

Rother District Council

Report to	-	Council
Date	-	24 May 2023
Report of the	-	Cabinet
Subject	-	References from Cabinet Meetings

The Council is asked to consider recommendations arising from the Cabinet meetings held on 27 February and 27 March as set out below.

CABINET – 27 February 2023

CB22/77. CAPITAL, INVESTMENT AND TREASURY MANAGEMENT STRATEGY 2023-24

The CIPFA 2021 Prudential and Treasury Management Codes required local authorities to prepare a Capital Strategy (CS) report, which was contained at Appendix A to the report. The Strategy aimed to give Members an overview of the Council's approach to capital. The objectives of the Code were to ensure, within this clear framework, that the capital investment plans of local authorities were affordable, prudent and sustainable.

The CS report gave a high-level overview of how capital expenditure, capital financing and treasury management activities contributed to the provision of local public services, along with an overview of how associated risk was managed and the implications for future financial sustainability. The CS was intended to be a longer-term view of investment and go beyond the detailed five-year Capital Programme (CP) and was updated annually in line with the requirements of CIPFA's 2021 Prudential Code.

A significant part of the CP related to the Council's approved Property Investment Strategy (PIS). The Council had established an initial capital budget of £35m to support the programme and to date, approximately £30.0m had been expended or committed on 15 PIS properties/sites. Income of approximately £1.6m was included within 2023/24 Revenue Budget for PIS assets that had been acquired.

Rother DC Housing Company (RDHC) Ltd had been established to undertake development of the Council's land to improve housing outcomes and for each project, subject to agreement, the Council provided a shareholder loan which would earn interest at market rates, supporting the Council's Revenue Budget. Council approved a loan facility of £80m for the housing company, which was included within the current CP, but release of funding was based upon individual assessment of relevant sites and successful business cases.

In 2023/24, the Council was planning capital expenditure of £114m (based on the current estimates for slippage) and tables 1 and 2 within Appendix B to the report provided a high-level summary of the forecast expenditure and financing. The main capital projects in 2023/24

included the housing development schemes to be delivered by RDCHC, PIS investments and Temporary Accommodation acquisitions.

All capital expenditure had to be financed either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing or leasing for example). The Council was currently reviewing its financing of those schemes where funding was yet to be identified. The Council's Capital Financing Requirement was shown in table 3 within Appendix B to the report and projected levels of the Council's total outstanding debt within table 4.

The Council was required to receive and approve at least three main reports each year to include:

- 1) Prudential and Treasury Indicators and the Treasury Strategy;
- 2) a Mid-Year Treasury Management Report; and
- 3) an Annual Treasury Report.

These reports incorporated a number of policies, estimates and actuals which were scrutinised by the Audit and Standards Committee (ASC) prior to making recommendations to Cabinet and full Council.

In addition to the three main reports, from 2023/24 quarterly reporting (end of June/end of December) was also required. However, these additional reports did not have to be reported to full Council but did require to be adequately scrutinised. This role was also undertaken by the ASC.

The Treasury Management Strategy (at Appendix B to the report) detailed how investments and borrowings were to be organised, including treasury indicators and the Annual Investment Strategy (Appendix C to the report) detailed how investments would be managed.

The 2023/24 draft Revenue Budget reported to Cabinet on 6 February 2023 presumed an income of £586k from treasury activities, which assumed an average rate of return across the portfolio of 1.98% (1.64% 2022/23). The forecast for the next five years saw returns increasing until 2024/25 with a peak at around £700k due to increasing rates of return, then levelling off at around £500k by 2027/28 based on the forecast use of cash balances.

The expectation was that 2023/24 would see a return to some sort of stability in the investment environment following the turbulences resulting from the post-pandemic economic climate, the ongoing war in Ukraine and the effects of the mini-budget. The strategies proposed in the report, together with the interest rates forecast, were in line with the assumptions made when preparing the 2023/24 Revenue and Capital Budgets. The costs of treasury operations were contained within the 2023/24 Revenue Budget.

RECOMMENDED: That the:

- 1) Capital Strategy as set out at Appendix A to the report be approved and adopted;
- 2) Treasury Management Strategy as set out at Appendix B to the report be approved and adopted;
- 3) Annual Investment Strategy as set out at Appendix C to the report be approved and adopted;
- 4) Minimum Revenue Provision Policy Statement 2023-24 be approved;
- 5) Prudential and Treasury Indicators as set out within the report be approved; and
- 6) authorised limits in this report be approved.

(Cabinet Agenda Item 11)

CABINET – 27 March 2023

CB22/89. RECOMMENDATIONS OF THE ANTI-POVERTY TASK AND FINISH GROUP

Cabinet received Minute OSC22/60 arising from the meeting of the Overview and Scrutiny Committee (OSC) held on 13 March 2023 that had considered the recommendation of the Anti-Poverty Task and Finish Group that the Council adopts the socio-economic duty under Section 1 of the Equality Act 2010.

