means action that needs to be taken immediately or in a very short timescale to meet operational needs and cannot reasonably be deferred to allow the normal decision making process.</p>
C4.	The grant and supervision of exemptions from political restriction.	HLS	
C5.	To maintain a register of politically restricted posts and ancillary matters.	HLS / HDS	
C6.	To convene and cancel meetings of the Council, the Leader, the Cabinet, Cabinet Members, Committees and all other Council bodies.	HLS / HDS	
C3D.	To manage, including the authority to agree usage (and, where appropriate, agree temporarily reduced charges		The management of Eastbourne Downs Golf Club is delegated to the Director of Tourism, Culture and

	for usage where such reduction is in the financial and/or overall interests of the Council) and, in partnership with the Director of Regeneration & Planning, to maintain all the parks, pleasure grounds, gardens, open spaces, commons, recreational facilities, museums, nature reserves and allotments within the Council's control.		Organisational Development.
C3E.	All matters relating to pleasure boats, boatman's licences, fisherman's agreements and all such other matters related to the Council's powers and duties in relation to the coast, rivers and harbours.		

Chief Officers other than the Chief Executive:

No	Function	Consultation	Limitation
C7.	In the absence of the Chief Executive, to take urgent action on behalf of the Council.		The Leader or Deputy Leader will be kept informed, if they are available.

Director of Tourism, Culture and Organisational Development:

No	Function	Consultation	Limitation
C8.	To confirm the appointment of staff on the satisfactory completion of probationary period.	Relevant Chief Officer.	
C9.	To implement the Council's pay and grading procedure.	DFP.	
C10.	To implement any nationally agreed pay settlements.	DFP.	
C11.	To exercise the Council's functions relating to the provision and management of cultural facilities and activities, including but not limited to the provision of hospitality and catering. In this paragraph, "cultural facilities" include The Congress Theatre, Devonshire Park Theatre, The Welcome Building, Winter Garden		

No	Function	Consultation	Limitation
	The Stage Door and the Bandstand. ¹		
C11A.	To manage the Council’s functions relating the provision and management of The Stage Door pub.		
C11B.	To exercise the Council’s functions relating to the provision and management of the International Tennis Centre at Devonshire Park.		
C11C.	To exercise the Council’s functions relating to the provision and management of the Eastbourne Downs Golf Club.		

Director of Service Delivery:

No	Function	Consultation	Limitation
C12.	To make payments of housing and Council Tax or similar benefits.		
C13.	To take all necessary actions including legal enforcement relating to the demand, collection and the recovery of Council Tax, Rates and any other local levy or collected taxes.		
C14.	To determine entitlement to mandatory or discretionary rate relief.	Relevant Cabinet Member	

¹ Text highlighted in blue indicates a function unique to Eastbourne Borough Council

No	Function	Consultation	Limitation
C15.	To serve on the Valuation Officer notice of objection to any proposals for alteration of the Valuation List.		
C16.	To make proposals for the alteration of the Valuation List or for inclusion of particular properties in the Valuation List.		
C17.	To sign off Valuation Agreements.		
C18.	To determine any applications for Housing, Council Tax or similar benefits.		
C19.	To determine and take all action in relation to the management and maintenance of the Council’s housing accommodation including the letting, transfer, exchange and repossession of dwellings, garages, open spaces and parking spaces. To determine and where appropriate give consent for alterations or extensions to former Council houses and flats.		
C20.	<p>In relation to all and any council owned housing properties:</p> <p>(i) to acquire or dispose of land, and to grant and/or modify leases, easements, licences and way-leaves of, in, or over such properties, in accordance with the limits specified in paragraphs C1 a) to e) above.</p> <p>(ii) To vary the terms and conditions of, or negotiate the surrender of, leases and licences.</p> <p>(iii) To determine as landowner or landlord, applications for licences, consents and permissions in respect of</p>	<p>Where any value exceeds the limits specified in paragraphs a) to e), the DSD may exercise the powers referred to in 17A(i) but only after consulting with the</p>	<p>a) Where the payment from the other party does not exceed £50,000 (£25,000 for amenity land); or</p> <p>b) where the payment to the other party does not exceed £50,000;</p> <p>c) where the annual rent does not exceed £25,000 (except for a rent review); or</p> <p>d) where the lease term of the property does not exceed 10 years; or</p> <p>e) if an easement or way-leave, the annual fee does not exceed £1,000.</p>

No	Function	Consultation	Limitation
	properties.	relevant cabinet portfolio holder.	
<u>C21.</u>	To make the necessary application for permission to dispose of 5 or more HRA assets direct to the Secretary of State.		
<u>C22.</u>	To investigate allegations of council tax benefit fraud.		
<u>C23.</u>	To determine whether or not a simple caution or administrative penalty should be administered following an investigation into an alleged criminal offence	HLS	There must be a full admission. It must be a first offence. It must be in the public interest. It must be a minor matter. It must not be a complex fraud or attempted fraud.
<u>C24.</u>	To administer simple cautions and administrative penalties, following determination in accordance with paragraph <u>C23</u> above.		
<u>C25.</u>	To implement the Council’s policies regarding Community Safety and the reduction of crime and disorder.		
<u>C26.</u>	To take appropriate enforcement action in relation to – (i) any Council byelaw; and (ii) any anti-social behaviour regulated by the Council under powers conferred by the Anti-social Behaviour, Police and Crime Act 2014, such enforcement to include the issuing of fixed penalty notices.		
<u>C27.</u>	To exercise the Council’s functions relating to homeless persons.		
<u>C28.</u>	To determine applications for appropriate Housing		

No	Function	Consultation	Limitation
	Grants and the taking of all steps concerned with certification of payment of the same.		
C28A.	To cast any vote the Council may have at General Meetings of Eastbourne Homes Ltd.		
C29.	To devise, manage and maintain the Housing Register maintained by the Council under the relevant statutory provisions in accordance with the Council’s Housing Allocations Policy.		
C30.	To nominate people on the Council’s Housing Register to properties managed by Homes First (on behalf of Eastbourne Homes Ltd) and the Registered Social Landlords in accordance with the Council’s allocations policy.		
C31.	To exercise the Council’s regulatory and any associated management functions in relation to fitness and standards of housing and residential accommodation.		
C32.	To exercise the Council’s regulatory and any associated management functions in relation to houses in multiple occupation and private housing.		
C33.	To exercise all the Council’s functions in relation to cremations, burials and all bereavement-related services.		
C34.	To collect, remove, recycle and dispose of waste and fly tipping waste to ESCC’s nominated Waste Disposal Authority (WDA) site.		

No	Function	Consultation	Limitation
C35.	To collect, remove, recycle and dispose of litter to ESCC’s nominated WDA site.		
C36.	To authorise revisions to charges in relation to the following “charged for” services: Garden Waste, Trade Waste, Bulky Waste, as well as replacement bin provision.		

Director of Service Delivery:

<u>No</u>	<u>Function</u>	<u>Consultation</u>	<u>Limitation</u>
C37.	<u>To manage, including the authority to agree usage (and, where appropriate, agree temporarily reduced charges for usage where such reduction is in the financial and/or overall interests of the Council) and, to maintain all the parks, pleasure grounds, gardens, open spaces, commons, recreational facilities, museums, nature reserves and allotments within the Council’s control.</u>		
C38. C	<u>All matters relating to pleasure boats, boatman’s licences, fisherman’s agreements and all such other matters related to the Council’s powers and duties in relation to the coast, rivers and harbours.</u>		
C39. C	<u>Regulatory functions.</u> <u>To exercise all the regulatory and any associated management functions for which the Council has responsibility, including but not limited to the following:</u> <u>a. Amenities on the highway.</u>		

<u>No</u>	<u>Function</u>	<u>Consultation</u>	<u>Limitation</u>
	<ul style="list-style-type: none"> <u>b. Animal welfare and control</u> <u>c. Caravan Sites</u> <u>d. Environmental protection</u> <u>e. Fitness and Standards of Housing</u> <u>f. Food Safety and Hygiene</u> <u>g. Gambling</u> <u>h. Gaming permits</u> <u>i. Hackney Carriages and Drivers</u> <u>j. Health and Safety at Work</u> <u>k. Houses in Multiple Occupation and Private Housing.</u> <u>l. House to house collections</u> <u>m. Highway management</u> <u>n. Licensable activities under the Licensing Act 2003</u> <u>o. Lotteries</u> <u>p. Markets</u> <u>q. Motor Salvage Operators</u> <u>r. Pest Control</u> <u>s. Leisure Boats</u> <u>t. Private Hire Vehicles drivers and operators</u> <u>u. Public Health</u> <u>v. Public Safety</u> <u>w. Registration Plates</u> <u>x. Residential Accommodation</u> <u>y. Scrap metal dealers</u> <u>z. Shops and Sunday trading</u> <u>aa. Street Collections</u> <u>bb. Street Trading</u> <u>cc. Water and Sewerage</u> <u>dd. Street Closures</u> 		

<u>No</u>	<u>Function</u>	<u>Consultation</u>	<u>Limitation</u>
	<u>ee. Cremations, Burials and all Bereavement-related services.</u>		
<u>C40.</u> <u>C</u>	<u>All matters relating to the investigation and prosecution of matters under the Health & Safety at Work legislation.</u>	<u>HLS</u>	<u>Using duly appointed inspectors as appropriate.</u>
<u>C41.</u> <u>C</u>	<u>To issue and serve notices pursuant to the Building Act 1984 and Building Regulations and to carry out works in default.</u>		

Director of Finance and Performance (Section 151) Officer:

No	Function	Consultation	Limitation
<u>C42.</u>	<p>In respect of Treasury Management:</p> <p>(i) to arrange the borrowing of money authorised by the Council and manage the Council's debt in accordance with any guidelines laid down by the Council, but this authority does not extend to matters other than the strict management of debt and does not include (for the sake of illustration only) other measures, such as interest rate swaps, any financial arrangements which are based on notional amounts of debt, or any speculative proposals of any kind;</p> <p>(ii) to borrow by way of bank overdraft from the Council's current bankers, in accordance with the Treasury Management Strategy and any other relevant</p>	<p>Relevant Cabinet Member</p>	

No	Function	Consultation	Limitation
	<p>Council budgetary policy, subject to annual review by the bank and the Relevant Cabinet Member;</p> <p>(iii) to manage the investment of the funds of the Council but not in equities or any investment of a speculative nature;</p> <p>(iv) to implement and monitor a treasury management policy statement setting out the matters detailed in CIPFA’s Code of Practice on Treasury Management in Local Authorities;</p> <p>(v) to have control of all money in the hands of the Council and to manage the Council’s banking arrangements;</p> <p>(vi) to report, at or before the start of the financial year, to the Cabinet on the strategy for treasury management it is proposed to adopt for the coming financial year;</p> <p>(vii) to take all executive decisions on borrowing, investment or financing and to act in accordance with CIPFA’s Code of Practice on Treasury Management in Local Authorities; and</p> <p>(viii) to report to the Cabinet not less than twice in each financial year on the activities of the treasury management operation and on the exercise of delegated treasury management powers. One such report shall</p>		<p>In the event of the Director of Finance and Performance wishing to depart in any material respect from the main principles of CIPFA’s Code of Practice, the reasons should be disclosed in a report to Cabinet.</p> <p>In the event of the Director of Finance and Performance wishing to depart in any material respect from the main principles of CIPFA’s Code of Practice, the reasons should be disclosed in a report to Cabinet.</p>

No	Function	Consultation	Limitation
C	<p>comprise an annual report on treasury management for presentation by 30 September of the succeeding financial year.</p> <p>(ix) quarterly reporting to the Audit Committees on treasury management activities and performance.</p>		
C43.	<p>To deal with all matters relating to the Council's insurances including without limitation:</p> <p>(i) the authorisation of the payment of increased premiums as necessary, subject to any general direction of the Cabinet or the Council, and to a report being made to the Cabinet upon the matter of insurance generally from time to time;</p> <p>(ii) the making of payments into the insurance fund.</p> <p>(iii) the making of payments in respect of any claims where the Council's insurers may be involved.</p>		
C44.	<p>To administer the functions of the Council under the Local Government and Finance Act 1992 and regulations made thereunder in connection with the collection and enforcement of the Council Tax including, without limitation, the Council's functions regarding:</p> <p>(i) determinations as to persons to be disregarded for the purposes of discount under Section 11(5) and Schedule 1 to the Act;</p>		

No	Function	Consultation	Limitation
	<p>(ii) the administration etc of the Council Tax under regulations made pursuant to Section 14(1) and Schedule 2 to the Act;</p> <p>(iii) the imposition of penalties under Section 14(2) and Schedule 3 to the Act;</p> <p>(iv) the enforcement of the Council Tax under regulations made pursuant to Section 14(3) and Schedule 4 to the Act;</p> <p>(v) the administration of and making determinations under legislation relating to Council Tax benefits and reductions; and</p> <p>(vi) the authorisation of officers to levy distress on behalf of the Council pursuant to regulation 45 of the Council Tax (Administration and Enforcement) Regulations 1992</p>		
C45.	To invest available funds on appropriate terms and in accordance with the Council’s investment strategy.		
C46.	Where annual contributions have been made to specific reserves for either repairs and maintenance to land and buildings and facilities or replacement of equipment, vehicles, plant and transport, to incur the expenditure, subject to there being sufficient funds available to meet the expenditure.		
C47.	With the approval of the Chief Executive, to roll forward specified amounts within the revenue budget between		

No	Function	Consultation	Limitation
	financial years where it has not been possible to incur the expenditure within the approved financial year and where the appropriate budget is not overspent and the purpose of the expenditure is to remain the same. Any amounts rolled forward shall be reported to the next meeting of the Cabinet.		
C48.	To administer the Council’s functions in relation to the collection of non-domestic rates in accordance with the Local Government Act 1988 and all relevant regulations made thereunder.		
C49.	To exercise determinations, discretionary powers and all functions contained under the Social Security and Housing Benefit Act 1982 including any regulations and amendments thereto and any subsequent relevant legislation.		
C50.	To maintain an adequate and effective Internal Audit Service and to be responsible for staff engaged in financial and key business plan target performance management work		
C51.	To make payment of any sums due from the Council.		
C52.	To make repayments to the Council’s Pension Fund from those reserves earmarked for pension’s contribution.		
C53.	To write off debts in accordance with the Council’s Financial Procedure Rules.		
C54.	To investigate and report upon any allegations of fraud		

No	Function	Consultation	Limitation
	or dishonesty.		
C55.	For the purposes of the Regulation of Investigatory Powers Act 2000 (RIPA), the Investigatory Powers Act 2016 (IPA) and associated codes of practice, to perform all functions required of the Council’s RIPA Monitoring Officer.	HLS in their capacity as Senior Responsible Officer for the Council’s functions under RIPA and IPA	
C56.	Functions relating to: (i) preparation and updating of the <u>Medium Term Financial Strategy</u> (ii) preparation of the Councils’ annual budget proposal for consideration by Cabinet (iii) invoicing of debtors (iv) preparation of proposed fees and charges for consideration by Licensing Committee and Cabinet (v) calculation of Council Tax Base and setting of precepts (vi) responsibility for financial reporting including the preparation of annual report and accounts relating to both Councils and their trading companies (vii) the financing of the Capital Programme; (viii) any other services allocated to the Director of Finance and Performance by the Chief Executive.		

