

FULL COUNCIL

17 FEBRUARY 2021

Present: Councillors Sinden (Chair), Bacon (Vice-Chair), Barnett, Battley, S Beaney, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, O'Callaghan, Roberts, Rogers, Sabetian, Scott, Webb, Lee, Patmore, K Beaney, Beaver, Edwards, Foster, Marlow-Eastwood and Rankin.

164. APOLOGIES FOR ABSENCE

Apologies for absence received from Councillors Bishop and Louise. Apologies for lateness received from Councillors Foster and Turner.

165. DECLARATIONS OF INTEREST

Councillor	Minute	Interest
Scott	166 – Revenue Budget 2020/21 revised and 2021/22, plus Capital Programme 2021/22 – 2023/24.	Personal – Member of East Sussex County Council

166. CORPORATE PLAN DRAFT ANNUAL UPDATE AND DRAFT BUDGET CONSULTATION RESPONSES 2021/22

The Leader of the Council, Councillor Forward, introduced the Corporate Plan and proposed a motion, seconded by Councillor Davies, that the recommendations set out in minute 313 of Budget Cabinet on 8th February 2021, Corporate plan draft annual update and draft budget consultation responses 2021/22, be approved.

In responding to the Leader of the Council's opening statement Councillor Patmore, Deputy Leader of the Opposition, proposed the following amendments to the draft Corporate Plan, seconded by Councillor Rankin:

A) Under the heading of 'minimising environment and climate harm in all that we do' add the following wording:

'Working with the council's new refuse and recycling contractor (BIFFA), to ensure they provide a good household refuse service and continually strive to improve, year on year, our rates of recycling.'

B) Under the heading 'On-going management of response phase of pandemic' add the following wording:

'Combat misinformation about the vaccination programme and promote all relevant NHS advice on receiving the vaccine.'

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Councillor Forward did not accept amendment A but accepted amendment B, provided the wording 'wherever possible' be added. Councillor Patmore agreed to this.

The Mayor proposed a motion to suspend Rule 16.6b of council procedure, seconded by Councillor Rogers.

RESOLVED that council suspends Rule 16.6b of council procedure rules to permit the substantive motion and proposed amendment to be on the table and open for discussion at the same time.

Councillors debated the substantive motion and proposed amendment B. Amendment B, proposed by Councillor Patmore and seconded by Councillor Rankin, was rejected by 8 for, to 20 against.

RESOLVED (by 20 for, to 8 against):

- 1. That Cabinet recommends to Full Council, to note and approve the draft annual update to the corporate plan 2020-24, subject to the proviso that any significant amendment made to the council's draft budget be reflected in the update.**
- 2. That delegated authority be given to the Managing Director, after consultation with the Leader of the Council to make further revisions as is considered necessary, to reflect decisions made on the council's budget.**
- 3. That all those who submitted views as part of the consultation process be thanked for their contributions.**
- 4. The Corporate Plan Draft Annual Update be amended so that under the heading 'On-going management of response phase of pandemic' the following wording is added:**

'Combat misinformation about the vaccination programme and promote all relevant NHS advice on receiving the vaccine wherever possible.'

Reasons:

The council needs to approve the annual update to the corporate plan as its statement of strategic direction for the period 2020 - 2024, mindful of the views received as part of the public consultation.

167. REVENUE BUDGET 2020/21 REVISED AND 2021/22, PLUS CAPITAL PROGRAMME 2021/22 - 2023/24

The Mayor adjourned the meeting at 7.03pm and the meeting reconvened at 7.21pm.

The Mayor proposed a motion to suspend Rule 16.6b of council procedure, seconded by Councillor Beaver.

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RESOLVED that council suspends Rule 16.6b of council procedure rules to permit the substantive motion and any proposed amendments to be on the table and open for discussion at the same time.

The Mayor proposed a motion, seconded by Councillor Rogers, as follows:

RESOLVED that in order for Full Council to take advice from the Chief Finance Officer where appropriate, under Rule 16.14 of council procedure the council proceed as if in committee.

Councillor Chowney, the Finance and Property portfolio holder, proposed a motion, seconded by Councillor Levane, that the recommendations set out in minute 314 of Budget Cabinet on 8th February 2021, Revenue Budget 2020/21 Revised and 2021/22, plus Capital programme 2021/22 - 2023/24, be approved.

In introducing the recommendations to Full Council Councillor Chowney proposed an amendment to Appendix K, seconded by Councillor Levane. Line 8 of Appendix K (PIER Savings identified for 2020/21 budget process) be amended to read:

'8. Tourism/Marketing – retain Tourist Information Centre (TIC) and tourist support for the year.'