Cabinet was pleased to recommend to Council that by voluntarily adopting the duty, the Council would strengthen the ongoing anti-poverty work, support an inclusive economy, and equalities approaches, and contribute to the 'levelling up' agenda. The Council would need to amend its Equality, Diversity and Inclusion Policy and processes, including the Equality Impact Assessment process and in doing so, ensure socio-economic inequality was considered in all future policy development such as the new Corporate Plan, Regeneration Strategy, and Housing Strategy.

RECOMMENDED: That the:

- 1) socio-economic duty, under Section 2 of the Equality Act be adopted when making decisions and that relevant policies and procedures be amended to reflect this; and
- 2) socio-economic duty be reflected in the new Corporate Plan.

(Cabinet Agenda Item 6)

CB22/90. CHANGING PLACES TOILETS FOR PEBSHAM COMMUNITY CENTRE AND CAMBER CENTRAL TOILETS

In 2020, the Government committed up to £30m to support the installation of Changing Places Toilets (CPTs) across England, following a successful campaign for CPTs to be installed in all large public spaces to enhance peoples' accessibility to their community. CPTs provided space for a toilet, shower and equipment to assist with manoeuvrability for people with profound and multiple disabilities, including physical disabilities to use the toilets safely and comfortably.

The district of Rother currently had no CPTs and was part of the priority list for funding in the second tranche with a deadline of registration by the end of March 2024. The Changing Places Fund application and decision notice were appended to the report. An application was made to the Department for Levelling Up, Housing and Communities who had allocated funding of £121,932.00 towards two facilities at Pebsham Community Centre and Camber Sands Central car park toilets.

The inclusion of a CPT at Camber Sands Central car park formed part of a larger improvement project to the Council's whole visitor support infrastructure which was to be funded, in the main by a successful Community Infrastructure Levy (CIL) bid of £943,301 approved by the CIL Panel on 14 March 2023. The CIL bid proposed to refurbish and extend the main tourist infrastructure for Camber Sands including an additional 45 toilets and a CPT. Details of the scheme and the bid were appended to the report.

The Second CPT would be within the existing Pebsham Community Centre (PCC), leased from RDC by the Pebsham Community Association (a registered charity) since the mid-1980s. The charity was in the process of planning improvement works to make the centre more accessible and had been approached by several local groups whose members had accessibility needs and had requested the installation of a CPT. The PCC had received quotes for the works to fully install and deliver a CPT within the building for £53,432.

Both projects required full Council approval to add to the Council's Capital Programme in order to manage the grant funding (DLUHC and CIL) in accordance with the standard accounting requirements and the necessary funding agreements being in place.

However, in order to meet the deadline proposed by DLUHC of registration of both CPT facilities by March 2024, work needed to commence on the projects prior to the next full Council meeting and it was therefore recommended that an amount of up to £100,000 be secured from the Repairs and Renewals reserve so that the early work required to ensure delivery of the schemes by the end of March 2024 could commence. It was agreed to grant the Head of Neighbourhood Services delegated authority to commence Royal Institute of British Architects (RIBA) Stage 2 and 3 design work and submit for planning approval and, subject to full Council approval, the Director – Place and Climate Change was granted delegated authority to procure and enter into contracts and complete all necessary works to deliver the facilities.

Cabinet was delighted to recommend that the grant funding be accepted and include the projects within the Capital Programme. This would make funds available to complete the CPTs on both sites and

the wider infrastructure project at Camber Sands Central car park to meet the funding deadline.

RECOMMENDED: That:

- 1) the Community Infrastructure Levy (CIL) funding of £943,301 be added to the Capital Programme towards funding for the Camber Sands Visitor Facilities project;
- 2) the £68,500 Department for Levelling Up, Housing and Communities funding for the new Changing Places Toilet facility at Camber Sands be added to the Capital Programme; and
- 3) Pebsham Community Centre Changing Places Toilet facility be added to the Capital Programme with £53,432 funding from Department for Levelling Up, Housing and Communities and a funding agreement be entered into subject to appropriate due diligence.

Cabinet also **RESOLVED:** That:

- 1) total funding of £121,932 for the above two new Changing Places Toilet facilities in the district of Rother awarded from Department for Levelling Up, Housing and Communities be accepted;
- 2) following the Camber Sands Visitor Facilities Community Infrastructure Levy bid being approved on 14 March 2023, subject to Full Council approval of the Capital Programme on 24 May 2023, funding from the Repairs and Renewals reserve of up to £100,000 be approved to enable works to commence as soon as possible to deliver the facilities by the deadline prescribed by Department for Levelling Up, Housing and Communities;
- 3) the Head of Neighbourhood Services be granted delegated authority to commence RIBA Stage 2 and 3 design work and submit for planning approval; and
- 4) following Full Council approval, delegated authority be granted to the Director – Place and Climate Change to procure and enter into contracts and complete all necessary works to deliver the facilities.