No	Function	Consultation	Limitation
	(ix) quarterly reporting to Cabinet and audit committees on revenue and capital budget performance and forecast		

Director of Regeneration and Planning:

No	Function	Consultation	Limitation
	Planning		
C57. C	<p>To determine applications for planning permission, to vary planning permission, listed building consent, express consent to display advertisements, hazardous substances consent and footpath diversions pursuant to the Planning Acts, including:</p> <p>i) development specified in the GPDO where express planning permission is required by reason of limitations or conditions by that order;</p> <p>ii) determinations in connection with prior notification procedure under T&CP (General Permitted Development) Order; and</p> <p>iii) [not applicable]</p> <p>(iv) reserved matters as defined in article 2 of the Town and Country Planning (Development Management Procedure (England) Order 2015.</p>		<p>The delegation shall not be exercised in relation to:</p> <p>a) applications for development which significantly conflicts materially with adopted policy, unless to refuse.</p> <p>b) applications requiring the Secretary of State to be notified under the Town and Country (Development Plans and Consultations)(Departures) Direction 2009, unless to refuse.</p> <p>(c) applications materially affecting ancient monuments, and sites of special scientific interest, unless to refuse.</p> <p>d) where the application has been made by an elected member (or their spouse/partner) of the Council; or any direct employee (or their spouse/partner) of Lewes District Council or Eastbourne Borough Council.</p>

No	Function	Consultation	Limitation
			<p>e) where the Senior Specialist Advisor dealing with the matter considers that the application should be dealt with by the Committee.</p> <p>f) where a member of the Council not more than 28 days after the validation of an application requests the matter be determined by committee and that this request is based on material planning grounds and in the view of the Senior Specialist Advisor has the potential to lead to a substantive/sustainable reason(s) for refusal.</p> <p>g) [not applicable]</p> <p>h) where a substantial number of objections have been received on material planning grounds and in the view of the Senior Specialist Advisor have the potential to lead to a substantive/sustainable reason(s) for refusal and these objections are in opposition (contrary) to the officer’s recommendation.</p>
<p><u>C58.</u> C</p>	<p>To negotiate the terms of and authorise section 106 planning obligations, to include applications to vary existing obligations and to determine all requests for approval made pursuant to these obligations.</p>		<p>Unless a Member of the Council not more than 28 days after the validation of an application to vary an existing section 106 obligation requests the matter be determined by committee and that this request is formed by material planning grounds and in the view of the Senior Specialist Advisor have the potential to lead to a substantive/sustainable reason(s) for refusal.</p>
<p><u>C59.</u> C</p>	<p>To discharge applications for consent pursuant to the conditions and limitations imposed under the</p>		

No	Function	Consultation	Limitation
	Planning Acts.		
C60. C	To determine applications for lawful development certificates (Town and Country Planning Act 1990, sections 191 and 192).	HLS in respect of section 191 applications (existing use)	
C61. C	To give, make and confirm any order or direction under the Planning Acts.	HLS	
C62. C	To issue, serve, modify and withdraw any notice under the Planning Acts, to include all types of planning enforcement activity and to carry out works in default.	HLS in respect of enforcement notices and temporary stop notices	
C63. C	The issue and service of a requisition for information on planning matters under the Local Government (Miscellaneous Provisions) Act 1976		
	Trees		
C64. C	To make and confirm Tree Preservation Orders with or without modification (and associated applications for consent for works) and to deal with notification of works to trees in conservation areas.		Not to confirm Tree Preservation Orders if there are any objections, unless the objection(s) are not based on valid planning grounds and in the view of the Senior Specialist Advisor in consultation with the Chair of Planning Committee do not have the potential to lead to a substantive/sustainable reason(s) not to confirm the Order.

No	Function	Consultation	Limitation
C65. C	To determine applications and to take any action under the Anti-Social Behaviour Act (2003) Part 8 (High Hedges).		
	Planning Policy		
C66. C	To determine the Council’s stance in respect of and respond to consultation and opinions sought concerning cross boundary and neighbouring authority planning matters, and ESCC and the South Downs National Park Authority planning applications.	Chair of Planning Committee	
C67. C	To exercise all powers and duties under the Community Infrastructure Levy regulations, to include the determination of any applications for discretionary or exceptional circumstances relief from liability.		
	Building Control		
C68. C	To issue, serve, modify and withdraw any notice under the Building Act 1984, including in respect of ruinous and dilapidated buildings and neglected sites (section 79).		
	Other <u>Planning Regulatory</u> Functions		
C69. C	All matters relating to the Planning (Hazardous Substances) Act 1990.		
C70. C	To issue and serve notices and take any further regulatory action where required, including		Action must have regard to the Council’s Regulatory Services Enforcement Policy

No	Function	Consultation	Limitation
	enforcement in consultation with the HLS, under planning, environmental and other relevant legislation applicable to the Council as local planning authority .		
C71.	To exercise the Council’s powers in respect of water supply, sewerage and drainage, including land drainage.		
C72.	All matters relating to the naming and numbering of streets.	Relevant Cabinet Member and Ward Cllrs	
C73. C	To exercise the Council’s powers affecting the design or maintenance of highways.		
C74.	All matters relating to coastal and dredging licence applications.		Such development must be permitted by a General Permitted Development Order or have been granted planning permission.
C75.	To maintain, in partnership with the Chief Executive, the parks, pleasure grounds, gardens, open spaces, commons, recreational facilities, museums, galleries, nature reserves and allotments within the Council’s control. [Deleted]		
C76.	All matters relating to on and off-street parking.	Relevant Cabinet Member	
C77.	To manage the improvement, refurbishment and maintenance of the Council’s non-housing property portfolio where not specifically the responsibility of		

No	Function	Consultation	Limitation
	other officers, this to include all tasks related to new build provision.		
C78.	To acquire land in connection with the Council’s functions and to grant and/or modify leases, easements, licences and way-leaves of, in, or over buildings or land in connection with the Council’s functions.		
C79.	To dispose of land in connection with the Council’s functions and to grant and/or modify leases, easements, licences and way-leaves of, in, or over buildings or land in connection with the Council’s functions.		
C80.	To vary the terms and conditions of, or negotiate the surrender of, leases and licences.		
C81.	To determine as landowner or landlord applications for licences, consents and permissions in respect of the Council’s buildings or land.		
C82.	To determine asset of community value nominations and/or applications for compensation, pursuant to sections 87 to 108 of the Localism Act 2011 and the Assets of Community Value (England) Regulations 2012; and to review successful nominations on receipt of a valid request made under section 92 of the Act.		

Head of Legal Services:

No	Function	Consultation	Limitation
C83.	Legal Proceedings: a) To determine what, if any, legal action should be taken following any investigation into a criminal matter. b) To institute, prosecute or terminate any proceedings which the Council is empowered to undertake in or before any Court, Tribunal, Inquiry or by way of Fixed Penalty Notice. c) To defend or settle any proceedings brought against the Council. d) To take any action incidental or inclusive to or which would facilitate any action under this paragraph, including instruction of Counsel and appearance in any Court, or any Inquiry, Tribunal or other forum on behalf of the Council. e) To advise the relevant Chief Officer who is contemplating administering a formal caution to a person that has admitted an offence. f) To determine whether or not any legal proceedings should be taken in any particular case or set of circumstances.		Except in relation to Health & Safety at Work in relation to a), b), c) and f).
C84.	To appoint and instruct external legal service providers where necessary, by reason of technical or specialist competence, rights of audience, resource availability or otherwise.		
C85.	To settle any claims where the Council's Insurers may be involved.	DFP	

No	Function	Consultation	Limitation
C86.	To negotiate and enter into planning or other agreements regulating or controlling the use of development of land.		
C87.	To make minor amendments in planning or other agreements regulating or controlling the use or development of land.		
C88.	To issue, serve, modify, or withdraw any enforcement action or notices under the Planning Acts, the Building Acts, the Environmental Protection Acts and any other such regulatory legislation enforced by the Council etc.		
C89.	To carry out or authorise the carrying out of works in default under any statutory provisions including but not limited to notices concerning ruinous and dilapidated buildings and neglected sites (Building Act 1984, Section 79).		
C90.	To give, make and confirm any Order or Direction under the Planning Acts including Tree Preservation Orders (and associated applications for consent for works) and notification of works to trees in conservation areas.		Not to confirm if there are any objections
C91.	To seal any document.	Relevant <u>Chief Officer</u>	
C92.	To negotiate and agree the terms of any contract.		
C93.	To sign any contract on behalf of the Council.		
C94.	To authorise the attendance of officers at Court under any statutory provision.		
C95.	To authorise service of any statutory requisition for		

No	Function	Consultation	Limitation
	information as to interests in land.		
C96.	To execute any legal document on behalf of the Council.		
C97.	All matters relating to consultations with Sussex Police and other bodies in relation to anti-social behaviour.		
C98.	All matters relating to the consecration of land.		
C99.	To issue, serve, suspend or withdraw any notices in respect of any matter for which the Council has power to act.		
C100.	To carry out any and all functions of Senior Responsible Officer in connection with Part 2 of the Regulation of Investigatory Powers Act 2000, Part 3 of the Investigatory Powers Act 2016 and any related secondary legislation, as specified by the codes of practice issued under those Acts.		
C101.	<p>To exercise the following functions for the management and administration of assets of community value (ACV) pursuant to Part 5, chapter 3, of the Localism Act 2011 and associated secondary legislation:</p> <ol style="list-style-type: none"> 1. Toto conduct reviews of the Council’s decisions to include land/buildings in the Council’s ACV list; 2. Toto conduct reviews of the Council’s decisions in respect of ACV owners’ claims for compensation; and <p>Toto put in place all necessary procedures and processes to support the functions numbered 1 and 2</p>		

No	Function	Consultation	Limitation
	above.		
C102.	To take all and any measures necessary to exercise high standards of client care, regulatory compliance relevant to the solicitors profession, and practice management, whether by applying for and maintaining a recognised legal practice mark such as Lexcel or by adopting equivalent standards.		
C103.	To formulate and implement a general undertakings policy and an undertakings policy for property transactions, to enable legally qualified members of the Legal Practice to give undertakings on behalf of the Council in appropriate circumstances and subject to any limitations or other controls set out in the policies.		

Monitoring Officer (MO):

No	Function	Consultation	Limitation
C104.	Pursuant to sections 28(6) and (7) of the Localism Act 2011, to decide, in relation to members of the Council, whether to investigate allegations that a member has failed to comply with the Code of Conduct.	Independent Persons appointed by the Council.	
C105.	Establish, maintain and publish the register of interests in accordance section 29(1) of the Localism Act 2011.		

No	Function	Consultation	Limitation
C106.	To grant dispensations for relief of interest restrictions	Independent Persons appointed by the Council if appropriate.	

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D Proper and/or Authorised Officer Functions

No	Act	Function	Officer	Deputy
D1.	All legislation prior to 1 st April 1972	Proper Officer in relation to references to Treasurer or Borough Treasurer	DFP	DDFP
D2.	All legislation prior to 1 st April 1972	Proper Officer in relation to declarations and certificates with regard to securities	DFP	DDFP

Local Government Act 1972:

No	Act	Function	Officer	Deputy
D3.	Section 83(3)	Declarations of acceptance of office of Councillors	CE	HDS
D4	Section 84(1)(a)	Receipt of resignations of Councillors	CE	HDS
D5.	Section 88(2)	Convene a meeting of the Council to fill a vacancy of Chair of the Council	CE	HDS
D6.	Section 89(1)(b)	Receive from electors Notices of Casual Vacancies of Councillors	CE	HE & LLC
D7.	n/a			
D8.	Section 100B(2)	Excluding from the public reports which are not likely to be considered in open session	HLS	HDS
D9.	Section 100C(2)	Where part or the whole of the report has been exempt the Proper Officer shall make a written summary of the proceedings or a part to provide a record without disclosing the exempt information	HLS / HDS	
D10.	Section 100D	Compilation of list of background documents	Director or actual author of report for Director	

No	Act	Function	Officer	Deputy
D11.	Section 100F(2)	Deciding whether documents for inspection contain exempt information under relevant paragraph of Schedule 12A which are not required to be open to inspection by Members of the Council	HLS / HDS	
D12.	Section 115(2)	For receipt of monies due to the Council from Officers	DFP	
D13.	Section 146(1)(a)	Statutory Declaration regarding change of name of the Authority in connection with the Companies Act 2006.	HLS	
D14.	Section 191(2)	Applications under the Ordnance Survey Act 1841	DSD	
D15.	Section 210	In respect of powers with regard to charities	HLS	
D16.	Section 225	Deposit of documents in accordance with Standing Orders of either House of Parliament, Enactment or Statutory Instrument	HLS	
D17.	Section 229	To certify photographic copies of documents to be a true copy.	HLS	
D18.	Section 234	To sign notices, orders or other documents authorised or required by or under any enactment.	HLS	
D20.	Section 238	Certification of printed copies of Byelaws	HLS	
D21.	Section 248	To keep roll of persons admitted to the Freedom of the Borough	CE	HDS
D22.	Parts IV and Schedule 12	Signing and serving of summonses to attend meetings of the Council.	CE	HDS
D23.	Schedule 14 Paragraph 25(7)	To certify copies of resolutions applying or disapplying provisions of the Public Health Act 1875 to 1925	HLS	

