

# CABINET

Meeting of the

held on Thursday 9 January 2003

PRESENT:-

Councillor **Mrs HEALY** (Chairman and Leader of the Council), Councillor **TUTT** (Deputy Chairman and Deputy Leader of the Council), Councillors **HARRIS, LEGGETT** and **THOMPSON**.

**101. MINUTES.** The minutes (including the confidential minutes) of the meeting held on 5 December 2002 were submitted and approved and the Chairman was authorised to sign them as a correct record.

**\*102. BEST VALUE REVIEW OF HOUSING MANAGEMENT: PART 2.** The Cabinet considered the report of the Best Value Review Team. The report had previously been submitted to the Scrutiny Committee at its meeting on 9 December 2002. The Scrutiny Committee had endorsed the improvement plan and otherwise made no comment. Councillor Mrs Pooley and Ms Jan Canny (Head of Housing Management), councillor member and lead officer respectively of the review team, were present and addressed the Cabinet in support of the team's proposals. Councillor Elkin, the other councillor member of the review team was unable to be present and had submitted a letter commending acceptance of the report.

Councillors Mrs Pooley and Elkin both paid tribute to the work undertaken by the officers and in particular to the tenant representatives.

**RESOLVED (Key Decision):** (1) That all the members of the review team be thanked for their work.

(2) That the Council be recommended to approve the best value improvement plan.

**103. AUDIT 2001/02 – ANNUAL AUDIT LETTER AND REPORT ON BEST VALUE.** Mr Westwood, the District Auditor for the Council, addressed the Cabinet in support of his Annual Audit letter, a copy of which had been circulated to all councillors subsequent to the publication of the agenda. He drew attention to the key messages within his letter. First, he confirmed that his opinion on the accounts to 31 March 2002 was unqualified.

Second, he noted with support the work the Council was undertaking in developing its corporate governance procedures. In particular that the Council has recently adopted a revised anti-fraud and corruption policy.

The third point concerned the Council's financial standing. He was aware that in planning the budget for 2003/04 the Council has to face a number of difficult decisions. He welcomed the new service and financial planning process which directly linked service targets to budgets and included risk assessments. This process gave the Council an opportunity to fundamentally examine the financial viability of services.

Finally, he pointed out the Government's desire to improve local

**104. COUNCIL BUDGET 2003/04** (page 253, minute 92). The Cabinet considered the report of the Director of Finance and Corporate Services as a preliminary to the presentation of budget proposals to the Cabinet on 6 February and full Council on 27 February 2003. The report set out a summary of the financial options identified to date together with their implications.

The Director highlighted the Government's new formula for determining a council's spending needs and calculating the level of revenue support grant (RSG). A key element in the formula was population and the use of 2001 census figures in place of estimates based upon the 1991 census (used in previous years) had had an adverse effect on the borough in view of the 3% reduction in population estimates for 2003/04 as compared with 2002/03. The Government had provided for council's to receive a minimum increase of 3% and this was the amount that Eastbourne would receive next year. Figures for the other districts in East Sussex were given in the report.

Councillor Tutt spoke of the difficulties in reaching final proposals on next year's budget and cited 3 key reasons in this regard. First, the steps that had been taken to date to ensure that the current year's spending was brought in on budget. Second, the pressures from contract changes and in particular the letting of the refuse collection contract and desire to meet Government waste re-cycling targets. Third, the change in Government policy that had had the effect of moving resources away from the south of England to other parts of the country.

The administration's response to these challenges had been the measures adopted to control current year spending and the changes to the budget process to integrate service and financial planning and provide meaningful information to councillors.

The report also summarised consultations undertaken on the budget and reported that a meeting would be held with representatives of the business and community groups later this month.

**RESOLVED:** (1) That the Directors and officers be thanked for their work on the service and financial planning process.

(2) That Cabinet Members and Directors continue to consider the options and with a view to budget proposals for 2003/04 being presented to the Cabinet meeting on 6 February 2003.