Cllr Forward clarified with Cllr Chowney that the savings being made from the closure of the TIC at Muriel Matters House would be retained as part of the Contingency Fund until it was clear that the new delivery arrangements were successful.

Councillor Lee, Leader of the Opposition, proposed five amendments to the revenue budget 2021/22, and the Chief Finance Officer's budget report, as set out below. Amendments A, C, D and E were seconded by Councillor Rankin. Amendment B was seconded by Councillor Patmore.

- A) This Council supports, in principle, a move to all out elections from 2024 onwards. Full Council to receive a report setting out the issues and a timetable at their next meeting.
- B) This Council reduces Councillor Basic Responsibility Allowances by 3.5% and freezes all Councillor Responsibility Allowances for 2021/22
- C) The Council resolves to make additional necessary staffing reductions for the 2021/22 year amounting to:

Staffing savings of £420,320 (Net reduction of 10.5 FTE's)

The budget deficit being reduced from £1,482,993 to £1,062,673 in 2021/22

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D) This Council moves the Community Contact Centre to Muriel Matters House (MMH) from the Town Hall, rents out the second floor of MMH and lets the first floor meeting room at the Town Hall to achieve overall savings of £74,680 p.a.

E) Paragraph 179 of the budget report be amended to read:

‘It remains the aspiration of the Council to develop out its own sites. However, the Council may no longer be able to afford to develop all the sites itself and needs the income streams from investing the receipts from sales of some sites in order to help balance the budget. It also needs to ensure the sites are developed rapidly in order to meet a severe housing need and reduce the temporary accommodation costs. The budget proposals continue to include the disposal of sites which have been delayed by the pandemic.’

Councillor Chowney accepted amendment E, which became part of the substantive motion, and rejected amendments A-D.

The Chief Finance Officer clarified that revised papers were sent to Councillors updating the Council Tax precept for the Fire Authority. This revised precept amends Appendix M in the budget report, which has been circulated to all Councillors.

Councillors debated the motion and the proposed amendments.

The Mayor adjourned the meeting at 8.18pm and the meeting resumed at 8.29pm.

The Mayor proposed a motion to return to Full Council mode, seconded by Councillor Rogers.

RESOLVED that the meeting return to Full Council mode in order to vote.

Councillors voted on amendments A-D in reverse order.

Amendment D was rejected by 8 votes for, to 19 against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted for. Councillors Bacon, Barnett, Battley, S Beaney, Berelson, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, O’Callaghan, Roberts, Rogers, Sabetian, Scott and Webb voted against.

Amendment C was rejected by 8 votes for, to 19 against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted for. Councillors Bacon, Barnett, Battley, S Beaney, Berelson, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, O’Callaghan, Roberts, Rogers, Sabetian, Scott and Webb voted against.

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Amendment B was rejected by 8 votes for, to 19 against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted for. Councillors Bacon, Barnett, Battley, S Beaney, Berelson, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, O'Callaghan, Roberts, Rogers, Sabetian, Scott and Webb voted against.

Amendment A was rejected by 8 votes for, to 19 against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted for. Councillors Bacon, Barnett, Battley, S Beaney, Berelson, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, O'Callaghan, Roberts, Rogers, Sabetian, Scott and Webb voted against.

The substantive motion proposed by Councillor Chowney and seconded by Councillor Levane was agreed by 19 votes for, to 8 against. Councillors Bacon, Barnett, Battley, S Beaney, Berelson, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, O'Callaghan, Roberts, Rogers, Sabetian, Scott and Webb voted for. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted against

RESOLVED (by 19 votes for, to 8 against) that Full Council:

- (i) Approve the revised revenue budget for 2020/21 (Appendix A).**
- (ii) Approve the draft 2021/22 revenue budget (Appendix A)**
- (iii) Approve a 1.99% increase in the Borough Council's part of the Council Tax.**
- (iv) Agree that car parking charges remain frozen for 2021/22**
- (v) Agree that the absolute minimum level of reserves that shall be retained be £6m (plus General Fund Balance).**
- (vi) Approve the Capital Programme 2020/21 (revised) to 2023/24 (Appendix P).**
- (vii) Approve the proposed expenditure from the Renewal and Repairs Reserve, and Information Technology Reserve (Appendices J and I respectively) and those items from other reserves shown in Appendix H that can proceed without further reference to Cabinet or Council.**
- (viii) Approve that the use of the monies in the budget and Reserves for "Invest to Save" schemes be determined by the Chief Finance Officer in consultation with the Leader of the Council.**
- (ix) Agree that the Council does not seek to undertake any capital project/scheme purely for yield that would prevent the Council from borrowing either commercially or from the PWLB.**