Local Government Miscellaneous Provisions Act 1976:

No	Act	Function	Officer	Deputy
D24.	Section 41	To certify copies of resolutions, orders, reports or minutes of the Council or any predecessor authority	CE	HLS

Local Government & Housing Act 1989:

No	Act	Function	Officer	Deputy
D25.	Section 2	To receive a list of politically restricted posts	CE	DCE
D26.	Section 4	Designation as Head of Paid Service	CE	DCE
D27.	Section 5	Designation as Monitoring Officer	HDS	HLS

Representation of the People Act 1983:

No	Act	Function	Officer	Deputy
D28.	Sections 8 and 52	Appointed as Electoral Registration Officer (s. 8). Power to appoint Deputy Registration Officer (s. 52).	CE	HE & LLC
D28A	Section 28(1)(a)	Acting Returning Officer for Parliamentary elections	HE & LLC	
D29.	Section 35(1)	Returning Officer at Borough Elections	CE (appointed by the Council when post-holder changes)	HE & LLC
D30.	Not applicable			
D31.	Sections 82 and 89	To receive declaration of election expenses and holding of documents for public inspection	CE	HE & LLC

Local Government (Committees and Political Groups) Regulations 1990:

No	Act	Function	Officer	Deputy
D32.	Regulation 8	Receipt of Notice of Political Groups	CE	DCE
D33.	Regulation 10	Receipt of Notice of cessation of membership of Political Group	CE	DCE
D34.	Regulation 13	To accept wishes of Political Groups in respect of proportionality	CE	DCE
D35.	Regulation 14	To notify Political Groups of allocations	CE	DCE

Local Government Act 1974:

No	Act	Function	Officer	Deputy
D37.	Part 3	Local Government Ombudsman	CE	HLS

Local Authorities (Referendum) (Petitions and Directions) Regulations 2000:

No	Act	Function	Officer	Deputy
D39.	Whole	Proper Officer function	CE	HLS / HE & LLC

Local Authorities (Conduct of Referendums) (England) Regulations 2007:

No	Act	Function	Officer	Deputy
D40.	Whole	Proper Officer function	CE	DCE / HE & LLC

The Neighbourhood Planning (Referendums) Regulations 2012

No	Act/Regulation	Function	Officer	Deputy
D40A	Regulation 9	To be the Counting Officer for Referendums	HE & LLC	

Public Health Act 1936

No	Act	Function	Officer	Deputy
D41.	Section 79	Removal of noxious matter	DSD	
D42.	Section 84	Verminous Articles	DSD	
D43.	Section 85	Verminous People	DSD	

National Assistance Act 1948:

No	Act	Function	Officer	Deputy
D44.	Section 47	Removal of people in need	DSD	Officers of Health Authority etc authorised under S 113 (1A) of the Local Gov Act 1972

Public Health Act 1961:

No	Act	Function	Officer	Deputy
D45.	Section 37	Verminous Articles	DSD	

Public Health (Control of Disease) Act 1984

No	Act	Function	Officer	Deputy
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D46.	Whole Act	Infectious Diseases and Dead Bodies	DSD	
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Public Health (Infectious Diseases) Regulations 1988

No	Act	Function	Officer	Deputy
D47.	All	Infectious Diseases	DSD	

Food Safety Act 1990

No	Act	Function	Officer	Deputy
D48.	All	Food Safety	DSD	

Police Reform and Social Responsibility Act 2011

No	Act	Function	Officer	Deputy
D49.	Section 54	Local Returning Officer for Police and Crime Commissioner elections	HE & LLC	

Any other legislative provisions for which arrangements are not specifically made under this Scheme of Delegations:

No	Act	Function	Officer	Deputy
D50.	All	Proper/Authorised etc. Officer functions or similar	CE	DCE

E Specific authorisations for Court

E1 Officers authorised to represent the Council in Court etc:

- A. Every solicitor, barrister or legal executive employed or engaged by the Council shall be authorised to appear on its behalf before any Court, Tribunal or other Hearing before which they have a Right of Audience and to exercise the powers given by the relevant professional body.
- B. The following post holders are authorised to appear on behalf of the Council and to conduct proceedings in court and these are additional to the powers delegated by the Scheme of Delegation to Officers and the rights to appear in Court given to solicitors, barristers and legal executives:
- a. pursuant to the Local Government Act 1972 section 223 and the County Courts Act 1984 section 60 (in respect of possession matters) and for any purpose for which the Council is empowered to authorise Officers to appear on its behalf:
 - (i) Legal Assistants
 - (ii) Trainee Solicitors
 - (iii) Other suitably experienced and/or qualified Officers specifically authorised in writing so to appear by the Head of Legal Services.
 - b. pursuant to the Local Government Act 1972 section 223 in respect of rating or council tax matters:
 - (i) The Director of Service Delivery
 - (ii) Officers of the Council authorised in writing so to appear by the Director of Service Delivery
 - c. pursuant to Part I of the Health and Safety at Work etc Act 1974
 - (i) Director of Service Delivery
 - (ii) Officers of the Council so authorised in writing to appear by the Director of Service Delivery and/or in accordance with the legislation.
 - d. pursuant to the Insolvency Rules 1986 Part 9 (examination of persons concerning company and individual insolvency)
 - (i) The Director of Service Delivery
 - (ii) Officers of the Council so authorised in writing to appear by the Director of Service Delivery

F Authorisation to enter land or premises

F1 General:

- a. This authorisation authorises those Officers named in paragraphs 2-7 to enter land or premises for or in connection with their duties and pursuant to the functions mentioned.
- b. The authority to enter land or premises shall be exercisable subject to any statutory constraints.
- c. A reference to any Act shall include reference to any amendment or re-enactment and any subordinate legislation.
- d. In the event that a post ceases to exist or the name of the post is changed or the responsibilities of that post are transferred to another post temporarily or permanently then the authority given by this authorisation shall be exercisable by the officer in whose area of responsibility the previous responsibilities now reside.
- e. The right to enter given by paragraphs 2-7 below shall extend to the exercise of the power to make inspections, to provide samples and to examine and seize goods as and if appropriate.
- f. A person authorised to enter land may take with him or her or such other persons and equipment as may be necessary.
- g. This authorisation entitles the person authorised to enter land to seek a warrant to enter.
- h. The authorisation of an Officer to enter land shall be taken as this appointment of that Officer among other things for that purpose.

F2 All purposes:

- a. Chief Executive
- b. Deputy Chief Executive
- c. Directors
- d. Director of Finance and Performance
- e. Operational Lead – Emergency Planning

F3 Environmental Health, Housing etc

The following are authorised to enter land or premises for the following function:

No	Function	Officer	Deputy
a.	Animal Welfare and Control	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time	
b.	Caravan Sites	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time	
c.	Environmental Protection	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time	
d.	Food Safety and Hygiene	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time	
e.	Health and Safety at Work	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time	
f.	Housing	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
g.	Licensing Act 2003	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
h.	Pest Control	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
i.	Public Health	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	

No	Function	Officer	Deputy
j.	Public Safety	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
k.	Scrap Metal Dealers	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
l.	Shop Acts	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
m.	Street Trading	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
n.	Sunday Trading	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
o.	Public Health	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
<u>po.</u>	Environmental Protection	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
<u>qp.</u>	Gambling Act 2005	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
<u>rq.</u>	Street Closures	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	
<u>sr.</u>	Cremations and Burials	Director of Service Delivery and Director of Regeneration & Planning and such other Officers as shall be delegated to in writing by them from time to time.	

F4 Planning

The following are authorised to enter land or premises for the following function:

No	Function	Officer	Deputy
a.	The Town and Country Planning Act 1990, Sections 178, 196A, 196B, 214B, 214C, 324 and 325A	Director of Regeneration and Planning and such other Officers as shall be delegated to in writing by him/her from time to time	
aa	Order made under the Plant Health Act 1967, including but not limited to those relating to Dutch Elm Disease	Director of Regeneration and Planning and such other Officers as shall be delegated to in writing by him/her from time to time	
b.	Planning (Listed Buildings and Conservation Areas) Act 1990, Section 88 and 88A	Director of Regeneration and Planning and such Officers as may be delegated to in writing by him/her from time to time	
c.	Planning (Hazardous Substances) Act 1990, Section 36, 36A, 36B and 36C	Director of Regeneration and Planning and such Officers as may be delegated to in writing by him/her from time to time	
d.	Anti-Social Behaviour Act 2003, Part 8, sections 74 and 77(5)	Director of Regeneration and Planning and such Officers as may be delegated to in writing by him/her from time to time	
e.	Local Government (Miscellaneous Provisions) Act 1976, sections 23 and 24	Director of Regeneration and Planning and such other Officers as shall be delegated to in writing by him/her from time to time.	
f.	Hedgerows Regulations 1997, regulations 12 and 13	Director of Regeneration and Planning and such other Officers as shall be delegated to in writing by him/her from time to time.	
g.	Community Infrastructure Levy Regulations 2010, regulation 109	Director of Regeneration and Planning and such other Officers as shall be delegated to in writing by him/her from time to time.	

F5 Building Control

The following are authorised to enter land or premises pursuant to the following power:

No	Function	Officer	Deputy
a.	Building Act 1984, section 95	The Director of Regeneration and Planning and such Officers as may be delegated to in writing by him/her from time to time.	

F6 Local Taxation

The following are authorised to enter land or premises pursuant to the following power:

No	Function	Officer	Deputy
a.	Collection of Local Taxes	The Director of Service Delivery and such Officers as may be delegated to in writing by him/her from time to time	

F7 Land Drainage and Sewerage Undertaking

The following are authorised to enter land or premises pursuant to the following function:

No	Function	Officer	Deputy
a.	Water Industry Act 1991	The Director of Service Delivery and Director of Regeneration and Planning and such Officers as may be delegated to in writing by them from time to time.	
b.	Land Drainage Act 1991	The Director of Service Delivery and Director of Regeneration and Planning and such Officers as may be delegated to in writing by them from time to time.	

ANNEX A

Chief Officers’ and Monitoring Officer’s areas of responsibility:

Chief Executive (and Head of Paid Service)	<i>Strategic leadership and the delivery of quality services. Legal and Democratic Services, Member Services, devolution and governance. Information and communications technology (ICT).</i>
Director of Service Delivery	<i>Service delivery, including but not limited to Customer First, Neighbourhood First, Environment First, Homes First, Eastbourne Homes Ltd, bereavement services and waste services. Business improvement and transformation.</i>
Director of Regeneration & Planning	<i>Planning First (planning policy and development control), property development, regeneration, energy and sustainability, Corporate Plan, procurement, asset management, strategic partnerships, voluntary sector, community engagement, community safety, community grants, youth strategy and equality.</i>
Director of Tourism, Culture and Organisational Development	<i>Human Resources, organisational development, Chief Executive’s Office, internal and external communications, information management, and civil contingencies. Employee health and safety policy and procedure.</i> <i>Tourism, events, marketing, sports, seafront, cultural centre and the Devonshire Park facilities</i>
Director of Finance and Performance (Section 151 officer)	<i>Accountancy, internal audit, counter-fraud, purchasing and payments, general income & system support, business planning and performance.</i>
Monitoring Officer	<i>The assurance that all actions and decisions taken by the Officers and Members of the Council are lawful and that the interests of the Council are legally protected and enhanced. All arrangements related to the maintenance and promotion of high standards of conduct among Councillors and arrangements for dealing with complaints about Councillor conduct.</i>

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Report To:	Audit and Governance Committee
Date:	5 October 2023
Report Title:	Treasury Management Quarterly Report – Q1
Report of:	Director of Finance and Performance (Chief Finance Officer – S151 Officer)
Ward(s):	All
Purpose of report:	To present details of recent Treasury Management activities
Decision Type:	Budget and Policy Framework
Officer Recommendations:	The Committee is recommended to note the report of the Director of Finance and Performance and the assurances contained within and agree that Treasury Management Activities for the period April to June 2023 have been in accordance with the approved Treasury Strategies.
Reasons for recommendations:	Requirement of CIPFA Treasury Management in the Public Sector Code of Practice (the Code).
Contact Officer(s):	Name: Ross Sutton Post title: Head of Financial Reporting E-mail: ross.sutton@lewes-eastbourne.gov.uk Telephone number: 07591 988346

1. Introduction

- 1.1 The Council's approved Treasury Strategy Statement requires the Audit and Governance Committee to review details of Treasury Strategy transactions against the criteria set out in the Strategy and make observations to Cabinet as appropriate.
- 1.2 The Treasury Strategy Statement also requires the Audit and Governance Committee to review a formal summary report detailing the recent Treasury Management activity before it is considered by Council, in accordance with best practice and guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 1.3 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit & Governance Committee before they were reported to the Full Council.
- 1.4 Treasury Management is an integral part of the Council's overall finances and the performance of this area is very important. Whilst individual years obviously matter, performance is best viewed on a medium / long term basis. The action taken in respect of the debt portfolio in recent years has been extremely beneficial and has resulted in savings. Short term gains might, on occasions, be sacrificed for longer term certainty and stability.

1.5 The criteria for lending to Banks are derived from the list of approved counter parties provided by the Council’s Treasury Management advisors, Link Asset Services. The list is amended to reduce the risk to the Council by removing the lowest rated counterparties and reducing the maximum loan duration.

2. Economic Background

2.1 As expected, the Bank of England’s Monetary Policy Committee continue to increase the Bank Rate and a detailed economic commentary on developments during period ended 30 June 2023 is attached as **Appendix A**.

3. Interest Rate Forecast

3.1 The Council appointed Link Group as its treasury advisors and part of their service is to assist the Council to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

3.2 The latest forecast (made on 26th June), sets out a view that both short and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy, against a backdrop of a stubbornly robust economy and a tight labour market.

3.3 The forecasts have steadily increased during the quarter as the data continued to spring upside surprises, and the Bank of England continued to under-estimate how prevalent inflation is, and how tight the labour market is. The Government has also noted that despite immigration increasing markedly, high levels of ill-health amongst the workforce has led to wage demands remaining strong until such time as there is a loosening in demand for business services.