**105. COUNCIL BUDGET 2002/03 UPDATE** (page 215, minute 68). The Cabinet considered the report of the Director of Finance and Corporate Services on the Council's financial position as at the end of November 2002 in respect of the current financial year. The current estimated end year outturn was for a deficit of £6,000 against a total general fund budget of £14.275 million for the year. Information on the housing revenue account and capital programme was also given in the report.

**RESOLVED:** (1) To note that the general fund revenue net expenditure is over budget at the end of November by £6,000 and is currently forecast to be £6,000 over budget as at 31 March 2003.

(2) That the officers be instructed to identify savings of £6,000 to ensure that the general fund revenue budget comes in on target.

(3) To note that the housing revenue account net expenditure is under budget at the end of November by £239,000 and is currently forecast to be £230,000 under budget as at 31 March 2003.

(4) To note the current position on the capital programme showing actual expenditure to date of £4.110 million against a full year revised budget of £10.302 million and an estimated final year spend of £7.975 million.

**106. A PARKING STRATEGY INCLUDING DE-CRIMINALISATION** (page 83, minute 29, 2000/01 minutes). The Cabinet considered the report of the Director of Planning, Regeneration and Amenities advising progress towards implementation of a parking strategy for the Borough which would include de-criminalisation to be introduced in late 2004. The aim was that the Borough should assume control over on-street parking and determine local priorities including taking effective action to deal with in-social parking. Revenue received would also fund other transport initiatives.

A joint project team had been working to develop plans since the original commitments were made by both this Council and the County Council in 2000. Last year work continued on an initial consultation with local representatives of the business community, residents and others in developing initial proposals for both the strategy and de-criminalisation. This work was primarily concerned with reviewing on-street parking arrangements to reflect transport related proposals within the local transport plan with the intention of making more appropriate use of parking space primarily within the town centre area by encouraging short-term parking and resident parking in defined bays whilst deterring long stay commuter parking. In addition, work was continuing to develop the business case for de-criminalisation funded from on-street parking revenue and residents parking schemes and other permit parking.

The recommended next stages were for the creation of a project management board comprising councillors and senior officers of both Councils and the publication for public consultation of detailed plans for a parking strategy later this year. The Director commented that latest indications from the County were that it would not be possible to undertake this until the spring/summer of this year rather than February/March as had originally been hoped. Such a delay could mean that the target implementation in late 2004 could slip into the following year.

In his report the Director also drew attention to the need to allocate additional funds in 2003/04 to the task of developing and implementing the strategy. Without such funding the project could not proceed.

The Chairman supported a request made in a letter from Councillor Taylor asking that a Members' seminar be held to inform new councillors

and Director of Finance and Corporate Services be the Borough's representatives on the project management board.

(5) That the Director of Planning, Regeneration and Amenities in consultation with the Cabinet Member for Environment and Transport be given delegated authority to engage jointly with the County Council in a public consultation exercise on proposals for a parking strategy and de-criminalisation.

(6) That a seminar be arranged for all councillors on the local transport plan and parking proposals.

