

## Cabinet

**Minutes of meeting held in Ditchling Room at Southover House, Southover Road, Lewes, BN7 1AB on 5 December 2018 at 2.30 pm**

### **Present:**

Councillor Andy Smith (Chair)

Councillors Elayne Merry (Deputy-Chair), Paul Franklin, Bill Giles, Tom Jones, Isabelle Linington, Ron Maskell and Tony Nicholson

### **Officers in attendance:**

Robert Cottrill (Chief Executive), Homira Javadi (Chief Finance Officer), Ian Fitzpatrick (Director of Regeneration and Planning), Tim Whelan (Director of Service Delivery), Catherine Knight (Assistant Director of Legal and Democratic Services) and Simon Russell (Committee and Civic Services Manager)

### **Also in attendance:**

Councillors Stephen Catlin (Leader of Independent Group), Mike Chartier (Chair of Audit and Standards Committee), Peter Gardiner (Chair of Scrutiny Committee) and Sarah Osborne (Leader of Liberal Democrat Group)

## **42 Minutes of the meeting held on 29 October 2018**

The minutes of the meeting held on 29 October 2018 were submitted and approved, subject to an amendment to minute 40 (Joint transformation programme) to add in the following:

*“In response to a question from visiting member, Councillor Chartier, Chair of Audit and Standards Committee, officers confirmed that the phase 3 proposals, outlined in the report would not compromise the integrity of the audit unit.”*

Subject to the amendment, the chair was authorised to sign them as a correct record.

## **43 Apologies for absence**

None were reported.

**44 Declarations of interest**

Councillors Smith and Maskell declared a prejudicial interest in agenda item 16 (Housing delivery programme), as both were executive committee members of Aspiration Homes LLP and directors of Lewes Housing Investment Company Ltd. Councillors Smith and Maskell both withdrew from the room and Councillor Merry chaired the meeting whilst the item was considered. As an executive committee member on Aspiration Homes LLP and director of Lewes Housing Investment Company Ltd, visiting member, Councillor Osborne also withdrew from the room whilst the item was considered.

**45 Urgent items**

The Chair was of the opinion that the following matters should be considered as a matter of urgency by reason of special circumstances as defined in Section 100B(4)(b) of the Local Government Act 1972.

**(1) Chinese lanterns and balloons**

Visiting member, Councillor Osborne addressed the Cabinet on the issues arising from the release of Chinese lanterns and balloons, particularly around New Year celebrations. The Cabinet agreed to look urgently at the issue, with input from officers on the various options for enforcing a ban on the release of Chinese lanterns and balloons on Council owned land and further.

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

That the Council look urgently, with input from officers on options for enforcing a ban on the release of Chinese lanterns and balloons on Council owned land and further.

**Reason for decision:**

To support the concerns raised by Councillor Osborne.

**(2) Gatwick Airport proposed expansion and its potential effect on the District Council area**

At the Full Council meeting on the 26 November the Council agreed the following motion:

“That members of the Council be invited to submit representations to Democratic Services ([committees@lewes-eastbourne.gov.uk](mailto:committees@lewes-eastbourne.gov.uk)) by Friday 30 November in relation to the current Gatwick ‘Master Plan’. Cabinet, at its meeting on 5 December will then be tasked with taking account of the views submitted and making a submission accordingly.”

Democratic Services received 6 representations by the deadline and the Cabinet agreed to submit the representations as part of the consultation process.

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

That the responses received from members be submitted as part of the consultation process.

**Reason for decision:**

In accordance with the motion that was carried at the Full Council meeting on the 26 November 2018.

**(3) Recommendations from Audit and Standards Committee – 19 November 2018**

The Cabinet received and noted the recommendations made by the Audit and Standards Committee at its meeting on the 19 November 2018 in relation to minute 35 (Treasury management).

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

The Cabinet notes the recommendation from Audit and Standards Committee at its meeting on the 19 November 2018 that the Council's Treasury Management activity between 1 September and 31 October 2018 had been in accordance with the approved Treasury Strategy for the period.

**Reason for decision:**

The Council's approved Treasury Strategy Statement required the Audit and Standards Committee to review details of Treasury Strategy transactions against the criteria set out in the Strategy and make observations to Cabinet as appropriate. The observations to Cabinet were for information only.