3.4 Link’s forecast of bank rate and PWLB borrowing rates are set out below.

Link Group Interest Rate View 26.06.23													
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
BANK RATE	5.00	5.50	5.50	5.50	5.25	4.75	4.25	3.75	3.25	2.75	2.75	2.50	2.50
3 month ave earnings	5.30	5.60	5.50	5.30	5.00	4.50	4.00	3.50	3.00	2.70	2.60	2.50	2.50
6 month ave earnings	5.80	5.90	5.70	5.50	5.10	4.60	4.00	3.50	3.00	2.70	2.60	2.60	2.60
12 month ave earnings	6.30	6.20	6.00	5.70	5.30	4.80	4.10	3.60	3.10	2.80	2.70	2.70	2.70
5 yr PWLB	5.50	5.60	5.30	5.10	4.80	4.50	4.20	3.90	3.60	3.40	3.30	3.30	3.20
10 yr PWLB	5.10	5.20	5.00	4.90	4.70	4.40	4.20	3.90	3.70	3.50	3.50	3.50	3.40
25 yr PWLB	5.30	5.40	5.20	5.10	4.90	4.70	4.50	4.20	4.00	3.90	3.80	3.80	3.70
50 yr PWLB	5.00	5.10	5.00	4.90	4.70	4.50	4.30	4.00	3.80	3.60	3.60	3.50	3.50

Note

- LIBOR and LIBID rates ceased at the end of 2021. In a continuation of previous views, money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.
- The Link forecast for average earnings are averages i.e., rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short-term cash at any one point in time.

4. Annual Investment Strategy

- 4.1 CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes in December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.
- 4.2 The Treasury Management Strategy Statement (TMSS) for 2023/24 which includes the Annual Investment strategy (AIS), was approved by the Full Council on 22 February 2023. It sets out the Council's investment priorities as being:
- Security (of Capital);
 - Liquidity;
 - Yield.
- 4.3 The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity, aligned with the Council's risk appetite. In the current economic climate, over and above keeping investments short-term to cover cash flow needs, there is a benefit to seek out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.
- 4.4 As per the interest rate forecasts in section 3 above, investment rates have improved dramatically during the first quarter of 2023/24 and are expected to improve further as Bank Rate continues to increase over the next few months.
- 4.5 There have been few changes to credit ratings over the quarter under review. However, officers continue to closely monitor these, and other measures of creditworthiness to ensure that only appropriate counterparties are considered for investment purposes.
- 4.6 Approved limits within the Annual Investment Strategy were not breached during the period ending 30 June 2023, except for the balance held with Lloyds Bank (the Council's own bank). The £5m maximum limit was exceeded for 4 days during the period (11 April, 22 May, 16 June and 26 June). Breaches normally occur where (i) other investments have been recalled back to Lloyds a day early in readiness for larger than usual outgoings the following day or (ii) other investments are received back too late in the day to reinvest so remain with Lloyds overnight.

5. Treasury Management Activity

- 5.1 The timetable for reporting Treasury Management activity in 2023/24 is shown in the table below. This takes into account the timescale for the publication of each Committee agenda and is on the basis that it is preferable to report on activity for complete months. Any extraordinary activity taking place between the close of the reporting period and the date of the Audit and Governance Committee meeting will be reported verbally at that meeting.

Meeting date	Reporting period for transactions
5 October 2023	1 April to 30 June 2023 (Q1)
22 November 2023	1 July to 30 September 2023 (Q2)
28 February 2024	1 October to 31 December 2023 (Q3)
June 2024	2023/24 Annual Report (up to 31 March 2024)

5.2 Fixed Term Deposits pending maturity

The following table shows that no fixed term deposits were held at 30 June 2023 and identifies the long-term credit rating of counterparties at the date of investment. It is important to note that credit ratings are only one of the criteria that are taken into account when determining whether a potential counterparty is suitable. All the deposits met the necessary criteria, the minimum rating required for deposits made in terms of long-term A- (Fitch).

Counterparty	Date From	Date To	Days	Principal £'000	Int Rate %	Long-term Rating
None	-	-	-	-	-	-

5.3 Fixed Term Deposits which have matured in the reporting period

The table below shows the fixed term deposits which have matured between 1 April to 30 June 2023 in maturity date order. It is important to note that the table includes sums reinvested.

Counterparty	Date From	Date To	Days	Principal £'000	Int Rate %	Long-term Rating
DMO	03/04/2023	12/04/2023	9	2,000,000	4.05%	*
DMO	05/04/2023	12/04/2023	7	1,300,000	4.05%	*
DMO	17/04/2023	02/05/2023	15	3,000,000	4.07%	*
DMO	02/05/2023	27/06/2023	56	3,000,000	4.32%	*
DMO	15/05/2023	26/06/2023	42	4,000,000	4.41%	*
DMO	01/06/2023	26/06/2023	25	5,000,000	4.42%	*
DMO	06/06/2023	29/06/2023	23	2,200,000	4.45%	*
DMO	07/06/2023	16/06/2023	9	11,000,000	4.38%	*
DMO	15/06/2023	23/06/2023	8	2,500,000	4.40%	*
DMO	27/06/2023	29/06/2023	2	4,300,000	4.88%	*

* UK Government body and therefore not subject to credit rating

The weighted average rate of interest earned on deposits held in the period 1 April to 30 June 2023 was 4.34%, which was below the average bank base rate for the period of 4.44%.

5.4 Use of Deposit accounts

In addition to the fixed term deposits, the Council has made use of the following interest-bearing accounts in the period covered by this report, with the average amount held being £2.47m generating interest of £31k.

	Balance at 30/06/23 £'000	Average balance £'000	Current interest rate %
Santander Business Reserve Account	£5,000	£3,945	2.91%
Lloyds Bank Current Account	£3,156	£1,955	1.70%
Lloyds Bank Call Account	£10	£1,514	0.70%

5.5 Money Market Funds

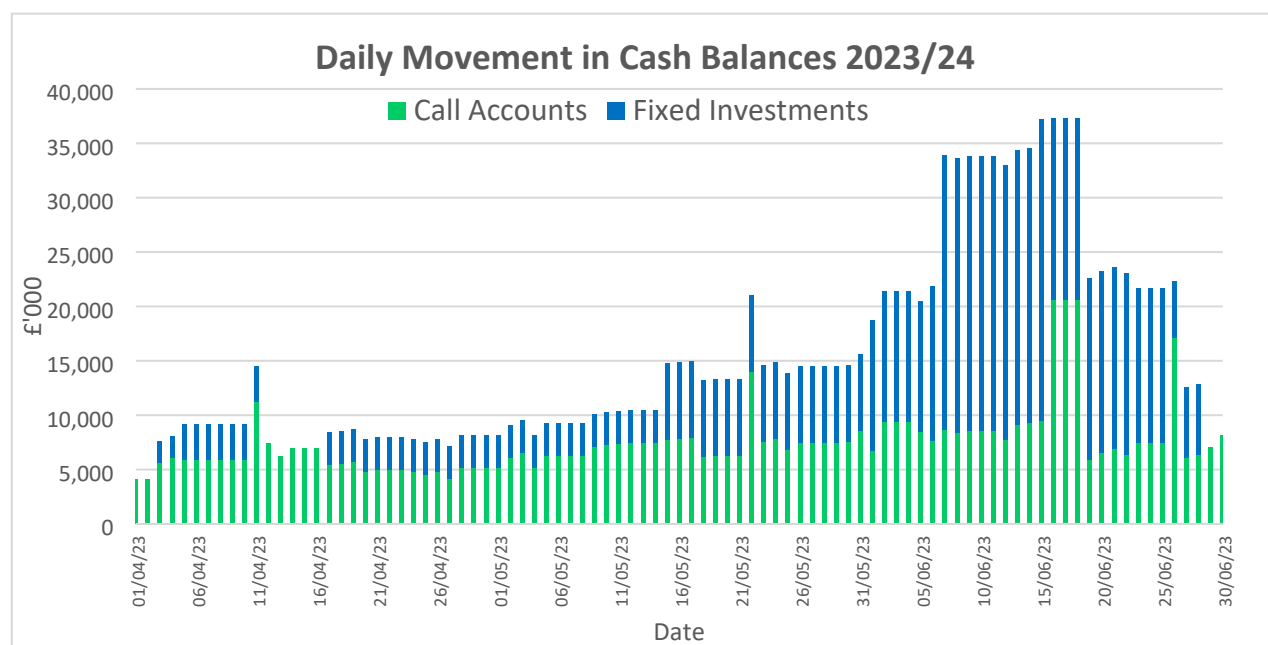
There were no funds Money Market Funds held at 30 June 2023, and there was no activity in the period.

5.6 Bond Funds, Multi-Asset Income Funds and Property Funds

There were no Short Dated Bond Funds, Multi-Asset Income Funds or Property Funds held at 30 June 2023, and there was no activity in the period.

6. Overall investment position

6.1 The chart below summarises the Council's investment position over the period 1 April to 30 June 2023. It shows the total sums invested each day split between Fixed Term investments and amounts held in Call accounts.



6.2 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

6.3 During the Covid-19 pandemic with unexpected calls on cash flow, significant balances were held in call accounts which are highly liquid. Since then, more funds are being held as fixed term investments and less in call accounts.

7. Borrowing

7.1 The Council's long term borrowing at 30 June was £113.78m with the Public Works Loan Board.

7.2 The table below details short term/temporary borrowing in the quarter from other local authorities. As at 30 June 2023, £67m of loans were held. During the quarter, £35m of loans matured and were repaid on time.

Lender	Principal £000	Date From	Date To	Days	Rate %
Loans held					
Tendring DC	5,000	1 Nov 22	1 Aug 23	273	3.90%
Barrow Borough Council	3,000	20 Jan 23	20 Nov 23	304	3.85%
North Northamptonshire Council	5,000	27 Jan 23	27 Jul 23	181	4.00%
Warwickshire County Council	5,000	8 Feb 23	7 Feb 24	364	4.00%
Salford City Council	5,000	8 Feb 23	7 Feb 24	364	4.00%
Tameside MBC	5,000	13 Feb 23	15 Jan 24	336	4.20%
Gwent Police	4,000	11 Apr 23	29 Dec 23	262	4.40%
West of England Combined Authority	10,000	28 Apr 23	26 Apr 24	364	4.85%
West Yorkshire Combined Authority	5,000	9 May 23	9 Feb 24	276	4.25%
Bolton MBC	10,000	22 May 23	20 May 24	364	4.35%
Wokingham BC	10,000	7 Jun 23	28 Mar 24	295	4.50%
Loans repaid					
West Yorkshire Combined Authority	5,000	23 May 22	9 May 23	351	1.20%
Northern Ireland Housing Executive	10,000	20 Jun 22	19 Jun 23	364	1.20%
West Yorkshire Combined Authority	10,000	25 Jul 22	27 Jun 23	337	1.80%
Northern Ireland Housing Executive	10,000	29 Nov 22	28 Apr 23	150	4.00%

8. PWLB Rates

8.1 Gilt yield curve movements have shifted upwards, especially at the shorter end of the yield curve since the previous forecast but remain relatively volatile. PWLB 5 to 50 years Certainty Rates are, generally, in the range of 4.90% to 5.60%. The view is that markets have built in, already, nearly all the effects on gilt yields of the likely increases in Bank Rate and the elevated inflation outlook.

8.2 Link's core debt management advice remains unaltered, to continue to reappraise any capital expenditure plans/profiles, and internally/temporarily borrow for any financing and re-financing. Only seek longer-dated debt if there is absolute certainty on the long-term rates and can conclude it is affordable, sustainable and prudent if funded at prevailing levels.

9. Debt Rescheduling

9.1 Debt rescheduling opportunities have increased significantly in the current quarter where gilt yields, which underpin PWLB rates and market loans, have risen materially. The Council will be advised if there is value to be had by rescheduling or repaying a part of the debt portfolio. This is dependent on levels of investment balances. No debt rescheduling has currently been undertaken in the financial year.

10. Compliance with Treasury and Prudential Limits

10.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved Treasury Management Strategy Statement (TMSS) and Treasury Management Practices (TMPs).

10.2 The table below shows the Treasury and Prudential Indicators as at 30 June 2023, comparing the Budget to the Forecast position for the year.

Treasury and Prudential Indicators	2023/24 Budget	2023/24 Forecast
Debt and Investments		
Authorised limit for external debt	£241m	£241m
Operational boundary for external debt	£219m	£219m
Gross external debt (short and long term)	£165m	£178m
Investments	£18m	£18m
Net Borrowing	£147m	£160m
Maturity structure of fixed rate borrowing – upper and lower limits		
Under 12 months	75%	75%
12 months and within 2 years	75%	75%
2 years and within 5 years	75%	75%
5 years and within 10 years	75%	75%
10 years and above	75%	75%
<i>Note: the lower limits are all 0%</i>		
Limit for investments over a year	£2.0m	£2.0m
Capital Expenditure		
General Fund	£27.0m	£27.0m
Housing Revenue Account	£14.7m	£14.7m

Treasury and Prudential Indicators	2023/24 Budget	2023/24 Forecast
Commercial & Service Activities	£5.0m	£5.0m
Capital Financing Requirement	£199.0m	£199.0m
Financing costs		
Proportion of GF Financing Costs to Net Revenue Stream	25.4%	29.6%
Proportion of HRA Financing Costs to Rental Income	12.1%	10.7%
Proportion of net income from commercial and service investments to Net Revenue Stream	16.1%	16.1%

10.3 As at 30 June 2023, all the indicators are on target or remain within acceptable parameters.

10.4 Gross external debt has increased by £13m to £178m but remains within the operational boundary. Options are being considered on ways to reduce the current level of borrowing including a review of the capital programme. The proportion of GF Financing Costs to Net Revenue Stream has increased due to base rate increases on temporary borrowing.

10.5 The capital programme original budget figures have been updated for budget carried over from the previous financial year. The quarter one forecast is currently the same as the budget. An updated forecast will be provided at quarter two.

11. Revisions to CIPFA Codes

11.1 CIPFA published revised Prudential and Treasury Management Codes in December 2021. The main changes from the previous codes were:

- Additional reporting requirements for the Capital Strategy;
- For service and commercial investments, in addition to assessments of affordability and prudence, an assessment of proportionality in respect of the Authority's overall financial capacity;
- Forward looking prudential code indicators must be monitored and reported to members at least quarterly;
- A new indicator for net income from commercial and service investments to net revenue stream;
- Inclusion of the liability benchmark as a treasury management prudential indicator;
- Excluding investment income from the definition of financing costs;
- Credit and counterparty policies should set out the Authority's policy and practices relating to Environmental, Social and Governance (ESG) investment considerations;
- Additional focus on the knowledge and skills of officers and elected members involved in decision making.

