

Scrutiny Committee

Minutes of meeting held in Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG on 13 September 2021 at 6.00 pm.

Present:

Councillors Josh Babarinde, Helen Burton, Penny di Cara, Jane Lamb, Robin Maxted and Robert Smart.

Officers in attendance:

Philip Brown (Property Lawyer), Gary Hall (Head of Homes First), Homira Javadi (Chief Finance Officer), Ola Owolabi (Deputy Chief Finance Officer (Corporate Finance)) and Nick Peeters (Committee Officer).

Also in attendance: Councillor Colin Swansborough

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17 Minutes of the meeting held on 12 July 2021

The minutes of the meetings held on 12 July 2021 were submitted and approved and signed as a correct record by the Chairman.

Matters arising – Councillor Smart requested that responses be provided on the following points:

Minute 10 - **Provisional revenue and capital outturn 2020/21** - To reassess the business case for items in the capital programme and to look at the associated costs.

Minute 11 - **Treasury management annual report 2020/21** - It was noted that the Finance team had agreed to provide details of the Council's cashflow.

Minute 15 - **Housing Development update - Southfields Road Car Park** – That the business plan for the scheme should be included as part of the Cabinet's consideration of the report.

18 Nomination of Chair for the meeting

Prior to the first item on the agenda, it was proposed and seconded that Councillor Di Cara be nominated as Chair for the meeting.

Resolved that Councillor Di Cara take the Chair for the duration of the meeting.

19 Apologies for absence / declaration of substitute members

Apologies were received from Councillor Freebody, Wallis, Diplock and Burton. Councillors Di Cara, Maxted and Miah were substitutes for the meeting.

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

There were none.

21 Questions by members of the public

There were none.

22 Urgent items of business

There were none.

23 Right to address the meeting/order of business

There were none.

24 Update on homelessness placements into Eastbourne by Brighton and Hove City Council

Gary Hall, Head of Homes First, provided the update. During discussion the following points were highlighted:

- The number of households placed in Eastbourne had reduced from 205 in February 2021 to 117 in April. The numbers had increased gradually but reduced again with a figure of 122 households recorded in September.
- The ideal figure was for zero people in temporary accommodation but realistically it was hoped that the numbers would reduce to at least pre-Covi19 levels of approximately 70 households.
- Although comparisons with other authorities had not been made, out of borough/district placements took place nationally, but not on the scale experienced in Eastbourne. Homes First representatives had regular engagement with the Ministry of Housing, Communities & Local Government (MHCLG) and sought advice. A further meeting with the MHCLG was due in November to discuss the issue further.
- Concern was expressed at the level of progress being made by Brighton and Hove City Council in reducing numbers and a further meeting with Brighton and Hove City Council was requested. Members also requested that the Chair of the Scrutiny Committee write to local Members of Parliament requesting an update on the issue and asking for urgent action.

Resolved to note the update.

25 Corporate performance - Q1 2021/22

The Chair, Councillor Di Cara, introduced the item. Members requested further detail on the following performance indicators and projects:

15. Housing: Rent arrears of current tenants (expressed as a percentage of rent debit).

22. Recycling & Waste: Percentage of household waste sent for reuse, recycling and composting.

Projects – Sovereign Centre Review.

Resolved to note the report.

Part B – Quarterly Financial Performance

The Chief Finance Officer, Homira Javadi, presented the report. During discussion the following points were highlighted:

- The borrowing strategy included a diverse portfolio with a mixture of short-term and long-term borrowing. The trend for interest rate forecasting indicated an increase but this was judged against the profiling of short-term interest rates.
- Advice was regularly sought from the Council's treasury advisors and the Council ensured annually that, based on projected capital expenditure, the Council was able to access the preferred borrowing rate that included a 2 percent reduction on the borrowing rate.
- The majority of the Council's borrowing was driven by its Capital Programme and any opportunities for preferential borrowing rates were explored. Most of the Council's short-term borrowing was for operational requirements. The Council would not benefit from converting its short-term debt into long-term debt.
- It was agreed that a breakdown of the Council's current debt and an analysis the length of terms for borrowing would be provided. The interest rate review detailed in 5.9 of the report was highlighted to Members

Resolved to note the report.

26 Medium Term Financial Strategy

The Chief Finance Officer, Homira Javadi, presented the report. During discussion the following points were highlighted:

- There had been demands on Housing Services which in turn placed pressure on revenue and expenditure. It was agreed that future updates would include a more detailed analysis of the Council's Housing Revenue

Account.

- The concerns expressed over the profiling of the budget and its presentation, and the scale of the saving identified, were recognised. Members were assured that the governance structure included continuous reviews, performance monitoring, and provided background and context to the savings identified.

Councillor Smart put forward the following additional recommendation which was seconded by Councillor Di Cara:

- 1) That the Committee approves a root and branch (or line-by-line) review of current budgets and suggest that proposed changes to expenditure are presented as absolute amounts in order to assess their credibility. Further, the Medium Term Financial Strategy should include an analysis of proposed capital expenditure, cash flow and funding with estimated debt compared to borrowing capacity.

The additional recommendation was put to a vote and rejected by a majority.

Resolved to note the report.

27 Forward Plan of Cabinet Decisions

The Chair, Councillor Di Cara, introduced the Forward Plan of Cabinet Decisions.

There were no items requested from the Forward Plan for inclusion on the agenda for the Scrutiny Committee's next meeting.

Resolved to note the Forward Plan of Cabinet Decisions.

28 Scrutiny Committee Work Programme 2021/22

The Chair, Councillor Di Cara, introduced the Scrutiny Committee Work Programme. Members requested that an additional meeting be arranged with representatives from Brighton and Hove City Council in attendance to discuss the ongoing issue of homelessness placements by B&HCC in Eastbourne.

Resolved to note the Work Programme

29 Date of the next meeting

Resolved to note that the date of the next meeting of the Scrutiny Committee is scheduled for Monday 29 November 2021, in the Court Room, Eastbourne Town Hall, Grove Road, Eastbourne, BN21 4UG.

The meeting ended at 7.35 pm

Councillor