**(4) Recommendations from Scrutiny Committee – 29 November 2018**

The Cabinet agreed to consider the recommendations made by the Scrutiny Committee at its meeting on the 29 November 2018 when the relevant agenda item was being discussed. The recommendations would be verbally reported by Councillor Gardiner, Chair of Scrutiny Committee.

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

To consider the recommendations from Scrutiny Committee when the relevant agenda item was being reported.

**Reason for decision:**

Not applicable.

**46 Finance update - performance quarter 2 - 2018-2019**

The Cabinet considered the report of the Chief Finance Officer, updating members on the Council's financial performance in quarter two for 2018/19.

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

(1) To agree the general fund, HRA and collection fund financial performance for the quarter ended September 2018.

(2) To agree the amended capital programme as set out at appendix 3 to the report.

(3) To agree the treasury management performance.

**Reasons for decisions:**

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

**47 Draft budget proposals 2019/20**

The Cabinet considered the report of the Chief Finance Officer, summarising the main elements of the emerging 2019/20 revenue budget that had arisen from the corporate and service financial planning process to date.

A final budget for 2019/20 and revised capital programme would be submitted to Council on 25 February 2019.

Visiting member, Councillor Gardiner commented on the projected reduction in general reserves going forward, detailed in the five year medium term financial plan. The Chief Finance Officer commented that the projections were indicative if the council did not take action and work beyond 2019/20 for any additional income or savings had not yet but would be undertaken.

**Resolved (Key decision):**

(1) To agree the draft budget proposals for consultation.

(2) To agree the approach to dealing with changes in the expected resources available for the 2019/20 budget as detailed in 3.3 of the report.

(3) To agree that subject to there being no material change in the government settlement that Cabinet is minded to propose a council tax rise of 1.99% for 2019/20 to make a Band D charge £187.08 for General Expenses, in line with the current cap.

(4) To agree the strategy to close the gap as shown in 3.2 of the report.

(5) To note the updated medium term financial strategy.

**Reason for decisions:**

The Council is required by legislation to set a balanced budget. The report forms part of the process that will culminate in the Council Tax setting by the Council in February.

**48 Council tax base and non-domestic rates income for 2019/20**

The Cabinet considered the report of the Chief Finance Officer, seeking approval to approve the council tax base and net yield from business rate income for 2019/20, in accordance with the Local Government Finance Act 1992.

**Resolved (Key decision):**

(1) To agree the provisional council tax base of 36,760.40 for 2019/20 for the whole area and that the council tax base for each of the Town and Parish areas of the District shall be as set out at appendix 2 of the report

(2) To agree that the Chief Finance Officer, in consultation with the Portfolio Holder for Finance, determine the final amounts for the council tax base for 2019/20.

(3) To agree that the Chief Finance Officer, in consultation with the Portfolio Holder for Finance, determine net yield from Business Rate income for 2019/20.

**Reason for decisions:**

Cabinet is required to approve the Tax Base which will be used for the purposes of calculating the 2019/20 Council Tax.

**49 Portfolio progress and performance report quarter 2 - 2018-2019**

The Cabinet considered the report of the Director of Regeneration and Planning, considering the Council's progress and performance in respect of key projects and targets for the second quarter of the year (July to September 2018), as detailed at appendix 1 to the report.

Good news for the quarter included Newhaven Enterprise Zone, Vote 100, Sickness absence, Welfare reform and Waste kerbside collection. Issues and action implemented during the quarter were detailed at section 4 of the report.

The Cabinet commended staff for all their hard work in driving up performance during a period of massive organisational change.

Special thanks were expressed to Rosalind Irving, Projects and Performance Analyst for their continuous work in supporting the Vote 100 events.

Visiting member, Councillor Gardiner, Chair of Scrutiny Committee addressed the Cabinet and detailed discussions of the report at Scrutiny Committee on 29 November 2018. The Scrutiny Committee made a recommendation that the target for 'The number of days taken to process new housing/council tax benefit claims' be changed from 20 days to 23 days, in line with the national average. The recommendation was unanimously agreed by the Cabinet.

Councillor Merry welcomed any future recommendations from Scrutiny Committee or individual councillors regarding performance targets.

Although benefits processing was reported as an issue for quarter 2, visiting member, Councillor Chartier, Chair of Audit and Standards Committee commented that the Committee recognised the complexities and extensive pressure, staff in the area were under.