11.2 The code changes came in with immediate effect, although detailed reporting requirements could be deferred until 2023/24. Most of the requirements were implemented in the previous financial year. Full reporting will be achieved and reported by Quarter 2.

12. Non-treasury investments

12.1 The non-treasury investment activity includes the Council provision of a financial guarantee through its subsidiary company.

12.2 Investment Company Eastbourne Limited (ICE) is a private limited company and is incorporated and domiciled in the United Kingdom. The principal activity of the company is to guarantee an external financial liability with Canada Life and the future rental income of Infrastructure Investments Leicester Limited (IIL) by virtue of contractual arrangement.

12.3 ICE is included within the consolidated financial statements of the Eastbourne Borough Council and accurately accounted for as 'joint venture' to reflect the joint control over IIL. The company holds a single investment in its joint venture and exercises joint control over IIL by virtue of the Development and Management Agreement (DAMA). In return for providing the above Guarantee (including rental guarantee) in 2018, ICE receives a £0.3m annual guarantee fee (indexed pa).

12.4 The ICE Board of Directors met on 23rd May 2023 and reviewed key financial monitoring (including the guarantee fees payment schedule) in line with the agreed governance arrangements/agreement (DAMA).

13. Environmental, Social and Governance (ESG) Investment

13.1 The Cabinet at its meeting on 8 February 2023 approved the 2023/24 Treasury Management and Investment Strategy, which included Non-Specified investments such as ESG products that meet the Council's internal and external due diligence criteria.

13.2 While a wide range of ESG investments are currently limited, there are expectations to see more banks and funds providing specific products over the coming years. As this area continues to develop and become more prominent, the Council in conjunction with the treasury management advisor (Link Asset Services) will continue to monitor ESG investment opportunities within the parameters of the Council's counterparty criteria and in compliance with the DLUHC Investment Guidance (i.e. prioritising security, liquidity before yield).

13.3 There were no green deposits held at 30 June 2023, and there was no activity in the period.

14. Financial Appraisal

14.1 All relevant implications are referred to in the above paragraphs.

15. Risk Management Implications

- 15.1 The risk management implication associated with this activity is explained in the approved Treasury Management Strategy. No additional implications have arisen during the period covered by this report.

16. Equality Analysis

- 16.1 This is a routine report for which a detailed Equality Analysis is not required to be undertaken.

17. Legal Implications

- 17.1 There are no legal implications from this report.

18. Environmental sustainability implications

- 18.1 This report notes the treasury management performance of the Council. There are no anticipated environmental implications from this report that would affect the Council's sustainability policy. The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the treasury activities and highlights compliance with the Council's policies previously approved by members.

19. Appendices

Appendix A - Detailed Link's Economic Commentary

Appendix B – Glossary of Treasury Management Terms

20. Background Papers

Treasury Management and Prudential Indicators 2023/24, Capital Strategy & Investment Strategy (Cabinet 8/2/23).

Link Treasury Services Limited - Detailed economic commentary on treasury management activities and developments.

Economics Update

- The first quarter of 2023/24 saw:
 - A 0.2% m/m rise in real GDP in April, partly due to fewer strikes;
 - CPI inflation falling from 10.1% to 8.7% in April, before remaining at 8.7% in May. This was the highest reading in the G7;
 - Core CPI inflation rise in both April and May, reaching a new 31-year high of 7.1%;
 - A tighter labour market in April, as the 3myy growth of average earnings rose from 6.1% to 6.5%;
 - Interest rates rise by a further 75bps over the quarter, taking Bank Rate from 4.25% to 5.00%;
 - 10-year gilt yields nearing the “mini-Budget” peaks, as inflation surprised to the upside.
- The economy has weathered the drag from higher inflation better than was widely expected. The 0.2% m/m rise in real GDP in April, following March’s 0.3% m/m contraction will further raise hopes that the economy will escape a recession this year. Some of the strength in April was due to fewer strikes by train workers and teachers in that month. Moreover, some of the falls in activity in other areas in April were probably temporary too. Strikes by junior doctors and civil servants contributed to the fall in health output (0.9% m/m) and the meagre 0.1% m/m increase in public administration.
- The fall in the composite Purchasing Managers Index (PMI) from 54.0 in May to a three-month low of 52.8 in June (>50 points to expansion in the economy, <50 points to contraction) was worse than the consensus forecast of 53.6. Both the services and manufacturing PMIs fell. The decline in the services PMI was bigger (from 55.2 to 53.7), but it remains consistent with services activity expanding by an annualised 2%. The fall in the manufacturing PMI was smaller (from 47.1 to 46.2), but it is consistent with the annual rate of manufacturing output falling from -0.8% in April to around -5.0%. At face value, the composite PMI points to the 0.1% q/q rise in GDP in Q1 2023 being followed by a 0.2% q/q gain in Q2 2023.
- Meanwhile, the 0.3% m/m rise in retail sales volumes in May was far better than the consensus forecast of a 0.2% m/m decline and followed the robust 0.5% m/m rise in April. Some of the rise was due to the warmer weather. Indeed, the largest move was a 2.7% m/m jump in non-store sales, due to people stocking up on outdoor-related goods. But department stores also managed to squeeze out a 0.6% m/m rise in sales and the household goods sub-sector enjoyed a reasonable performance too. Overall, the figures were far better than analysts had expected. In addition, the GfK measure of consumer confidence rebounded from -27 to a 17-month high of -24 in June.

- The recent resilience of the economy has been due to a confluence of factors including the continued rebound in activity after the pandemic, households spending some of their pandemic savings, and the tight labour market and government handouts both supporting household incomes. That said, as government support fades, real household incomes are unlikely to grow rapidly. Furthermore, higher interest rates will mean GDP is likely to contract later this year. Our central assumption is that inflation will drop to the 2.0% target only if the Bank triggers a recession by raising rates from 5.00% now to at least 5.5% and keeps rates there until at least mid-2024. Our colleagues at Capital Economics estimate that around 60% of the drag on real activity from the rise in rates has yet to bite, and the drag on the quarterly rate of real GDP growth over the next year may be about 0.2ppts bigger than over the past year.
- The labour market became tighter over the quarter and wage growth reaccelerated. Labour demand was stronger than the consensus had expected. The three-month change in employment rose from +182,000 in March to +250,000 in April. Meanwhile, labour supply continued to recover as the size of the labour force grew by 303,000 in the three months to April. That was supported by a further 140,000 decline in inactivity as people returned to work from retirement and caring responsibilities (while inactivity due to long-term sick continued to rise). But it was not enough to offset the big rise in employment, which meant the unemployment rate fell from 3.9% to 3.8%
- The tighter labour market supported wage growth in April, although the 9.7% rise in the National Living Wage on 1st April (compared to the 6.6% increase in April last year) probably had a lot to do with it too. The 3myy rate of average earnings growth reaccelerated from 6.1% to 6.5% (consensus 6.1%) and UK wage growth remains much faster than in the US and the Euro-zone. In addition, regular private sector wage growth increased from 7.1% 3myy to 7.6%, which left it well above the Bank's forecast for it to fall below 7.0%. Overall, the loosening in the labour market appears to have stalled in April and regular private sector wage growth was well above the Bank's forecast.
- CPI inflation stayed at 8.7% in May (consensus 8.4%) and, perhaps more worryingly, core CPI inflation rose again, from 6.8% to a new 31-year high of 7.1%. The rise in core inflation built on the leap from 6.2% in March to 6.8% and means it is accelerating in the UK while it is slowing in the US and the Euro-zone (both fell to 5.3%). A further decline in fuel inflation, from -8.9% to -13.1%, and the second fall in food inflation in as many months, from 19.3% to 18.7%, explained why overall CPI inflation didn't rise. And the scheduled fall in the average annual utility price from £2,500 to £2,074 on 1st July means overall CPI inflation will probably ease in the coming months. But the problem is that the recent surge in core inflation and the reacceleration in wage growth shows that domestic inflationary pressures are still strengthening.
- This suggests the Bank may have more work to do than the Fed or ECB. Indeed, the Bank of England sounded somewhat hawkish in the June meeting. This came through most in the MPC's decision to step up the pace of hiking from the 25bps at the previous two meetings. The 7-2 vote, with only two members voting to leave rates unchanged at 4.50%, revealed support for stepping up the fight against high inflation.
- That said, the Bank has not committed to raising rates again or suggested that 50bps rises are now the norm. What it did say was that "the scale of the recent upside surprises in official estimates of wage growth and services CPI inflation suggested a 0.5 percentage point increase in interest rates was required at this particular meeting".

Moreover, the Committee did not strengthen its forward guidance that any further rate hikes would be conditional on the data. However, it looks highly probable, given the on-going strength of inflation and employment data, that the Bank will need to raise rates to at least 5.5% and to keep rates at their peak until the mid-point of 2024. We still think it is only a matter of time before the rise in rates weakens the economy sufficiently to push it into recession. That is why instead of rising to between 6.00%-6.25%, as is currently priced in by markets, we think rates are more likely to peak between 5.50-6.00%. Our forecast is also for rates to be cut in the second half of 2024, and we expect rates to then fall further than markets are pricing in.

- Growing evidence that UK price pressures are becoming increasingly domestically generated has driven up market interest rate expectations and at one point pushed the 10-year gilt yield up to 4.49% in late June, very close to its peak seen after the “mini-budget”. Yields have since fallen slightly back to 4.38%. But growing expectations that rates in the UK will remain higher for longer than in the US mean they are still more than 70 bps above US yields. While higher interest rates are priced into the markets, the likely dent to the real economy from the high level of interest rates is not. That’s why we think there is scope for market rate expectations to fall back in 2024 and why we expect the 10-year PWLB Certainty Rate to drop back from c5.20% to 5.00% by the end of this year and to 4.20% by the end of 2024.
- The pound strengthened from \$1.24 at the start of April to a one-year high at \$1.26 in early May, which was partly due to the risks from the global banking issues being seen as a bigger problem for the US than the UK. The pound then fell back to \$1.23 at the end of May, before rising again to \$1.28 in the middle of June as the strong core CPI inflation data released in June suggested the Bank of England was going to have to raise rates more than the Fed or ECB in order to tame domestic inflation. However, sterling’s strong run may falter because more hikes in the near term to combat high inflation are likely to weaken growth (and, hopefully, at some point inflation too) to such a degree that the policy rate will probably be brought back down, potentially quite quickly, as the economic cycle trends downwards decisively. This suggests that additional rate hikes are unlikely to do much to boost the pound.
- In early April, investors turned more optimistic about global GDP growth, pushing up UK equity prices. But this period of optimism appears to have been short-lived. The FTSE 100 has fallen by 4.8% since 21st April, from around 7,914 to 7,553, reversing part of the 7.9% rise since 17th March. Despite the recent resilience of economic activity, expectations for equity earnings have become a bit more downbeat. Nonetheless, further down the track, more rate cuts than markets anticipate should help the FTSE 100 rally.

MPC meetings 11th May and 22nd June 2023

- On 11th May, the Bank of England’s Monetary Policy Committee (MPC) increased Bank Rate by 25 basis points to 4.50%, and on 22nd June moved rates up a further 50 basis points to 5.00%. Both increases reflected a split vote – seven members voting for an increase and two for none.

- Nonetheless, with UK inflation significantly higher than in other G7 countries, the MPC will have a difficult task in convincing investors that they will be able to dampen inflation pressures anytime soon. Talk of the Bank's inflation models being "broken" is perhaps another reason why gilt investors are demanding a premium relative to US and Eurozone bonds, for example.
- Of course, what happens outside of the UK is also critical to movement in gilt yields. The US FOMC has already hiked short-term rates to a range of 5.00%-5.25%, but a further increase is pencilled in for July, whilst the ECB looks likely to raise its Deposit rate at least once more to a peak of 3.75%, with upside risk of higher to come.

GLOSSARY

Local Authority Treasury Management Terms

Terms	Descriptions
Bond	A certificate of long-term debt issued by a company, government, or other institution, which is tradable on financial markets.
Borrowing	Usually refers to the stock of outstanding loans owed, and bonds issued.
CFR	<p>Capital Financing Requirement. A council's underlying need to hold debt for capital purposes, representing the cumulative capital expenditure that has been incurred but not yet financed.</p> <p>The CFR increases with capital expenditure and decreases with capital finance and MRP.</p>
Capital gain or loss	An increase or decrease in the capital value of an investment, for example through movements in its market price.
CIPFA	The Chartered Institute of Public Finance and Accountancy (CIPFA) is a UK-based international accountancy membership and standard-setting body. The only such body globally dedicated to public financial management.
Collective investment scheme	Scheme in which multiple investors collectively hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'pooled funds').
Cost of carry	When a loan is borrowed in advance of need, the difference between the interest payable on the loan and the income earned from investing the cash in the interim.
Counterparty	The other party to a loan, investment or other contract.
Counterparty limit	The maximum amount an investor is willing to lend to a counterparty, in order to manage credit risk.
Covered bond.	Bond issued by a financial institution that is secured on that institution's assets, usually residential mortgages, and is therefore lower risk than unsecured bonds.
CPI	Consumer Price Index - the measure of inflation targeted by the Monetary Policy Committee.

Terms	Descriptions
Deposit	A regulated placing of cash with a financial institution. Deposits are not tradable on financial markets.
Diversified income fund	A collective investment scheme that invests in a range of bonds, equity, and property in order to minimise price risk, and also focuses on investments that pay income.
Dividend	Income paid to investors in shares and collective investment schemes. Dividends are not contractual, and the amount is therefore not known in advance.
DMADF	Debt Management Account Deposit Facility – a facility offered by the DMO enabling councils to deposit cash at very low credit risk. Not available in Northern Ireland.
DLUHC	Department for Levelling Up, Housing and Communities (<i>formerly known as Ministry of Housing, Communities & Local Government - MHCLG</i>).
DMO	Debt Management Office – an executive agency of HM Treasury that deals with central government's debt and investments.
Equity	An investment which usually confers ownership and voting rights
Floating rate note (FRN)	Bond where the interest rate changes at set intervals linked to a market variable, most commonly 3-month LIBOR or SONIA
FTSE	Financial Times stock exchange – a series of indices on the London Stock Exchange. The FTSE 100 is the index of the largest 100 companies on the exchange, the FTSE 250 is the next largest 250 and the FTSE 350 combines the two.
GDP	Gross domestic product – the value of the national aggregate production of goods and services in the economy. Increasing GDP is known as economic growth.
Income Return	Return on investment from dividends, interest and rent but excluding capital gains and losses.
GILT	Bond issued by the UK Government, taking its name from the gilt-edged paper they were originally printed on.
LIBID	London interbank bid rate - the benchmark interest rate at which banks bid to borrow cash from other banks, traditionally 0.125% lower than LIBOR.

