

## **Cabinet**

**Minutes of meeting held in Court Room at Eastbourne Town Hall, Grove Road, BN21 4UG on 19 July 2023 at 6.00 pm.**

### **Present:**

Councillor Stephen Holt (Chair).

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

### **Officers in attendance:**

Robert Cottrill (Chief Executive), Homira Javadi (Director of Finance and Performance (Section 151 Officer)), Becky Cooke (Director of Tourism, Culture and Organisational Development), Tim Whelan (Director of Service Delivery), Simon Russell (Head of Democratic Services and Monitoring Officer), Kate Slattery (Head of Legal Services), Luke Dreeling (Performance Lead), Jo Harper (Head of Business Planning and Performance), Steven Houchin (Interim Deputy Chief Finance Officer (Corporate Finance)), Parmjeet Jassal (Interim Head of Financial Planning) and Elaine Roberts (Committee Officer).

### **Also in attendance:**

Councillor Nick Ansell (Shadow Cabinet member), Councillor Nigel Goodyear (Shadow Cabinet member), Councillor Kshama Shore OBE (Shadow Cabinet member and Chair of Scrutiny Committee), Councillor David Small (Shadow Cabinet member) and Councillor Robert Smart (Opposition Leader).

## **7 Minutes of the meeting held on 13 June 2023**

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

## **8 Apologies for absence**

An apology for absence was reported from Councillor Murray.

## **9 Declaration of members' interests**

Councillor Diplock declared a personal interest in agenda item 11 (Proposal for future operation and interim management of the Sovereign Centre) as Director of Motcombe Community Pool CIC. He remained in the room and voted on the item.

## **10 Corporate performance - quarter 4 - 2022/23**

The Cabinet considered the report of the Director of Finance and Performance, updating members on the Council's performance against Corporate Plan priority actions, performance indicators and targets for the fourth quarter of the year 2022-23.

Visiting member, Councillor Goodyear, addressed the Cabinet on the key performance indicators (KPIs) concerning licensed HMOs (House in multiple occupation) in the town and processing of minor planning applications. In response to a question, it was advised that Councillor Goodyear would receive a written response with an update on timescale for receipt of the HMO consultant's report.

Visiting member, Councillor Shore, addressed the Cabinet on the key performance indicators (KPIs) and raised concerns regarding customer call response time, abandoned calls and housing rent arrears.

Commentary on those key performance indicators performing below target expectations were detailed in the report and further clarified by officers and Cabinet members present at the meeting. Thanks were conveyed to officers for their performance, despite the significant challenges posed during the year by the cost-of-living crisis and recruitment and retention difficulties.

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

To note progress and performance for Quarter 4 and agree arrangements for the production of a new corporate plan for 2024-28.

### **Reasons for recommendations:**

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

## **11 Provisional Revenue and Capital Outturn 2022/23**

The Cabinet considered the report of the Director of Finance and Performance, updating members on the provisional outturn for 2022/23.

Visiting member, Councillor Smart, addressed the Cabinet and questioned the Council's financial controls, given the significant variances between the agreed budget in February 2023 to year end (31 March 23).

The report detailed that the provisional outturn for Eastbourne Borough Council was an overall adverse variation of £14k (subject to external audit and final accounts adjustments). The report stated that the Council was still managing the increased cost of housing needs, energy costs, inflationary pressures, and economic down-turn. Some of the one-off provisions set aside in the last financial year were incorporated into the revised budget which had contributed to the position detailed. The variance was offset mainly by use of set aside

earmarked reserves, grants and funds, contingency budget, higher than expected interest income, savings on interest payments and savings on Minimum Revenue Provision etc.

**Resolved (Key decision):**

(1) To note and approve the revenue and capital provisional outturn for 2022/23 subject to final accounting adjustments;

(2) To note and approve the housing revenue account provisional outturn for 2022/23, subject to final accounting adjustments; and

(3) To give delegated authority to Cabinet member for finance and resources in consultation with Chief Finance Officer to make final accounting adjustments.

**Reason for decisions:**

To enable Cabinet members to consider specific aspects of the Council's financial performance for 2022/23.

**12 Treasury Management Annual Report 2022/23**

The Cabinet considered the report of the Director of Finance and Performance, reporting on the activities and performance of the Treasury Management service during 2022/23.

