

Minutes of meeting held on Wednesday 6 February 2013 at 6.00pm

Present:-

Councillors **David Tutt** (Chairman and Leader of the Council), **Gill Mattock** (Deputy Chairman and Deputy Leader of the Council), **Margaret Bannister**, **Carolyn Heaps**, **Troy Tester** and **Steve Wallis**.

77 Minutes

The minutes of the meeting held on 12 December 2012 were submitted and approved and the Chairman was authorised to sign them as a correct record.

78 Members' interests

Declarations of disclosable pecuniary interests (DPIs) by members as required under Section 31 of the Localism Act and other interests as required by the Code of Conduct and regulation 12(2)(d) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012:

- Councillor Tutt, on behalf of himself and all other members of the Cabinet, declared a personal and prejudicial interest which was also a disclosable pecuniary interest in minute 87 (general fund revenue budget 2013/14 and capital programme 2012/16) as they were council taxpayers in the borough. They had all been granted a dispensation under section 33(1) of the Localism Act 2011 by the Council's Monitoring Officer to enable them to participate and vote.
- Councillor Bannister declared a personal and prejudicial interest which was also a disclosable pecuniary interest in all matters relating to East Sussex County Council as she was an employee of that authority. She had been granted a dispensation under section 33(1) of the Localism Act 2011 by the Council's Monitoring Officer to enable her to participate and vote in all matters concerning East Sussex County Council provided that her connection to that authority did not give rise to a prejudicial interest on any grounds over and above the fact of her employment there.
- Councillor Tutt declared personal (non-prejudicial) interests in minutes 88 (housing revenue account (HRA) revenue budget and rent setting 2013/14 and HRA capital programme 2012/16) 89 (Eastbourne housing and economic development project) and 90 (development of new affordable homes) as he was an Eastbourne Borough Council appointed non-executive director of Eastbourne Homes. He remained and participated in the proceedings.

***79 Eastbourne core strategy local plan** (Cabinet, 18 April 2012, page 364, minute 114, 2011/12 minutes).

- 79.1 Cabinet considered the report of the Senior Head of Development and Environment. The Eastbourne local plan (previously known as the local development framework (LDF) core strategy) had been shaped over the last 5 years by extensive consultation with local people and community groups. The Council had also worked closely with Wealden District Council, to ensure that the research that had informed the plan was complementary for both of the administrative areas. The plan (with its associated polices map) would shape the future development of Eastbourne for the next 15 years. It was intended as a guide for the community to show where and how the town would grow and develop in the future. It would also be a guide for decision makers and developers about what was likely to be acceptable by way of proposed developments. The plan would replace some but not all of the existing borough plan policies.
- 79.2 The plan had been prepared in accordance with the relevant government regulations and had been submitted to the government on 31 January 2012 for examination in public (EIP) which had commenced on 16 May. The inspector had requested an additional 6 weeks of publicity on 3 sets of proposed amendments (main modifications) to the proposed submission version of the plan to enable stakeholders and interested parties a further opportunity to make representations. The inspector's final report was received on 21 November 2012 and had been made available for public viewing. Planning Committee, at their meeting on 5 February 2013, supported the plan and made no further comments.
- 79.3 Overall the Inspector had found that, subject to incorporation of her specified modifications, the core strategy was a 'sound' plan and could be adopted for use by the Council for judging planning applications. The inspector supported the Council's approach to balancing sustainable development and conservation of the natural and built environment with growth and regeneration. She commented that the "*neighbourhood approach placed sustainability and the issues important to the local community at the heart of the strategy.*" She had concluded that it represented a positive strategy which was consistent with the presumption in favour of sustainable development. The Council was also praised for its approach to collaborative working with other authorities with an interest in the future of the area. Objections from some landowners for additional sites to be included on the fringes of Eastbourne Park and on open land adjacent to the borough boundary had been rejected. The inspector had commented that "*The Park's capacity for flood storage together with its archaeological, biodiversity and landscape sensitivity justify its safeguarding for flood management and its protection from the impact of development.*"
- 79.4 Modifications required in order for the plan to be adopted, included a commitment to an early review (within 2 years) of the need and demand for

employment space; updated information regarding housing numbers; further clarification on the sequential approach for new retail development; a commitment to meet the local needs of gypsies and travellers; and additional references to the presumption in favour of sustainable development. (The Council had already consulted on these modifications between May-October 2012.)