Terms	Descriptions
LIBOR	London interbank offer rate - the benchmark interest rate at which banks offer to lend cash to other banks. Published every London working day at 11am for various currencies and terms. Due to be phased out by 2022.
LOBO	Lender's Option Borrower's option
MMF	Money Market Funds. A collective investment scheme which invests in a range of short-term assets providing high credit quality and high liquidity. Usually refers to Constant Net Asset Value (CNAV) and Low Volatility Net Asset Value (LVNAV) funds with a Weighted Average Maturity (WAM) under 60 days which offer instant access, but the European Union definition extends to include cash plus funds.
MPC	The Monetary Policy Committee (MPC) decides what monetary policy action the Bank of England will take to keep inflation low and stable.
OBR	The Office for Budget Responsibility was created to provide independent and authoritative analysis of the UK's public finances. It is one of a growing number of official independent fiscal watchdogs around the world.
PMI	Purchasing Managers' Index (PMI) - A composite PMI is the weighted average of manufacturing and service sector PMIs for a given geography or economy, produced by IHS Markit. Weights are derived from official data relating to each sector's contribution to GDP (value added).
Pooled Fund	Scheme in which multiple investors hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'pooled funds').
PWLB	Public Works Loan Board – a statutory body operating within the Debt Management Office (DMO) that lends money from the National Loans Fund to councils and other prescribed bodies and collects the repayments. Not available in Northern Ireland.
Quantitative easing (QE)	Process by which central banks directly increase the quantity of money in the economy to promote GDP growth and prevent deflation. Normally achieved by the central bank buying government bonds in exchange for newly created money.
SME	SME finance is the funding of small and medium-sized enterprises and represents a major function of the general business finance market – in which capital for different types of firms are supplied, acquired, and costed or priced.

Terms	Descriptions
SONIA	Sterling overnight interest average – a benchmark interest rate for overnight deposits.
Short-dated	Usually means less than one year.
TMSS	Approved Council's Treasury Management Strategy Statement
Total return	The overall return on an investment, including interest, dividends, rent, fees and capital gains and losses.

Report to:	AUDIT AND GOVERNANCE COMMITTEE
Date:	27th September 2023
Title:	Internal Audit and Counter Fraud Report for the first quarter of the financial year 2023-2024 – 1st April 2023 to 30th June 2023.
Report of:	Chief Internal Auditor
Ward(s):	All
Purpose of report:	To provide a summary of the activities of Internal Audit and Counter Fraud for the first quarter of the financial year 2023-2024 – 1st April 2023 to 30th June 2023.
Officer recommendation(s):	That the information in this report be noted and members identify any further information requirements.
Reasons for recommendations:	The remit of the Audit and Governance Committee includes the duties to agree an Annual Audit Plan and keep it under review, and to keep under review the probity and effectiveness of internal controls, both financial and operational, including the council's arrangements for identifying and managing risk.
Contact Officer(s):	Name: Jackie Humphrey Post title: Chief Internal Auditor E-mail: jackie.humphrey@lewes-eastbourne.gov.uk Telephone number: 01323 415925

1 Introduction

- 1.1 The remit of the Audit and Governance Committee includes the duties to agree an Annual Audit Plan and keep it under review, and to keep under review the probity and effectiveness of internal controls, both financial and operational, including the council's arrangements for identifying and managing risk.
- 1.2 The quarterly report includes a review of work undertaken by Internal Audit and Counter Fraud.
- 1.3 This report summarises the work carried out by Internal Audit and Counter Fraud during the first quarter of the financial year 2023-24.

2 Review of the work of Internal Audit carried out in the first quarter of the financial year 2023-24

- 2.1 During the quarter, work continued on audit reviews begin in the previous year and starting work on the annual audit reviews for 2022-23. In the quarter, six reports were issued in final, five of which were follow ups. Three other reports were issued in draft and were awaiting responses from managers to the recommendations made.
- 2.2 **Appendix A** lists all the audit reports issued during the quarter. The first table shows all the follow up reports issued and the second table is the list of all other audit reports issued.

2.3 During the first quarter of the year, the focus of work has to move to carrying out the annual audits. These cover the main financial systems and are carried out on the processes followed in the previous year. These are required by the external auditors and also inform the Section 151 Officer of the control environment in these areas. Work is therefore ongoing on the reviews covering the work of 2022-23. There are 12 audits which have to be carried out every year.

- Payroll
- Debtors
- Creditors
- Housing Rents
- Housing Benefits and Council Tax Reduction
- IT
- Council Tax
- National Non Domestic Rates (Business Rate)
- Cash and Banking
- Main Accounting
- Treasury Management
- Theatres

In previous years equal coverage has been given to the 12 reviews. However, it is felt that, by doing this, it is not possible to give some areas a full, in-depth review. Therefore, this year, a new approach is being trialled. Every year, some areas will have an in-depth review and others will have a lighter-touch review which covers the main controls. In following years other areas will have the in-depth review, ensuring that all areas have regular in-depth reviews.

2.4 **Appendix B** is the list of all the audits that are still subject to follow up reviews. It shows the results of all the follow ups carried out and when the next follow up is due. When all recommendations have been addressed this will be reported once and then that audit will be removed from the list.

2.5 Of the reviews in Appendix B, the following is noted:

- Business Continuity Planning – a further update was requested in July. The outstanding areas are Neighbourhood First and Tourism. The Director of Tourism, Culture and Organisational Development reported that the Artistic Director had been very busy preparing for an in-house production. However, it was pointed out that work is ongoing on a business case for the Local Authority Control Company (LACC) and a business continuity plan will be difficult to complete until it is known what will transfer to the LACC. The Head of Neighbourhood First confirmed that the plan for that area has now been drafted.
- Arrears Collection – the action for the outstanding recommendation has been delayed owing to the departure of the Deputy Chief Finance Officer.
- Love Clean Streets - the follow up is ongoing but awaiting responses from managers.
- Construction Industry Tax – delayed due to work on annual audits
- Sovereign Centre – Cabinet have agreed to the transfer of the centre to Wave Leisure once full consideration has been given to a full business

case. No follow up is therefore being undertaken. Once the centre has been transferred, this follow up will be removed from the list.

2.6 **Appendix C** is a list of all outstanding recommendations and includes the latest responses from managers.

Business Continuity Plans - At the time of the last report, plans were outstanding for Neighbourhood First, Theatres and Events and five for Service Delivery areas and one for Finance were drafted and awaiting sign off. Updates were therefore requested. The Regulatory Services Lead confirmed that all the Service Delivery plans and the one for Finance have now been signed off by East Sussex County Council. At the time of writing this report no responses had been received with regard to the outstanding Neighbourhood First and Tourism plans.

Construction Industry Tax – This has been delayed while work is carried out on annual reviews.

2.7 As has been previously reported, the Audit team has been carrying a vacancy for nine months. Two recruitment exercises were carried out without being successful in filling the post. A preferred candidate was offered the post and has accepted. No start date has yet been agreed.

2.8 The aspiration for the team is to have all internal auditors trained to a similar standard. With this in mind, all auditors have been undertaking Excel training. One auditor is currently undertaking an IT Audit fundamentals course and another a Data Analytics for Auditors course. The Audit Manager is completing a Level 5 Operations/Departmental Manager Apprenticeship course.

2.9 With a view to utilising data analytics techniques to aid in audit reviews, the Audit Manager and one of the Internal Auditors are members of the core group running and championing the Institute of Internal Auditors' Local Authority Data Analytics Working Group.

3 Review of the work of Counter Fraud carried out in the first quarter of the financial year 2023-24

3.1 The team continues to target the high risk and high value areas impacting the council, in particular Tenancy and Revenue fraud. The team have also undertaken post assurance work on Energy Grants and begun assisting with multiple agencies in tackling Modern Slavery offences within our community.

3.2 Housing Tenancy – The team continues to work closely with colleagues in Homes First and Legal Services - there are currently 37 ongoing sublet/abandonment tenancy cases at various stages. One case led by Homes First and supported by the Counter Fraud team resulted in the tenant handing the property back. Ten other cases were closed during this quarter with no further action taken.

3.3 Right To Buy - After a quiet period at the start of the year, there has been an increase in applications from April 2023. This is in part related to the increase in the maximum discount which, following the consumer price index, now stands at £96,000. 17 cases are currently either being checked to prevent and

detect fraud, and protect the authority against money laundering, or waiting for a home visit to verify residential status. Two applications were withdrawn during this period following verification checks, resulting in a net preventative saving of £192,650 (including property survey costs).

- 3.4 Housing Applications – the team continue to work with the Housing Allocations team following their review of the Housing Register in 2023/24 which removed 710 applications, either due to withdrawal or no response. A new review will commence within the year with any highlighted fraud cases passed to the Counter Fraud team to investigate.
- 3.5 Homeless Placement – the team are working directly with colleagues in Homes First to implement additional counter-fraud measures to ensure the limited housing stock that is available will only be allocated to those in genuine need. This included providing refresher training to staff around credit checks and land registry systems to verify and reduce error and fraud.
- 3.6 Energy Rebate Schemes - Following the closure of the latest Energy Rebate Scheme, the Counter Fraud team have commenced post assurance review of all the applications made and will liaise with the Government in their fraud and error reporting and payment verification work.
- 3.7 Council Tax – 18 cases have been investigated during the quarter as part of a review of Single Person Discounts, Exemptions and Disregards which has resulted in a net recoverable income of £10,957.79 generated for the authority and a preventative saving of £4,068.48. A review of Council Tax exemptions/disregards is ongoing and includes work with the National Fraud Initiative (NFI) matching data held between Council Tax records and the Electoral Register. 626 cases have been reviewed in this period with a net recoverable income of £17,145.29 generated along with a preventative saving of £9,412.80 (these figures are included within National Fraud Initiative savings table at appendix D).
- 3.8 Council Tax Reduction – 18 cases have been closed in this quarter, generating a total recoverable income of £11,017.64 and a preventative saving of £9,412.80. One case was also reviewed which highlighted the individual was being underpaid and a re-assessment has now been made which has increased payment to help with their Council Tax liability.
- 3.9 National Non-Domestic Rates - One case was investigated during this period following a discrepancy found with a previously claimed Covid-19 business grant. The investigation was closed with no further action
- 3.10 Housing Benefit – The team continue to work closely with the Department for Work and Pensions (DWP) and our colleagues in the Benefit section. Due to resource restrictions and pressing need to assess Universal Credit applications, the DWP have limited their capacity to investigate Housing Benefit. Over this period, 19 cases were closed generating a recoverable Housing Benefit overpayment of £21,771.63 and a (WIB) preventative saving of £11,992.64.
- 3.11 Housing debtors – The team continue to look at debt avoidance where loans have been made to assist with securing housing and have remained outstanding following existing debt recovery methods of contact. This activity has recouped £2673.43 during this period which otherwise might have been written off. The team have also started to undertake tracing of former tenants who have large debts outstanding. One former tenant who had left debts of

£11,821.32 due to a rent arrears/repairs was successfully found, enabling recovery action could commence.

- 3.12 National Fraud Initiative (NFI) – The 2023/24 is already underway with the team concentrating on discrepancies on the Council Tax side as detailed above.
- 3.13 Data Protection Requests – the team take an active role in supporting colleagues in other organisations to prevent fraud and tackle criminal activity. During the quarter the team dealt with 33 Data Protection requests from the Police and other authorities. In addition, eight fit and proper person checks were completed for new, or renewal Houses of Multiple Occupancy, licences and 16 Gas Safety checks were completed on council properties where the tenant has not responded.
- 3.14 Modern Slavery – the team have joined working operations with multiple Government agencies and Sussex Police in tackling potential Modern Slavery offences across the town. The council has assisted in providing information in support of five investigations within this quarter.
- 3.15 A table showing the savings made by the Counter Fraud team in the first quarter of 2023-2024 can be found at Appendix D.

4 Governance of Companies

- 4.1 The Director of Finance and Performance Management has requested that the Audit and Governance Committee be given updates of assurance on the financial and governance arrangements of the companies.
- 4.2 It has been arranged that the Boards of the companies add an agenda item to their quarterly meetings to consider their financial and governance arrangements and to make a statement on this. These statements will be reported to this Committee. It should be noted that because of the dates of the Board meetings and the reporting schedule for this Committee, there will be timing differences. However, all statements received in the quarter being reported on will be included in the report.
- 4.3 A standard statement to be used, if the relevant Board considers the arrangements to be in order, has been agreed. Boards are expected to clarify any concerns of which they are aware.
- 4.4 In the last quarterly report it was noted that statements had been received from Eastbourne Homes Limited, Eastbourne Housing Investment Company Limited and South East Environmental Services Limited but that the Cloud ConnX meeting had been postponed, the Aspiration Homes Limited meeting had been cancelled and the Investment Company Eastbourne Board meeting was to be held in April.
- 4.5 During the quarter being reported, the following statement was received from the Board of Cloud ConnX. Also, a meeting of South East Environmental Services was held in June and meetings of Eastbourne Homes Limited, Eastbourne Housing Investment Company Limited and Aspiration Homes Limited took place in July. All returned the same statement.

“Having examined all the reports brought to the meeting the Board considers that the company is compliant with its financial and governance arrangements”.

4.6 An update was requested with regard to the Investment Company Eastbourne and the response received was that the May meeting was cancelled at the request of the Chief Executive and the next meeting will take place in September.

5 **Financial appraisal**

5.1 There are no financial implications relating to expenditure arising from this report. Details of savings generated by the Counter Fraud team are included in Appendix D.

