

Confirmed



Minutes of a Meeting of the **Cabinet** held in the Deben Conference Room, East Suffolk House, on **Tuesday, 1 February 2022 at 6:30 pm**

Members of the Cabinet present:

Councillor Norman Brooks, Councillor Stephen Burroughes, Councillor Maurice Cook, Councillor Steve Gallant, Councillor Richard Kerry, Councillor David Ritchie, Councillor Craig Rivett, Councillor Mary Rudd, Councillor Letitia Smith

Other Members present:

Councillor Edward Back, Councillor Peter Byatt, Councillor Tony Cooper, Councillor Linda Coulam, Councillor Mark Jepson, Councillor Ed Thompson

Officers present: Stephen Baker (Chief Executive), Karen Cook (Democratic Services Manager), Duncan Colman (Estates Manager), Emily Chilvers (Environmental Health Technical Officer), Elliott Dawes (Development Officer), Teresa Howarth (Principal Environmental Health Officer), Andrew Jarvis (Strategic Director), Bridget Law (Programme Manager), Brian Mew (Chief Finance Officer & Section 151 Officer), Agnes Ogundiran (Conservative Political Group Support Officer), Lorraine Rogers (Deputy Chief Finance Officer), Alli Stone (Democratic Services Officer), Heather Tucker (Head of Housing), Amber Welham (Finance Business Partner - Housing)

1 Apologies for Absence

Apologies for absence were received from Councillor Mallinder.

2 Declarations of Interest

There were no declarations of interest.

3 Announcements

The Cabinet Member with responsibility for Housing announced that East Suffolk Council (ESC) sought Homes England funding for both the capital works and revenue costs associated with the redevelopment of 141 St Peters Street in Lowestoft. The project included the refurbishment of a property to provide accommodation for up to seven rough sleepers.

Following a successful grant application and the completion of the project, ESC along with several other grant recipients, were selected as part of a Homes England

compliance audit. Compliance Audits check providers were compliant with Homes England's policies, procedures and funding conditions. Standardised checks were made by an Independent Auditor on an agreed sample of Homes England schemes.

The Cabinet Member with responsibility for Housing was pleased to report the Audit outcome for grant administered in relation to the redevelopment of 141 St Peters Street Project was compliant and a GREEN grade had been assigned meaning no breaches were identified. The report summarised "On review of the evidence provided, the outcome of the audit has shown the provider has complied with all the programme requirements and guidance."

To finalise the audit process, Councillor Kerry reported, the outcome of the report must be included in a relevant meeting and acknowledged in the meeting minutes; as such, he was bringing this announcement to Cabinet to conclude the formal audit process.

The Deputy Leader and Cabinet Member with responsibility for Economic Development announced that between 7 and 18 February 2022 ESC would be hosting its two-week long, digital themed Business Festival. The annual East Suffolk Business Festival was an opportunity for businesses to learn something new, find out what was happening in their local area and find out how to access local support programmes. For 2022 the theme for the Business Festival was all things digital and it would include the launch of new digital business support programmes, digital tech demos, business support and advice, information on local digital projects and workshops, webinars and learning seminars.

4 Minutes - December 2021

RESOLVED

That the Minutes of the Meeting held on 7 December 2021 be agreed as a correct record and signed by the Chairman.

5 Minutes - January 2022

RESOLVED

That the Minutes of the Meeting held on 4 January 2022 be agreed as a correct record and signed by the Chairman.

6 Covid-19 Additional Relief Fund Business Rate Reliefs

Cabinet received report **ES/1036** by the Cabinet Member with responsibility for Resources, who reported that on 25 March 2021 the Government announced a new COVID-19 Additional Relief Fund (CARF) of £1.5 billion. The fund would be available to support those businesses affected by the pandemic but that were ineligible for existing support linked to business rates. Guidance on the relief fund was published by the Government on 15 December 2021.

Local authorities would grant reliefs, Councillor Cook stated, using discretionary relief powers under section 47 of the Local Government Finance Act 1988. The Government was providing the Council with £7.9 million of Section 31 Grant funding to implement these reliefs in 2021/22. Technically the Council had six months after the year end to award these reliefs, but ideally the Council should aim to award these reliefs by the end of March to prevent additional accounting adjustments being required and by the end of April for Government return reasons. The Government also wanted to see these reliefs applied to ratepayers' accounts as soon as possible.

It was considered by officers, Councillor Cook advised, that the Guidance provided a clear indication from the Government as to how this support should be targeted. Gross Value Added (GVA) reductions from March 2020 to March 2021 had been used as a proxy for the economic impacts of COVID-19 on each business sector. A scheme had been modelled utilising the maximum amount of this funding, based on this allocation criteria. An application process would be used for this scheme.