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

(1) That the council's progress and performance for quarter 2 be received and noted.

(2) That the target for 'The number of days taken to process new housing/council tax benefit claims' be changed from 20 days to 23 days, in line with the national average.

**Reason for decision:**

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

**50 Community safety partnership annual report**

The Cabinet considered the report of the Director of Regeneration and Planning, considering the current performance of the Lewes Community Safety Partnership.

The report detailed that the number of crimes reported in the Lewes District had increased over the last few years with a number of crimes reported, rising from 3,817 in 2014/15 to 5,095 in 2017/18. Lewes District however continued to be a very low crime area and maintained a position of second lowest recorded crime compared with local authorities in its Most Similar Group during 2017/18.

Visiting member, Councillor Gardiner, Chair of Scrutiny Committee addressed the Cabinet and detailed discussions of the report at Scrutiny Committee on

29 November 2018. The Scrutiny Committee made a recommendation that a Road Safety Action Group be formulated. The recommendation was agreed by the Cabinet.

Visiting member, Councillor Osborne, addressed the Cabinet and raised the importance of growing awareness for identifying signs of domestic abuse, and coercive control. Officers responded that within the council this was covered through the approved safeguarding policy and staff were required to complete a mandatory training course. The topic would also form part of the member induction for 2019/20.

Officers advised Cabinet that future reports would contain a definition for some of the new terms detailed in the report.

Visiting member, Councillor Catlin requested data on whether there had been an increase in hate crime over the past year. Officers agreed to circulate the data following the meeting.

**Resolved (Key decision):**

(1) To note the achievements and activities of the Lewes Community Safety Partnership during 2017/18 and future risks/opportunities to performance.

(2) That a Road Safety Action Group be formulated, as recommended by Scrutiny Committee at its meeting on the 29 November 2018.

**Reason for decision:**

For Cabinet to consider progress on delivery of the current Community Safety Plan.

**51 Sustainability policy**

The Cabinet considered the report of the Director of Regeneration and Planning, introducing a sustainability policy for Lewes District Council.

In response to a question from visiting member, Councillor Gardiner, Chair of Scrutiny Committee it was confirmed that the policy would be reissued following the notices of motion that was carried at Full Council on the 26 November 2018.

**Resolved (Key decision):**

To approve the Sustainability Policy for adoption

**Reasons for decision:**

To provide a policy frame work for Lewes District Council.

**52 Sustainable energy investment feasibility**

The Cabinet considered the report of the Director of Regeneration and Planning, seeking approval for funding to commission Clear Sustainable Futures to determine if there is an investable business case for the deployment of sustainable energy generation technology on two projects at Sutton Road and Avis Way.

**Resolved (Key decision):**

(1) To delegate authority to the Chief Finance Officer and Director of Planning and Regeneration, in consultation with the Cabinet Member for Environmental Impact, to fund up to £25,000 for the commissioning of Clear Sustainable Futures to undertake the feasibility study of deploying sustainable energy generation at the Avis Way and Sutton Road development sites

(2) To note that a similar request is being made to Eastbourne Borough Council to progress viability analysis on their project at the Sovereign Leisure Centre and that the work is being conducted concurrently with knowledge being shared.

**Reasons for decision:**

To reduce the carbon emissions of council developments; to enable the sites to become a prosumer (a producer and consumer) of electricity and heat to reduce ongoing utility costs whilst also enabling income generation through provision of emerging grid flexibility services; to mitigate the impact of each development on the electrical grid and reduce utility costs.

**53 Economic development**

The Cabinet considered the report of the Director of Regeneration and Planning, providing an update on regeneration and economic development activity across the Lewes District and to seek approval to progress the matters identified in the report.

In response to a question from visiting member, Councillor Chartier, Chair of Audit and Standards Committee, it was agreed that an update on tourism activity across Lewes District would be considered by Cabinet at a future date.

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

(1) To note the progress made in the provision of economic development across Lewes District, including the expanding range of business support offered by the Council, the success of existing initiatives and the range of funding submissions submitted on behalf of the Council.

(2) To note the response of Coast to Capital LEP and South East LEP to the Government's LEP review, and to delegate authority to the Director of



Regeneration & Planning, in consultation with the Chief Executive and the Leader of the Council to agree future LEP membership for the Council.