6 **Legal implications**

6.1 This report is for noting only and therefore the Legal Services team has not been consulted on the content of it.

7 **Risk management implications**

7.1 If the council does not have an effective governance framework that is subject to proper oversight by councillors it will not be able to demonstrate that it has in place adequate means to safeguard council assets and services, and it could be subject to criticism from the council's external auditor or the public.

8 **Equality analysis**

8.1 An equalities impact assessment is not considered necessary because the report is for information only and involves no key decisions.

9 **Environmental sustainability implications**

Not applicable

10 **Appendices**

Appendix A – List of reports issued during the year

Appendix B – Position of audits requiring follow up

Appendix C - Recommendations outstanding after follow-ups

Appendix D – Counter Fraud savings.

LIST OF ALL REPORTS ISSUED DURING THE YEAR 2023-24

Follow Up Reports Issued In Current Year

AUDIT	FOLLOW UP	DATE FOLLOW UP ISSUED	ASSURANCE LEVEL	
Business Continuity Plans	Sixth	10.05.23	Substantial	See Appendix B and C for details
Members Allowances	Fourth	19.05.23	Full	All recommendations addressed
Contract Management	First	05.06.23	Substantial	All recommendations addressed
Film Liaison Unit	Second	29.06.23	Substantial	See Appendix B and C for details
Rent Sense	Third	30.06.23	Substantial	See Appendix B and C for details

Audit Reports Issued In Current Year

AUDIT	FINAL DATE	FINAL ASSURANCE LEVEL	FIRST FOLLOW-DUE
Casual Workers	03.05.23	Partial	August 2023

Draft Reports Issued In the Current Year That Are Awaiting Responses

AUDIT	DATE DRAFT ISSUED
Housing Rents – annual 2022-23	05.06.23
Complaints	29.06.23
Managers' Responsibilities	30.06.23

Key to assurance levels

Assurance Level	Description
Full Assurance	Full assurance that the controls reduce the risk to an acceptable level.
Substantial Assurance	Significant assurance that the controls reduce the level of risk, but there are some reservations; most risks are adequately managed, for others there are minor issues that need to be addressed by management.
Partial Assurance	Partial assurance that the controls reduce the level of risk. Only some of the risks are adequately managed; for others there are significant issues that need to be addressed by management.
Minimal Assurance	Little assurance that the controls reduce the level of risk to an acceptable level; the level of risk remains high and immediate action is required by management.
No Assurance	No assurance can be given. The reasons will be explained thoroughly in the report.

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APPENDIX B – Quarterly Report on Internal Audit and Counter Fraud Work

POSITION OF AUDITS REQUIRING FOLLOW UP

AUDIT	FINAL DATE		FIRST FOLLOW-UP DATE		SECOND FOLLOW-UP DATE		THIRD FOLLOW-UP DATE		FOURTH FOLLOW UP DATE		FIFTH FOLLOW UP DATE		SIXTH FOLLOW
	FINAL ASSURANCE LEVEL		FIRST FOLLOW UP ASSURANCE LEVEL		SECOND FOLLOW UP ASSURANCE LEVEL		THIRD FOLLOW- UP ASSURANCE LEVEL		FOURTH FOLLOW UP ASSURANCE LEVEL		FIFTH FOLLOW UP ASSURANCE LEVEL		
Business Continuity Plans	Nov 20	Minimal	May 21	Partial	Aug 21	Partial	Dec 21	Partial	May 22	Substantial	Dec 22	Partial	May 23 / July 23- Substantial
Arrears Collection	Jan 21	Partial	Sep 21	Partial	Jan 22	Partial	May 22	Substantial	Nov 22	Substantial	Oct 23		
Members Allowances	Jan 21	Substantial	Jul 21	Substantial	Dec 21	Substantial	Oct 22	Substantial	May 23	Full			
Love Clean Streets	Dec 21	Partial	May 22	Partial	Sep 22	Partial	Feb 23	Partial	Ongoing				
Film Liaison Unit	Jan 22	Minimal	Sep 22	Minimal	June 23	Substantial	Oct 23						
Construction Industry Scheme	Feb 22	Partial	Feb 23	Partial	Jul 23								
Contract Management	Aug 22	Partial	Jun 23	Substantial									
Sovereign Centre	Aug 22	Partial	Dec 22	Transfer to Wave									
Rent Sense	Sep 22	Partial	Nov 22	Substantial	Feb 23	Substantial	Jun 23	Substantial	Oct 23				
Casual Workers	Apr 23	Partial	Aug 23										

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RECOMMENDATIONS FROM AUDIT REPORTS WHICH REMAIN OUTSTANDING AFTER FOLLOW UP

COLOUR KEY

High Risk
Medium Risk
Low Risk

REPORTS ISSUED 20/21

AUDIT	Original Assurance Level	High	Medium	Low	Latest Follow Up Date	Number of Follow Up	Assurance Level at Follow Up	High	Medium	Low	Next Follow Up Due	Outstanding recommendations	Client Comment
Business Continuity Planning November 20	Minimal	4	0	0	10.05.23	Sixth	Substantial	1	0	0	Sept 23	Business Continuity Plans for every department must be completed and adopted as soon as possible. (6 months)	<p><u>Update July 23</u></p> <p>The Director of Tourism, Culture and Organisational Development had previously reported that it was intended to have the document for Theatres completed by the end of July. The one for Events was intended to be completed by the end of September. Is now stating that consideration is being given to transfer to a LACC so cannot write BCP until more information is known.</p> <p>The plans for Delivery Services and Finance have now been completed.</p> <p>The Head of Neighbourhood First confirmed that the plan is now in draft.</p>

Appendix C – Quarterly Report on Internal Audit and Counter Fraud Work

AUDIT	Original Assurance Level	High	Medium	Low	Latest Follow Up Date	Number of Follow Up	Assurance Level at Follow Up	High	Medium	Low	Next Follow Up Due	Outstanding recommendations	Client Comment
<p>Arrears Collection</p> <p>January 2021</p>	Partial	2	2	3	07.11.22	Fourth	Substantial	0	0	1	Oct 23	<p>An overarching corporate arrears collection strategy must be drawn up and adopted, under which the separate policies for the individual debt streams sit, to ensure council departments responsible for collecting monies are acting in accordance with approved guidelines.</p> <p>(3 months)</p>	<p>The Interim Deputy Finance Officer has raised this with the Head of Customer First and the Lead for Income Maximisation and Welfare. The response from the Lead for Income Maximisation and Welfare was that a complete review of the Fair Debt Policy needs to be carried out but that this was unlikely to happen in the current financial year. However, if required sooner, then help from Finance would be needed.</p> <p>The Interim Deputy Finance Officer has replaced the departing Deputy Chief Finance Officer and needs to undertake a review of agreed audit actions with a view to providing a revised completion date for this action.</p>

Appendix C – Quarterly Report on Internal Audit and Counter Fraud Work

REPORTS ISSUED 21/22

AUDIT	Original Assurance Level	High	Medium	Low	Latest Follow Up Date	Number of Follow Up	Assurance Level at Follow Up	High	Medium	Low	Next Follow Up Due	Outstanding recommendations	Client Comment
Love Clean Streets Application December 21	Partial	3	1	0	22.09.22	Third	Partial	1	0	0	Ongoing	A new contract must be negotiated with BBITS for the use of the Love Clean Streets service, in accordance with the Contract Procedure Rules. The contract must be passed through Legal Services. (3 months)	Will speak with IT to get pointed in the right direction to get this resolved.
Film Liaison Unit January 22	Minimal	13	2	0	29.06.23	Second	Substantial	2	0	0	Oct 23	The permit cost schedule must be agreed by the council and any administration fees clearly defined within the contract. (3 months)	Work has started on updating the permit cost schedule, but details are yet to be finalised.
												End of year reconciliation, between permits granted, invoices received from SFO and paid over the year, must be carried out. (1 month)	Permits have been reconciled but there is no evidence of a second officer signing off the reconciliation. A solution is being sought with Finance.

Appendix C – Quarterly Report on Internal Audit and Counter Fraud Work

REPORTS ISSUED 22/23

AUDIT	Original Assurance Level	High	Medium	Low	Latest Follow Up Date	Number of Follow Up	Assurance Level at Follow Up	High	Medium	Low	Next Follow Up Due	Outstanding recommendations	Client Comment
Construction Industry Scheme February 2022	Partial	0	6	0	01.02.23	First	Partial	0	6	0	Jul 23	Procedures for CIS payments must be written up and regularly updated as directives from HMRC change. (6 months)	Procedures for CIS payments will be developed and regularly updated in line with the HMRC changes.
												<ul style="list-style-type: none"> New starters working with CIS payments must have training and existing staff must be given refresher courses. All Payment Team members should sign up for the free HMRC advice, webinars and update alerts. (6 months)	No training has been carried out since the report, however the Systems and Transactional Manager confirmed that CIS training is on the agenda for 2022-23.
												When a new supplier is set up on the system, a visual reference (screenshot or HMRC document) must be saved to the supplier's file to establish the supplier's starting tax status. (6 months)	Auditor took 14 samples of new suppliers set up on CAFi in 2021/22 and only one had saved HMRC screenshot. The new Creditor Team Leader agreed that a reminder will be sent to relevant staff.
												CAFi Payment reports (Gross, Normal and Higher) and HMRC Returns Reports must be generated and filed for every month. (3 months)	Payments reports for three out of 12 months were not available. The new Creditor Team Leader agreed that a reminder to be sent to all relevant staff regarding the filing of these reports.

Appendix C – Quarterly Report on Internal Audit and Counter Fraud Work

AUDIT	Original Assurance Level	High	Medium	Low	Latest Follow Up Date	Number of Follow Up	Assurance Level at Follow Up	High	Medium	Low	Next Follow Up Due	Outstanding recommendations	Client Comment
												Regular Deduction Statements must be sent to contractors who have CIS deductions taken from their payments. The Statements must be filed chronologically. (3 months)	A Risk Assessment will be carried out to establish any weaknesses in controls and processes.
												A Risk Assessment must be carried out to establish any weaknesses in controls and processes. (6 months)	A Risk Assessment will be carried out to establish any weaknesses in controls and processes.
Rent Sense September 2022	Partial	2	6	0	30.06.23	Third	Substantial	0	1	0	Sep 23	An operational risk assessment should be carried out for reviewing the risks associated with using third party software to monitor and evaluate the councils' rent arrears. (6 months)	The operational risk assessment of Rent Sense is scheduled for April / May 2023

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Appendix D – Quarterly report on Audit and Counter Fraud work

INCOME AND SAVINGS ACROSS THE FINANCIAL YEAR 2023-24

Areas of savings	QUARTER ONE		QUARTER TWO		QUARTER THREE		QUARTER FOUR		YEAR TOTAL	
	Income	Savings	Income	Savings	Income	Savings	Income	Savings	Income	Savings
Tenancy Housing										
Recovery of council properties	0	0	0	0	0	0	0	0	0	0
Right To Buy value saved through intervention	0	£192,600.00	0	0	0	0	0	0	0	£192,600.00
Housing intervention/fraud	0	0	0	0	0	0	0	0	0	0
Revenues										
National Non Domestic Rates	0	0	0	0	0	0	0	0	0	0
Council Tax	£10,957.79	0	0	0	0	0	0	0	£10,957.79	0
Value of ongoing Council Tax increase per week	0	£4,068.48	0	0	0	0	0	0	0	£4,068.48
Council Tax Penalties	0	0	0	0	0	0	0	0	0	0
CTR & Housing Benefit										
Council Tax Reduction	£11,017.64	0	0	0	0	0	0	0	£11,017.64	0
Council Tax Reduction weekly incorrect benefit	0	£9,412.80	0	0	0	0	0	0	0	£9,412.80
Housing Benefit	£21,771.63	0	0	0	0	0	0	0	£21,771.63	0
Housing Benefit weekly incorrect benefit	0	£11,992.64	0	0	0	0	0	0	0	£11,992.64
Income from Administrative penalty collection	£100.57	0	0	0	0	0	0	0	£100.57	0
National Fraud Initiative										
Overpayments identified	£17,145.29	0	0	0	0	0	0	0	£17,145.29	0
Weekly incorrect benefit identified	0	£19,751.42	0	0	0	0	0	0	0	£19,751.42
TOTALS	£60,992.92	£237,875.34	0	0	0	0	0	0	£60,992.92	£237,875.34

Appendix D – Quarterly report on Audit and Counter Fraud work

Explanation of Savings Recorded	
Tenancy Housing	
Recovery of council properties	Value of £93k per returned property based on NFI estimate
Right To Buy value saved through intervention	Value based on the discount saved for each withdrawn application (varies)
Housing intervention/fraud	Value based on an estimate of emergency placement costs £12k or removal from housing waiting list £3,400
Revenues	
National Non Domestic Rates	Value based on the outstanding liable bills now due following Counter-Fraud intervention
Council Tax	Value based on the outstanding liable bills now due following Counter-Fraud intervention
Value of ongoing Council Tax increase per week	Estimate of the amount saved based on a calculation of the length of undetected fraud - 32 weeks
Council Tax Penalties	Value of £70 or £280 penalty added to Council Tax Bill where discount/exemption fraud is found
CTR & Housing Benefit	
Council Tax Reduction	Value based on the re-assessment of entitlement following Counter-Fraud intervention
Council Tax Reduction weekly incorrect benefit	Weekly incorrect benefit - estimate of the amount saved based on the length of undetected fraud - 32 weeks
Housing Benefit	Value based on the re-assessment of entitlement following Counter-Fraud intervention
Housing Benefit weekly incorrect benefit	Weekly incorrect benefit - estimate of the amount saved based on the length of undetected fraud - 32 weeks
Income from Administrative penalty collection	The amount collected from Administrative Penalties following Dep for Work and Pension investigation
NFI	
Overpayments identified	Value of any overpayments detected in this quarter
Weekly incorrect benefit identified	Weekly incorrect benefit - estimate of the amount saved based on the length of undetected fraud - 32 weeks

Report to:	Audit and Governance Committee
Date:	27th September 2023
Title:	Strategic Risk Register Quarterly Review
Report of:	Chief Internal Auditor
Ward(s):	All
Purpose of report:	To report to Committee the outcomes of the quarterly review of the register by Corporate Management Team
Officer recommendation(s):	To receive and note the update to the Strategic Risk Register
Reasons for recommendations:	The Council is committed to proper risk management and to regularly updating the Committee with regard to the Strategic Risk Register.
Contact Officer(s):	Name: Jackie Humphrey Post title: Chief Internal Auditor E-mail: Jackie.humphrey@lewes-eastbourne.gov.uk Telephone number: 01323 415925

1 Introduction

- 1.1 The Strategic Risk Register is a high level document that records the key risks facing the council: those risks that would prevent the authority from achieving its overall strategies and objectives.
- 1.2 Maintaining the Strategic Risk Register is a vital part of the governance arrangements of the authority and, as such, it is overseen by the Corporate Management Team who review it on a quarterly basis.
- 1.3 The risk register shows the risk, a description of the risk, the risk score if no action is taken (original risk score), the internal controls put in place to mitigate the risk and the risk score after these controls are in place (current risk score).
- 1.4 The risk register is brought to the Committee when any changes have been made to it following review by the Corporate Management Team and after an election.