The report proposed a possible phased approach to awarding these reliefs, so as to maximise the support provided, as not all businesses would apply or be able to take up these reliefs for a variety of reasons. In particular, East Suffolk had one very large hereditament where subsidy control issues could be a factor in whether or not a currently assessed award of relief would be taken up or not.

There being no questions or debate, on the proposition of Councillor Cook, seconded by Councillor Rivett, it was by unanimous vote

RESOLVED

1. That using its discretionary relief powers under section 47 of the Local Government Finance Act 1988 as amended, and with regard to Government Guidance, the Council approves the award of Covid-19 Additional Relief Fund rate reliefs using the principles outlined in this report and modelled in Appendix B (the Scheme).
2. That authority be delegated to the Chief Finance Officer and Section 151 Officer, in consultation with the Cabinet Member with responsibility for Resources and the Deputy Leader and Cabinet Member with responsibility for Economic Development, to amend the Scheme and implement further awards of relief if necessary, for example as a result of the application of the Subsidy Control rules, to maximise the support provided to businesses within the Section 31 Grant funding provided by the Government.

7 Delegated authority to take action against landlords who do not have an Energy Performance Certificate

Cabinet received report **ES/1034** by the Cabinet Member with responsibility for Housing, the purpose of which was to consider approving the seeking of delegations from Suffolk County Council for the enforcement of the Energy Performance of Buildings (England and Wales) Regulations 2012; the delegation, to authorise the Head of Housing to enforce the Regulations as appropriate. The Cabinet Member with responsibility for Housing reported that he wanted to maintain and increase focus on poor private rented housing conditions more generally, including disrepair, overcrowding and poor heating; assisting vulnerable owner occupiers in poor housing,

helping reduce the number of cold homes and fuel poverty and isolated, poor quality homes. These actions would improve residents' quality of life and potentially improve their health and wellbeing. Having the ability to use enforcement action, as a last resort, in relation to the Energy Performance Certificates in the private rented sector, would support ESC to achieve that.

In response to a question from Councillor Byatt regarding the powers being used following other means being exhausted, and timescales, it was confirmed that officers would, as a normal rule, seek to engage with landlords; their first contact would be to open a dialogue and dependant on how that was received would determine whether or not officers were working with landlords or pushing them; landlords would be given approximately 28 days to respond; if there was no response then further action would be taken.

On the proposition of Councillor Kerry, seconded by Councillor Rudd, it was by unanimous vote

RESOLVED

That it be approved to proceed with obtaining the appropriate delegations for the Head of Housing to enforce the Energy Performance of Buildings (England and Wales) Regulations 2012.

8 General Fund Budget and Council Tax Report 2022/23

Cabinet received report **ES/1035** by the Cabinet Member with responsibility for Resources, who stated that his report presented a General Fund Budget for 2022/23 and the updated Medium Term Financial Strategy (MTFS) as of January 2022. Cabinet was reminded that it had considered the draft MTFS at its meeting on 7 December 2021. Since then, the draft MTFS had been continually revised and included the Provisional Local Government Finance Settlement that was announced on 16 December 2021.

The Provisional Settlement, Councillor Cook stated, was a one year Settlement with no significant reset of the system or changes to funding formulae. The Settlement was generally favourable to local government and the Council; a new round of New Homes Bonus allocations and a one-off Services Grant for 2022/23. Other Grant funding such as the Revenue Support Grant and the Rural Services Delivery Grant also continued into next year, with no significant change from current year funding levels. The Council's and the Suffolk Pool's advantageous position on business rates has also been maintained for at least another year.

The Council Tax base was an improved position for 2022/23, with growth at 1.93% compared to previous forecasts of 1%. The Provisional Settlement confirmed no change to the referendum limit for Council Tax and remained at the higher of 2% or £5. For the Council, an increase of £4.95 (2.89%) equated to a District Band D Council Tax of £176.22 for 2022/23 and generated £440k of income. A cautious approach had been taken with forecasting tax base growth in future years, with prudent assumptions regarding LCTRS reliefs and Collection Rates, and completion of development sites levelling off.

This report, Councillor Cook stated, presented a balanced position for the current year and next year, which was achieved by a combination of additional income, savings and use of reserves. Budget gaps did however remain in future years of the MTFS (£5-£6m) and were subject to significant uncertainty due to local government finance reforms, a position that was likely to become clearer during the course of next year. It was likely that a combination of action would be needed to ensure a longer term sustainable position, including a phased use of reserves, maximising income and achievement of savings. These would need to be worked up over the coming year, as it was increasingly likely that funding reforms would finally be implemented in 2023/24.