	<p><b>107. COAST PROTECTION MAINTENANCE CONTRACT.</b> The Cabinet considered the report of the Director of Planning, Regeneration and Amenities seeking approval for a 12 month extension to the existing contract for coast protection maintenance works. The existing contract was begun on 1 November 1999 and due to run until 31 March 2003 with J T Mackley Limited. The contract included provision for annual extension for up to a further two years.</p> <p>Reasons for deferring re-tendering were the need to consider joint procurement arrangements with other coast protection and sea defence authorities and to ensure that works after next year were in accordance with a coastal defence strategy approved by the Department of Food, Environment and Rural Affairs.</p> <p><b>RESOLVED:</b> That the Director of Planning, Regeneration and Amenities in consultation with the Head of Legal Services and Cabinet Member for the Environment be authorised to arrange for an extension to the existing coast protection maintenance works contract for a period of 12 months.</p>
	<p><b>108. SEAFRONT CATERING OUTSOURCING.</b> The Cabinet considered the report of the Director of Tourism and Leisure on the outcome to date of the seafront catering outsourcing process. The intention to undertake this project had been outlined within the report to Cabinet on 5 September 2002 in connection with current year budget monitoring and was in response to poor early season seafront trading.</p> <p>A review of the operation had been undertaken in July of last year with the assistance of consultants. A strategy for outsourcing the service was prepared in readiness for the catering best value review due in 2003/04. Twenty-four catering contractors had been contacted and advertisements seeking expressions of interest in a contract for the seafront catering operations issued. The basis was to be for a fully repairing and insuring leases for the facilities, ideally for 25 years, which it was believed would afford the contractor sufficient time to recover any necessary investment to upgrade premises and facilities. The Pavilion Tea Rooms, Spinnakers and the 12 seafront kiosks would be included in the contract either as a complete package or as 2 packages with the Pavilion Tea Rooms as a separate entity.</p> <p>Ten expressions of interest were received all of whom received a detailed questionnaire. Five questionnaires were returned and these were evaluated last November. Of the five only two were considered to have the relevant experience but none of these satisfied the financial appraisal to determine their readiness to take on a 25 year contract. For this reason none of the bidders were invited to tender.</p> <p>In the light of the foregoing it was considered necessary to review the Council's future approach and it was now proposed to prepare an options appraisal and an action timetable in readiness for the best value review</p>

**109. OPTIONS FOR DOWNLAND GROUNDS MAINTENANCE.** The Cabinet considered the report of the Director of Tourism and Leisure reviewing future options for carrying out grounds maintenance on the Council's downland estate. The current maintenance contract had been extended until 31 March 2003. This contract provided for an operative with specified machinery and equipment to carry out mowing and other related works on the downland for 35 weeks per year as directed.

Three options have been identified and these were evaluated in the report. The first was to continue the present contracting arrangements for a further five years from April 2003 at an estimated cost of £36,300 per annum. This would be £7,200 above the currently available budget. The second option was to select specific elements of grounds maintenance and tender them out. It was considered that this option would entail additional costs and restrict flexibility. The third option was to employ the operative directly and bring all the work in-house. This option could be met from within the existing budget, including equipment leasing costs, but would require additional supervision and present the possible need to cope with staff absence should this arise for any reason.

A separate report was circulated in the confidential part of the agenda giving staffing details and implications.

**RESOLVED (Key Decision):** That the third option for in-house appointment of a new downland maintenance worker be approved and subject to a job evaluation exercise the grade band for the downland maintenance supervisor post be authorised.

	<p><b>110. EXCLUSION OF THE PUBLIC.</b></p> <p><b>RESOLVED:</b> That the public be excluded from the remainder of the meeting as otherwise there was a likelihood of disclosure to them of exempt information as defined in Schedule 12A of the Local Government Act 1972. The relevant paragraph of Schedule 12A and the description of the exempt information reason is shown in the summary below.</p>	
	<p><b>111. SUMMARY OF CONFIDENTIAL INFORMATION.</b></p>	<p><b>PROCEEDINGS FOR</b></p>
	<p><b>Options for Downland Grounds Maintenance.</b> The Cabinet noted staffing details in respect of this matter which had otherwise been dealt with at minute 109 above.</p> <p>(Notes (1) Exempt information reason – Paragraph 1 – Information relating to an employee.</p> <p>(2) A separate confidential minute on this matter has not been made since the decision was given at minute 109 above.</p> <p>(3) The confidential addendum report remains confidential).</p>	
<p>The meeting closed at 6.55 p.m.</p>		
		<p><b>Mrs B Healy</b></p> <p><b>Chairman</b></p>
<p>(der\P:\cabinet\minutes\03.01.09)</p>		