(Cabinet Agenda Item 11)

CB22/91. **ELECTRIC VEHICLE CHARGING POINTS IN COUNCIL OWNED CAR PARKS**

Members considered the comprehensive report that set out progress made to secure a provider to install and operate Electric Vehicle Charging Points (EVCPs) within Council owned car parks at nil capital investment cost to the Council.

The Council had appointed EB Charging to assess EVCP viability within Council car parks, subject to individual car park restrictions including legal and UK Power network capability, and costs. EB Charging would be responsible for the installation and all further

operational aspects including ongoing management, maintenance of EVCP infrastructure and pricing.

EB Charging would provide the required EVCP infrastructure and management, subject to partial funding by the On-Street Residential Chargepoint Scheme (ORCS) administered by the Office of Zero Emission Vehicles (OZEV). Funding would cover up to 60% of eligible capital costs with the remaining funding sourced separately by EB Charging. Subject to funding being awarded, a 10 year contract would be agreed with EB Charging to allow for a return on capital investment and supported the business case for the funding.

After an internal review of suitable Council operated car parks the provider was instructed to assess viability within the following nine car parks:

- i. Wainwright Road, Bexhill
- ii. De La Warr, Bexhill
- iii. Manor Barn and Gardens, Bexhill
- iv. Sidley, Bexhill
- v. Upper Market, Battle
- vi. Mount Street, Battle
- vii. Bedford Place, Rye
- viii. Lucknow Place, Rye
- ix. Camber Sands Central car park

Unfortunately, following the appropriate engagement with UK Power Networks Bedford Place and Lucknow Place car parks, both in Rye, were deemed unsuitable for chargepoints at this time, as the local power network would need substantial upgrading, costing in excess of £250,000, although the situation would be kept under review. The remaining seven viable car parks had been included in the ORCS funding application being submitted imminently, with a decision within 12 weeks and installations starting as early as June; the total EVCP installation costs were circa £309,589.20 (excluding VAT).

The project proposed the installation of three double headed fast chargers within each car park, allowing for up to six electric vehicles to charge simultaneously at each site. It was noted that high level viability for EVCP installation at various Village and Community Halls across Rother was also being considered via the Council's Village Halls Energy Project (VHEP) as these are not Council owned assets.

The report highlighted the key considerations and necessary works to install the chargers including temporary footpath, road and car park closures and planning permission for those car parks near Grade II listed buildings (De La Warr and Manor Barn).

It was noted that in accordance with the Council's Parking Places Order 2020 non-electric vehicles or electric vehicles not actively charging when parked within an EVCP bay would be in breach of the PPO and therefore subject to the full car park standard charge of £80. Parking charges (where applicable) were also payable in addition to the charges applied by EB Charging for the use of an EVCP. Additional signage relating to the payment and use of EVCP parking

bays would be erected close to the relevant bays. A condition of ORCS funding was parking charges for EVCP bays were limited to between 0800 and 1800 hours and not 1900 as currently for the Council's car parks; parking charges for EVCP bays (where applicable) would therefore end at 1800 hours.

The project's key risks and mitigations were detailed in the report and it was noted that a risk register for the lifetime of the project had been developed.

It was necessary to secure delegated authority in advance to accept the funding, which could be awarded on or before 26 May 2023, due to the impending local elections and Cabinet was therefore recommended to include the ORCS funding in the Council's Capital Programme, subject to successful award. It was also necessary to grant delegated authority to the Director – Place and Climate Change to accept the relevant funding from OZEV, for the purposes of expediting delivery of this project as soon as possible and take all further steps necessary to deliver EVCP infrastructure in Council owned car parks, in consultation with the Cabinet Portfolio Holder.

RECOMMENDED: That if successful, funds awarded from the Office of Zero Emission Vehicles (OZEV) via the On-Street Residential Chargepoint Scheme (ORCS) for the installation of the Electric Vehicle Charging Points (EVCP) be included in the Council's Capital Programme 2023/2024.

Cabinet also **RESOLVED:** That the Director – Place and Climate Change be granted delegated authority to accept funding from the Office of Zero Emission Vehicles via the On-Street Residential Chargepoint Scheme and take all further steps necessary to deliver EVCP infrastructure in Council owned car parks, in consultation with the Cabinet Portfolio Holder.

(Cabinet Agenda Item 12)

Councillor D.B. Oliver
Leader of the Council