**Reasons for decisions:**

- (1) To ensure that the provision of economic development and regeneration activity across the district is maintained.
- (2) To ensure that the Council continues to be appropriately represented strategically at a regional level.

**54 Housing delivery programme**

The Cabinet considered the report of the Director of Regeneration and Planning, providing an update on the successful use of capital funds and sets out proposals for the Council's established housing investment vehicles to allow those vehicles to purchase residential accommodation to assist the Council meet its strategic housing agenda and to note an increase in the pipeline of new build affordable housing acquisitions from private developers.

In response to a question from visiting member, Councillor Gardiner, Chair of Scrutiny Committee, the Director of Regeneration and Planning confirmed that rented accommodation purchased through Aspiration Homes would not be subject to "Right to Buy".

*(Note: Councillors Smith and Maskell declared a prejudicial interest in this item and withdrew from the room, along with visiting member Councillor Osborne, whilst the item was considered (see minute 44 above). Councillor Merry chaired the meeting for this item.*

**Resolved (Key decision):**

- (1) To agree that the Council makes a loan facility available of up to £10m on market terms to Lewes Housing Investment Company Ltd (LHICL) for the purpose of enabling the company to purchase residential accommodation for commercial purposes under a dedicated programme.
- (2) To delegate authority to the Chief Finance Officer in consultation with the Lead Cabinet members for Housing and Finance to agree the whole scheme lending parameters (including overall programme(s), levels of development and individual loan tranches) for purchases by LHICL for the programme outlined at recommendation 1 of the report.
- (3) To agree that the Council makes a loan facility available of up to £2.5m on market terms to Aspiration Homes LLP (AHLLP) for the purpose of enabling the company to purchase residential accommodation for affordable purposes under a dedicated programme.

(4) To delegate authority to the Chief Finance Officer, in consultation with the Lead Cabinet members for Housing and Finance to agree the whole scheme lending parameters (including overall programme(s), levels of development and individual loan tranches) for purchases by AHLLP for the programme outlined at recommendation 3 of the report.

(5) To authorise the Assistant Director for Legal and Democratic Services to ensure that a "Funding Agreement" pursuant to a "Deed of Entrustment" is entered into by AHLLP with the Council so that Right to Buy receipts are appropriated in accordance with legislative requirements and the retention agreement with Government in relation to "social housing". To give delegated authority to the Director of Regeneration and Planning to determine the terms of such agreement(s).

(6) To note an increase in the planned pipeline of new build affordable housing acquisitions from private developers, as outlined in the April 2018 Cabinet Report entitled "Housing development update".

(7) To approve as a Restricted Matter under the LLP Agreement, the making of a loan facility by Lewes District Council of up to £2.5m on market terms to Aspiration Homes LLP (AHLLP) for the purpose of enabling the company to purchase residential accommodation for affordable purposes under a dedicated programme.

#### **Reasons for decisions:**

(1) To provide residential accommodation to assist the Council meet its wider strategic housing agenda.

(2) To increase the variety, availability and accessibility of housing and home ownership.

(3) To generate additional income revenue streams to the Council through strategic property investment.

(4) For Aspiration Homes LLP to use Right to Buy receipts to fund new affordable housing the necessary legal agreements need to be in place to allow this and these must be used in accordance with the terms of our right to buy receipt retention agreement.

(5) To update on the successful use of approved funds and future capital requirements.

#### **55 Fees and charges**

The Cabinet considered the report of the Chief Finance Officer, proposing the schedule of fees and charges to apply from 1 April 2019.

**Resolved (Key decision):**

(1) To approve the scale of Fees and Charges proposed at appendix 2 of the report, to apply from 1 April 2019.

(2) To delegate authority to the Director of Service Delivery, in consultation with the Portfolio holder for Waste and Recycling, to vary commercial trade waste charges upwards or downwards by up to 10% in order to respond to developing market conditions.

(3) To implement changes to statutory fees and charges for services shown at appendix 2 to the report as and when notified by Government.

**Reason for decisions:**

The Council's Constitution requires that all fees and charges, including nil charges, be reviewed at least annually and agreed by Cabinet.

The meeting ended at 3.44 pm

Councillor Andy Smith (Chair)