The report was also considered and endorsed by the Audit and Governance Committee, at its meeting on 28 June 2023.

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

(1) That members consider and approve the Annual Treasury Management report 2022/23 for publication.

(2) To approve the 2022/23 Prudential and Treasury Indicators included in the report (set out at Section 10.1).

**Reason for decisions:**

It is a requirement of CIPFA Treasury Management in the Public Sector Code of Practice (the Code).

**13 Stability and Growth Programme**

The Cabinet considered the report of the Chief Executive, informing them of the Stability and Growth programme, which replaced the previous Recovery and Stabilisation programme in driving improvement and efficiency within the Council.

Visiting member, Councillor Smart, addressed the Cabinet on the item and

sought an analysis of the £5.9 million of cumulative revenue savings because of the Recovery and Stabilisation programme. It was clarified that this also included income as part of the figure. He also stated that net service expenditure had increased by 37% from the year before the Covid-19 pandemic.

A major aspect of the report was in relation to the future governance arrangements at the Devonshire Park Quarter (DPQ) complex. This followed the government assurance review, which recommended that the Council become more financially resilient by de-risking itself from future income shocks. Following discussions, it was clarified that the cross-party Devonshire Park Governance Member Board would be kept fully consulted and informed as part of the process. Thanks were conveyed to staff at DPQ for all their work and efforts since the complex was launched.

**Resolved (Key decision):**

(1) To note the report.

(2) To delegate authority to the Chief Executive and Director of Tourism, Culture and Organisational Development, in consultation with the Leader and Portfolio Holder, to progress alternative governance arrangements at the Devonshire Park Quarter complex and to conclude the most appropriate option once a full business case is understood, including the approval and implementation of all processes and procedures, negotiation of, and authorising the execution of, all necessary documentation, and

(3) To approve a waiver of the Council's Contract Procedure Rules (CPRs) to allow the direct selection of an operator at the Devonshire Park Quarter, if that is concluded to be the most appropriate option, for the reasons as set out in the report.

**Reason for decisions:**

The Stability and Growth programme will continue the work started by Recovery and Stabilisation to drive improvement and efficiency, in line with recommendations made by government in the Assurance Review and the Peer Challenge.

**14 Proposal for future operation and interim management of the Sovereign Centre**

The Cabinet considered the report of the Director of Tourism, Culture and Organisational Development, asking them to consider future operation and interim management arrangements for the Sovereign Centre.

Visiting members, Councillors Smart, addressed the Cabinet on the governance and transparency of the proposals. Visiting member, Councillor Shore, addressed the Cabinet on the items discussion at Scrutiny Committee and queried the scrutiny of matters following delegation by Cabinet. It was

advised that this would be the role of Scrutiny Committee, should they want to explore the matter further.

Scrutiny Committee, at its meeting on 10 July 2023, considered the report and were supportive of the officer recommendations, subject to an amendment to recommendation (2) to read as:

- (2) Agree delegated authority for the Director of Tourism, Culture and Organisational Development in consultation with the Cabinet Member for Tourism & Culture, **once a full business case is understood and considered to be satisfactory**, to negotiate and conclude detailed arrangements with Wave, including authorising the signature of all associated documentation including Business Plan with agreed objectives and priorities.

Following discussion, the Cabinet agreed to accept the recommendation from Scrutiny Committee, and this was reflected in the resolution below.

**Resolved (Key decision):**

- (1) To approve transfer of the Sovereign Centre operations to Wave Active to benefit from their knowledge and expertise, and to strengthen the Council's leisure operation.

- (2) To agree delegated authority for the Director of Tourism, Culture and Organisational Development, in consultation with the Cabinet Member for Tourism & Culture, once a full business case is understood and considered to be satisfactory, to negotiate and conclude detailed arrangements with Wave, including authorising the signature of all associated documentation including Business Plan with agreed objectives and priorities.

**Reasons for decisions:**

To benefit from the expertise and experience of an existing and recognised leisure services provider, Wave Active is considered a strong fit.

Wave Active is a local charity and social enterprise and is already operating our sports centres (via an agreement until 2029) as well as a number of leisure centres and swimming pools across Lewes district.

The meeting ended at 7.12 pm

Councillor Stephen Holt (Chair)