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- (x) Approve the revised Land and Property Disposal Programme (Appendix L) and agree that disposals can be brought forward if market conditions make it sensible to do so.**
- (xi) Agree that where a Capital scheme involves a net increase in overall revenue costs to the Council, or where any guarantee is to be provided which does, or could, incur costs for the Council, such decisions continue to be made by full Council.**
- (xii) Agree that, no Council properties or land be disposed of, either by sale or long leasehold, at less than market value without further express approval by Full Council.**
- (xiii) Agree that schemes marked with an asterisk in the Capital Programme can proceed without further reference to Cabinet or Council.**
- (xiv) Agree that work on Priority Income and Efficiency Reviews (PIER) through the Strategic Oversight and Planning Board should continue, and where possible identify a sustainable budget for a period in excess of one year. A mid-year review, for members and officers, to be undertaken in the light of the continuing severe financial pressures.**
- (xv) Approve the detailed recommendations in Appendix M, which relate to the setting of Council Tax in accordance with Sections 31 to 36 of the Local Government Act 1992.**
- (xvi) Approve that the budget be amended as necessary to reflect the final grant figures including Disabled Facility Grants - once received.**
- (xvii) Full Council adopt the existing Council Tax Support scheme subject to amendments to allowances in line with national changes. Determination of the allowances to be delegated to the Chief Finance Officer in line with prior year practice.**
- (xviii) Appendix K (PIER Savings identified for 2020/21) – Tourism/Marketing – Revised Operations and Location of TIC (Line 8) be amended to note that the saving will only be made should this money not be required during the year. The saving to be retained as part of the Contingency Fund for 2021/22.**
- (xix) The wording of the Chief Finance Officer’s budget report be amended to better reflect the Council’s ongoing aspirations, so that paragraph 179 would have read:**
- ‘It remains the aspiration of the Council to develop out its own sites. However, the Council may no longer be able to afford to develop all the sites itself and needs the income streams from investing the receipts from sales of some sites in order to help balance the budget. It also needs to ensure the sites are**

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developed rapidly in order to meet a severe housing need and reduce the temporary accommodation costs. The budget proposals continue to include the disposal of sites which have been delayed by the pandemic.'

Reasons:

1. The Council must by law set a balanced budget. It will have used the remainder of its Transition Reserve along with some of the General Reserve to fund 2020/21 expenditure.
2. A major overhaul of the funding mechanism for local authorities has again been postponed and when combined with a one year Spending Review, continues to provide considerable uncertainty on funding for 2022/23 and beyond.
3. Despite identifying Priority Income and Expenditure Review (PIER) savings of £484,000 these are insufficient to balance the budget in 2021/22 without the use of General and other Reserves. Further significant savings need to be found during 2021/22 in order to reduce the call on the General Reserves, achieve a balanced budget, and ensure that reserve levels can be maintained at above the minimum recommended level.
4. The Council needs to be in a position to match its available resources to its priorities across the medium term and to maintain sufficient reserves and capacity to deal with potentially large and unexpected events in addition to fluctuations in income and expenditure levels – as highlighted by the Covi9-19 crisis. In the light of increased in-year spend on temporary accommodation this requires a much greater degree of service cuts elsewhere and spend within housing areas must remain under regular review.
5. The Council remains exposed to a much greater degree of volatility in terms of its income from Non Domestic Rates and expenditure in terms of Council Tax Support claims – the cost falling directly on the Council and the preceptors. The potential downside risks of Brexit and the increased reliance on income streams provide greater volatility to the Council's funding. On top of this is the impact of covid-19 and an economic downturn.
6. The government have provided additional funding for 2020/21 which has significantly helped the financial position and there are some additional measures that will assist with the 2021/22 position; These are detailed later in the report.

168. REPORTS OF COMMITTEES

RESOLVED that under rule 13.3 the following reports and minutes of Budget Cabinet, 8th February 2021 be received and agreed.

Minute No.	Subject	Cabinet
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		Member / Chair
315. (C)	Treasury Management, Annual Investment Strategy and Capital Strategy 2021/22	Chowney

(The Chair declared the meeting closed at. 8.50 pm)