Councillor Cook concluded by stating that at its meeting on 20 January 2022 the Scrutiny Committee reviewed this report and recommended its approval to Cabinet.

Cabinet welcomed the report, and gave thanks to the Cabinet Member with responsibility for Resources and officers for their work. Cabinet acknowledged the current uncertainty in the world and the wish for ESC to protect its ambitions and the services provided to residents. Cabinet also acknowledged the current inflation rate, and how that impacted on residents and the Council too.

In response to a question from Councillor Byatt regarding the Business Rates Collection Fund, and the Suffolk Pool, and the reference within the report to "The updated MTFS includes a Pooling Benefit estimate for 2022/23 of £1.829m, and this figure will be updated in the final budget report when all of the Suffolk NNDR1 returns have been collated", officers advised that this figure was based on the current monitoring position for this year and so as long as the estimates for next year did not depart significantly from the current position, for all authorities in Suffolk, then there was a high degree of confidence that the figure would be at least at that level.

On the proposition of Councillor Cook, seconded by Councillor Gallant, it was by unanimous vote

RESOLVED

That it be recommended to Council:

1. That the 2022/23 General Fund Revenue Budget as set out in this report and summarised in Appendix A6 be approved and the budget forecast for 2023/24 and beyond be noted;
2. That the Reserves and Balances movements as presented in Appendix A7 be approved;
3. That it be approved that no further changes are made to Council Tax Discounts and Premiums for 2022/23; and
4. That a proposed Band D Council Tax for East Suffolk Council of £176.22 for 2022/23, an increase of £4.95 or 2.89%, be approved.

9 Housing Revenue Account (HRA) Budget Report 2022/23 to 2025/26

Cabinet received report **ES/1037** by the Cabinet Members with responsibility for Resources and Housing.

The Cabinet Member with responsibility for Resources stated that the report brought together the Housing Revenue Account Budget for the period 2022/23 to 2025/26, with a forecasted position for 2021/22 and a summary of its reserves and balances. The HRA budgets were fully funded from existing funds to meet the Council's HRA spending plans, including the Capital Investment Programme and reserve balances as per the HRA Financial Business Plan.

Under the new 2020 Rent Standard, local authorities could increase rents by up to CPI +1%. The September CPI value must be used, which was 3.1%, giving the Council the option to increase rents by up to 4.1%.

Social rents were based on a formula rent set by Government and Affordable rents although could be up to 80% of market rent, were set based on the Local Housing Allowance. The Council continued to collect rent and service charges on a 50-week basis unless being let as temporary accommodation. The proposed rent gave an average weekly rent of £92.19 for 2022/23; an increase of £1.97 compared to 2021/22.

Service charges could only recuperate the cost of providing a service. The proposed average weekly General Service Charge for Grouped Homes for 2022/23 is £14.57; an increase of £0.41 compared to 2021/22.

The budget proposals gave a forecast HRA working balance for 2022/23 of £3.122 million, maintaining it well above the minimum acceptable limit of 10% of total income.

The Leader, after commenting that he fully supported the recommendations within the report, referred to the big ambitions in respect of the HRA and the money that needed to be spent on properties raising their environmental standards.

The Cabinet Member with responsibility for Housing referred to the wish to bring the houses up to the carbon neutral standard; at the moment the cost of this work was unknown. Referring to Affordable housing, Councillor Kerry commented that the best option for this was currently through the Planning system, with 106 Agreements and local developers.

Councillor Byatt referred to paragraph 3.15 of the report and the reference to "The heating charges are based on the previous full year's costs, hence no real increase on charges. Any major increases relating to the current utility crisis will be addressed in the 2023/24 service charges." Councillor Byatt asked if ESC might consider easing any charges when the time came. The Leader responded that the budget situation would be looked at in 12 months time, and reflecting on that; at the moment there were no certainties in respect of fuel costs he stated.

On the proposition of Councillor Cook, seconded by Councillor Kerry, it was by unanimous vote

RESOLVED

That it be recommended to Full Council:

1. That the HRA budget for 2022/23, and the indicative figures for 2023/24 to 2025/26, be approved

2. That the Revised outturn position for 2021/22 be noted
3. That the movements in HRA Reserves and Balances be approved
4. That the proposed rent increase of up to 4.1% (September 2021 CPI + 1%) as per the Rent Standard 2020 be approved
5. That the service charges and associated fees for 2022/23 be approved
6. That the Rent and Service Charges to be charged over a 50-week period, unless being used for Temporary Accommodation when a 52-week period will be applied, be approved
7. That the changes affecting public and private sector housing and welfare be noted
8. That the effects of COVID-19 to the HRA be noted

10 Southwold Harbour Management Committee - Budget 2022/23

Cabinet received report **ES/1038** by the Cabinet Member with responsibility for Resources, who stated that his report presented the draft Budget for 2022/23 to the Southwold Harbour Management Committee for recommendation to the Cabinet, together with an overview of the Budget Monitoring position for Quarter 3 21/22 for noting.