2 Process

- 2.1 The Strategic Risk Register is the top level of the risk management process. Whilst the Strategic Risk Register is considered quarterly at the Corporate Management Team, this is a simply a review of the register itself.
- 2.2 There are many different risks and pieces of work that feed into the Strategic Risk Register. These are managed and monitored on a day to day basis within the relevant sections and departments.
- 2.3 The quarterly meeting of the Corporate Management Team to discuss the Strategic Risk Register allows the relevant Director/Assistant Director to provide feedback on risks in their area. This information is then used to consider changes that may need to be made to the Strategic Risk Register.

- 2.4 The Corporate Management Team will also carry out “horizon scanning” at these meetings: considering issues that are arising and considering whether they need to be included in the register.

3 August 2023 Review

- 3.1 The Strategic Risk Register was taken to Corporate Management Team on 16th August 2023 for the quarterly review.

- 3.2 The Corporate Management Team reviewed the risk scores for all the risks and considered that the scores should remain at their current levels based on the cost of living crisis and issues with recruitment.

- 3.3 Consideration was also given to a risk raised by the Chair of the Audit and Governance Committee. This is the risk around the cost of Homelessness to the council. It was agreed that this risk needed to be recorded in the risk register but that it should be included as a description and a mitigating action under two existing risks.

- 3.4 The two risks in question are SR_002 Changes to the economic environment makes the council economically less sustainable and SR_003 Unforeseen socio-economic and/or demographic shifts creating significant changes of demands and expectations.

- 3.5 Under each risk the following description and mitigating action have been added:

Description:

Increased Homelessness presentations due to the economic situation, lack of available social housing and rising private sector rents leads to an increased number that require prevention or place into emergency accommodation. This will have a detrimental impact on the resource required for prevention and the General Fund. The nightly paid accommodation budget will be impacted and more significantly the loss of Housing Benefit Subsidy will increase at the end of the financial year.

Mitigating action:

Full action plan in place in the Housing Options and Wellbeing team with a target of a reduction of 100 placements by December 23. Creation of a physical Housing Hub, co-locating with partners to deliver a local, joined-up, preventative model. Lead the East Sussex Housing Partnership providing Health and Housing outcomes.

- 3.6 The Strategic Risk Register can be seen at Appendix A.

4. Financial appraisal

- 4.1 There are no financial implications arising from this report.

5. Legal implications

- 5.1 This report is for noting only and therefore the Legal Services team has not been consulted on the content of it.

6. Risk management implications

- 6.1 If the Council does not have an effective risk management framework that is subject to proper oversight by Councillors it will not be able to demonstrate that it

has in place adequate means to safeguard Council assets and services, and it could be subject to criticism from the Council's external auditor or the public.

7. Equality analysis

7.1 An equalities impact assessment is not considered necessary because the report is for information only and involves no key decisions.

8. Appendices

Appendix A - Strategic Risk Register

9. Background papers

None

Jackie Humphrey

Chief Internal Auditor

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Strategic Risk Register (Eastbourne)



Report Type: Risks Report
Generated on: 24 August 2023

Page 115

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
SR_001	No political and partnership continuity / consensus with regard to organisational objectives.	Sudden changes of political objectives at either national or local level renders the organisation, its current corporate plan and Medium-Term Financial Strategy, unfit for purpose.	3	4	12	<u>Reduces Likelihood</u> 1. Create inclusive governance structures which rely on sound evidence for decision making. <u>Reduces Impact</u> 2. Annual review of corporate plan and Medium-Term Financial Strategy. 3. Creating an organisational architecture that can respond to changes in the environment.	Chief Executive	2	3	6	Amber	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
SR_002	Changes to the economic environment makes the council economically less sustainable.	<p>1. Economic development of the town suffers.</p> <p>2. Council objectives cannot be met.</p> <p>3. Inflation affecting council costs is having a serious impact on the council's finances.</p> <p>4. The council's Recovery and Stabilisation programme fails to meet its objectives.</p> <p>5. Rising energy prices and inflation affecting the cost of living will affect the ability of customers to pay rent and council tax.</p> <p>6. Increased Homelessness presentations due to the economic situation, lack of available social housing and rising private sector rents leads to an increased number that require prevention or place into emergency</p>	5	5	25	<p><u>Reduces Impact</u></p> <p>1. Robust Medium-Term Financial Strategy reviewed annually and monitored quarterly. Refreshed in line with macroeconomic environment triennially.</p> <p>2. Creating an organisational architecture that can respond to changes in the environment.</p> <p><u>Reduces Likelihood</u></p> <p>3. The council is continuously monitoring its financial plans to ensure early actions are taken to mitigate financial or operational risks. Additionally, the council's reserves and balances are regularly reviewed to ensure compliance with its reserve policy.</p> <p>4. Regular monitoring of the progress and outcomes of the Recovery and Stabilisation programme, including the recommendations of the Cipfa Assurance Review.</p> <p>5. Continuous review and monitoring of the council's Housing Revenue Business Plan in light of the recently introduced rent cap.</p>	Director of Finance and Performance (Chief Finance Officer – S. 151 Officer)	5	5	25	Red	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
		accommodation. This will have a detrimental impact on the resource required for prevention and the General Fund. The nightly paid accommodation budget will be impacted and more significantly the loss of Housing Benefit Subsidy will increase at the end of the financial year.				<p>6. Continuous review and monitoring of the council's capital programme and financing costs.</p> <p><u>Reduces Likelihood and Impact</u></p> <p>7. Full action plan in place in the Housing Options and Wellbeing team with a target of a reduction of 100 placements by December 23. Creation of a physical Housing Hub, co-locating with partners to deliver a local, joined-up, preventative model. Lead the East Sussex Housing Partnership providing Health and Housing outcomes.</p>						
SR_003		<p>1. Unsustainable demand on services.</p> <p>2. Service failure.</p> <p>3. Council structure unsustainable and not fit for purpose.</p> <p>4. Heightened likelihood of fraud.</p> <p>5. Increased Homelessness presentations due to the economic situation, lack of available social housing and rising private sector rents leads</p>	5	5	25	<p><u>Reduces Likelihood and Impact</u></p> <p>1. Grounding significant corporate decisions based on up-to-date, robust, evidence base. (e.g. Census; Corporate Plan Place Surveys; East Sussex in Figures data modelling).</p> <p>2. Ensuring community and interest group engagement in policy development (e.g. Neighbourhood Management Schemes; Corporate Consultation Programme).</p> <p>3. Full action plan in place in the Housing Options and Wellbeing team with a target of a reduction of 100 placements by December 23. Creation of a physical Housing Hub,</p>	Director of Service Delivery	3	3	9	Amber	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
		to an increased number that require prevention or place into emergency accommodation. This will have a detrimental impact on the resource required for prevention and the General Fund. The nightly paid accommodation budget will be impacted and more significantly the loss of Housing Benefit Subsidy will increase at the end of the financial year.				co-locating with partners to deliver a local, joined-up, preventative model. Lead the East Sussex Housing Partnership providing Health and Housing outcomes.						
SR_004	The employment market provides unsustainable employment base for the needs of the organisation.	Employment market unable to fulfil recruitment, and council unable to retain staff, resulting in a decline in performance standards and an increase in service costs.	4	4	16	<u>Reduces Likelihood</u> 1. Changes undertaken to increase non-financial attractiveness of the council to current and future staff. 2. Appropriate reward and recognition policies reviewed on a regular basis. <u>Reduces Likelihood and Impact</u> 3. Pursuit of mutually beneficial shared service arrangements. 4. Maximising flexibility around recruitment and retention.	Director of Organisational Development/ Director of Devonshire Quarter	5	2	10	Amber	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
SR_005	Not being able to sustain a culture that supports organisational objectives and future development.	1. Decline in performance. 2. Higher turnover of staff. 3. Decline in morale. 4. Increase in absenteeism. 5. Service failure. 6. Increased possibility of fraud. 7. The council's Recovery and Stabilisation programme fails to meet its objectives.	4	4	16	<u>Reduces Likelihood</u> 1. Build an organisational culture that supports equality and inclusivity through communication and support. <u>Reduces Likelihood and Impact</u> 2. Continue to develop our performance management capability to ensure early intervention where service and/or cultural issues arise. 3. Continue to develop communications through ongoing interactions with staff. 4. Regular monitoring of the progress and outcomes of the Recovery and Stabilisation programme.	Director of Organisational Development/ Director of Devonshire Quarter	3	4	12	Amber	01-Nov-2023
SR_006	Council prevented from delivering services for a prolonged period of time.	1. Denial of access to property. 2. Denial of access to technology/information. 3. Denial of access to people.	4	5	20	<u>Reduces Likelihood</u> 1. Adoption of best practice IT and Asset Management policies and procedures. <u>Reduces Likelihood and Impact</u> 2. The council has created a more flexible, less locationally dependent, service architecture. <u>Reduces Impact</u> 3. Regularly reviewed and tested Business Continuity Plans and updated contingency plans actioned.	Chief Executive	2	4	8	Amber	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
						4. Regularly reviewed and tested Disaster Recovery Plan.						
SR_007	Council materially impacted by the medium to long term effects of an event under the Civil Contingencies Act.	<p>1. Service profile of the council changes materially as a result of the impact of the event.</p> <p>2. Cost profile of the council changes materially as a result of the impact of the event.</p> <p>3. Work adversely affected by reduced staff numbers due to effects of pandemic virus.</p> <p>4. Emergency caused by a climate change event (e.g. increased flooding risks)</p>	5	5	25	<p><u>Reduces Likelihood and Impact</u></p> <p>1. Working in partnership with other public bodies.</p> <p>2. Robust emergency planning and use of council's emergency powers.</p> <p>3. Working with the Environment Agency on climate change measures.</p> <p><u>Reduces Impact</u></p> <p>4. Ongoing and robust risk profiling of local area (demographic and geographic).</p> <p>5. Review budget and reserves in light of risk profile.</p> <p>6. Funds set aside to help fund responses to an event.</p> <p><u>Reduces Likelihood</u></p> <p>7. Adoption of, and action to implement, the council's Climate Emergency Strategy.</p>	Chief Executive	2	4	8	Amber	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
SR_008	Failure to meet regulatory or legal requirements.	<p>1. Trust and confidence in the council is negatively impacted.</p> <p>2. Deterioration of financial position as a result of regulatory intervention/penalties.</p> <p>3. Deterioration of service performance as a result of regulatory intervention/penalties.</p>	3	4	12	<p><u>Reduces Likelihood</u></p> <p>1. Developing, maintaining and monitoring robust governance framework for the council.</p> <p>2. The council has adopted and published an Asset Management Strategy (AMS) that set out how the council uses its land and property assets effectively to deliver its service and the rules by which the council can purchase assets in the future. These strategies are updated on a yearly basis as part of the Capital and Medium-Term Financial Strategies.</p> <p>3. Ensure there is full understanding the impact of new legislation.</p> <p>4. All managers are required to abide by the council's procurement rules.</p> <p><u>Reduces Likelihood and Impact</u></p> <p>5. Building relationships with regulatory bodies.</p> <p>6. Develop our Performance Management capability to ensure early intervention where service and/or cultural issues arise.</p> <p>7. Ensure that fire risk regulations are adhered to and that Fire Risk Assessments are regularly reviewed.</p>	Chief Executive	2	4	8	Amber	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
SR_009	Commercial enterprises and investments do not deliver financial expectations or do not meet governance requirements.	<ol style="list-style-type: none"> 1. Unfamiliar activity with staff inexperienced in this area. 2. Council finances affected if projects do not meet financial expectations. 3. Reputational damage if governance procedures are inadequate. 4. Failure to abide by company law. 	5	5	25	<p><u>Reduces Likelihood</u></p> <ol style="list-style-type: none"> 1. Hire suitably qualified/experienced staff to give legal and specialist support. 2. Up-, or re-, skill staff to maximise commercial opportunities. <p><u>Reduces Likelihood and Impact</u></p> <ol style="list-style-type: none"> 3. Ensure that projects meet core principles. 4. Ensure governance processes are set up and adhered to. 5. Regular monitoring of the progress of enterprises in parallel with the (cross-party) Strategic Property Board and wider governance arrangements. 	Director of Regeneration and Planning And Chief Executive	4	3	12	Amber	01-Nov-2023
SR_010	The council suffers a personal data breach by inadequate handling of data or by an IT incident.	<ol style="list-style-type: none"> 1. Trust and confidence in the council is negatively impacted. 2. Deterioration of financial position as a result of regulatory intervention/penalties. 3. Deterioration of service performance as a result of regulatory intervention/penalties. 4. Increased probability of compensation claims 	3	4	12	<p><u>Reduces Likelihood</u></p> <ol style="list-style-type: none"> 1. Ongoing corporate training for data protection. 2. Ensure all staff complete the e-learning Data Protection course. 3. Ensure that the Data Protection Policy is regularly reviewed. 4. Ensure the Data Protection Officer is afforded the resources to discharge their statutory functions. 5. Ensure that managers regularly remind staff of their responsibilities under data protection, including 	Chief Executive	2	4	8	Amber	01-Nov-2023

Appendix A – Strategic Risk Register Quarterly Review

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
		by persons affected by a personal data breach.				personal data breach reporting arrangements. 6. Ensure the suite of IT policies is kept up to date. 7. Ensure that IT security is in place and regularly tested. <u>Reduces Impact</u> 8. Incident management procedures to mitigate loss or breach of data are in place.						

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