Referring to Quarter 3 monitoring, Councillor Cook advised that the forecast outturn position for Southwold Harbour remained unchanged from Quarter 2, with year-end expected to be broadly in line with budget; this was after taking into account the income received in advance for next year, of approximately £70k. A similar position was reported with the Southwold Caravan and Campsite as at Quarter 3. After adjusting for income received in advance for 2022/23, the overall outturn position was expected to show a small favourable variance of £9k. This included additional Covid related costs of approximately £30k. As reported to the Committee in November, officers had since explored the opportunity to attribute Covid funding, which could be applied at 100% of the cost. This would further improve the year end position. A compensation claim had also been submitted for income loss during the first quarter of this financial year. The outcome of the claim was expected by the end of March. This support would further improve the year end position.

As activity at both the Harbour and the Caravan and Campsite was now at its quietest, no significant change was expected on the financial position between now and the end of the year.

Appendix A included the 2022/23 Draft Budget for both Southwold Harbour and the Caravan and Campsite presented no significant change from the current year budgets. Income had been aligned with current performance and increased to reflect the agreed charges for next year. Income budget at the Caravan site did include an adjustment for loss of income from vacant pitches, and utility budgets at the Caravan and Campsite had been increased to reflect rising energy prices.

The Leader, after giving thanks for the report, referred to the budget position at this time being satisfactory and he referred to the future, as the plans for the Harbour rolled out, with enhancements being made, the financial position going from strength to strength.

Councillor Ritchie, after referring to investments in the Harbour and the Caravan Site, highlighted income being used for the Harbour users.

The Deputy Leader, after giving thanks to Councillor Cook and Councillor Ritchie for their work, referenced the Committee coming together, forming well and its ambitions for the future. The Leader commented that the skill set of the co-opted members was phenomenal and Councillor Cook added that the breadth of local knowledge of the Stakeholder Advisory Group was tremendous.

Councillor Byatt asked if the Committee would, in the future, look to address zero carbon issues around the Caravan Camp itself. The Leader was sure that the Committee's aspirations would be as great as the ESC's aspirations.

On the proposition of Councillor Cook, and seconded by Councillor Ritchie, it was by unanimous vote

RESOLVED

1. That the Budget Monitoring Report Quarter 3 2021/22 for Southwold Harbour Management Committee be noted.
2. That it be recommended to Full Council that it approves the Budget for 2022/23 Southwold Harbour as recommended by the Southwold Harbour Management Committee as part of the overall Council budget at its meeting on 23 February 2022.

11 Exempt/Confidential Items

The Leader stated that in exceptional circumstances, the Council may, by law, exclude members of the public from all, or part of, an Executive decision-making meeting. The Council should, unless there were urgent circumstances, give notice of its intention to do so via the Forward Plan, which was updated and published on its website 28 clear days prior to the meeting.

There were various reasons that the Council, on occasions, had to do this and examples were because a report contained information relating to an individual, information relating to the financial or business affairs of a particular person, or information relating to any consultations or negotiations.

Tonight, the Leader stated, Cabinet had two substantive exempt matters to consider and they were as outlined on the published agenda – items 11 and 12.

Firstly, agenda item 11 related to Tingdene Mooring Pontoons in Oulton Broad. The purpose of this report was to seek Cabinet approval for the agreement to the Heads of Terms to form the basis of a new lease between ESC and Tingdene Holiday Parks Limited.

Secondly, agenda item 12 related to an Affordable Homes Development in Milton Road, Lowestoft. This was an opportunity for a new affordable homes scheme which aimed to deliver six new sustainable homes that could be let at an affordable rent. The tenure and housing mix had been informed by local housing need data ensuring that

ESC was providing the right homes in the best locations to serve East Suffolk residents.

On the proposition of Councillor Gallant, seconded by Councillor Rivett, it was by unanimous vote

RESOLVED

That under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.

12 Tingdene Mooring pontoons, Oulton Broad, Lowestoft

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

13 Affordable Homes Development - Milton Road, Lowestoft

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The meeting concluded at 7.42pm.

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Chairman