- 79.5 The final version of strategy with required modifications shown with tracked changes, was available for viewing on the Council's website, at the Town Hall reception and in the Members' Room. A list of all changes was detailed in an appendix to the report. The policies map was displayed at the meeting. After adoption by full Council, the Eastbourne core strategy local plan would form the strategic development plan for determining planning applications along with saved policies from the borough plan (2003). Further supplementary planning documents and area action plans which were in conformity with the core strategy could also now be formally endorsed.
- 79.6 On behalf of the Cabinet, the Chairman expressed his appreciation to those who had played a part in the development of the plan and the other supplementary planning documents presented at this meeting, including planning officers, members of the Local Development Steering Group and everyone who had participated in the public consultations.
- *79.7 **Resolved (budget and policy framework)** (1) That full Council be recommended to adopt the Eastbourne core strategy local plan and policies map.
- (2) That the Senior Head of Development and Environment, in consultation with the lead Cabinet member, be given delegated authority to make any amendments before publication including any changes to the supplementary planning documents the subject of separate minutes below.

***80 Sovereign Harbour supplementary planning document (SPD)**
(Cabinet, 18 April 2012, page 363, minute 113, 2011/12 minutes).

- 80.1 Ian Weeks addressed the Cabinet on behalf of the Sovereign Harbour Residents' Association thanking the Council and planning staff for their work in bringing this plan to its conclusion and for the efforts to engage with Sovereign Harbour residents and respond to their desire to see the Harbour fully integrated with Eastbourne as a whole. Councillor David Elkin added his thanks, acknowledged the depth of consultation achieved. He also noted with satisfaction that provision for fishermen within site 3 had now been retained in the plan and that site 8 should have a maximum of 8 dwellings.
- 80.2 Cabinet considered the report of the Senior Head of Development and Environment. It had been recognised that the completion of the Sovereign Harbour development was long overdue and that the area was missing the social and economic infrastructure that was required for it to become a

sustainable community. The Sovereign Harbour SPD had been prepared to guide development and ensure that new and improved community facilities were at the heart of future building plans. Sovereign Harbour was identified in the Eastbourne core strategy local plan as a 'sustainable centre' and a priority location for balanced housing growth alongside delivering significant improvements to the provision of community facilities and services and improved linkages. The SPD would provide a detailed strategy for the implementation of this policy by providing guidance on the uses considered to be appropriate for each of the remaining development sites, including details of the size, scale and form of development and the specific community benefits to be delivered.

- 80.3 The core strategy local plan stated that a maximum of 150 new homes would be developed in Sovereign Harbour to contribute towards the delivery of housing in meeting the target of 5,022 new houses in Eastbourne between 2006 and 2027. The majority of the dwellings should be houses rather than flats, and the housing would facilitate the provision of the other community infrastructure that the neighbourhood needs in order to make it sustainable. The SPD provided details of the characteristics and constraints of each of the remaining development sites within Sovereign Harbour and then confirmed the development opportunities associated with them. It identified the type and scale of development that would be acceptable. Of the remaining fifteen sites, five had been identified as being suitable for housing (sites 1, 2, 3, 7 and 8), and four sites have been identified as being suitable for employment uses (sites 3, 4, 6 and 7). Open space would be provided on six sites (sites 1, 4, 7 and 8, the Shingle Bank and the Outer Harbour Peninsula). In addition, site 3 was the preferred site for the fishermen.
- 80.4 A 12-week period consultation on the draft SPD had run between 1 May and 24 July 2012. The consultation also included an exhibition held at the Sovereign Harbour Yacht Club on 30 June 2012, which had been attended by 227 people. During the public consultation period, a total of 583 representations had been made by 181 individuals or organisations. There was also a petition signed by 884 residents of Sovereign Harbour and 12 people from elsewhere in Eastbourne against any further homes on site 8. Amendments had been made to the SPD as a result of representations received during the public consultation, and as a result of the receipt of the inspector's report on the Eastbourne core strategy local plan. The amendments were outlined in the officer's report and detailed in appendix 2 to the report. Also appended was a summary of representations and responses and the consultation statement. The full version of the SPD with tracked changes was available for inspection on the Council's website, at the Town Hall reception and in the Members' Room.
- 80.5 The inspector had concluded that although there was some uncertainty over the viability of directing 30,000 square metres of employment floor-space to Sovereign Harbour, any delay in the adoption of the core strategy would result in the Council being unable to take a pro-active, plan led approach to

- delivering development. Therefore no modification had been made to the amount of employment floor-space at Sovereign Harbour, although the inspector recommended an early review and replacement policy by 2014. Another issue considered by the inspector was the status of the Sovereign Harbour retail park. The inspector had concluded that the retail park should be designated as a district shopping centre as this was consistent with the overall strategy and the goal of securing sustainable neighbourhoods. The inspector considered the designation would allow the Council to protect the town centre from inappropriate out of centre development but support the community facilities and services at Sovereign Harbour, and enable it to function as a sustainable neighbourhood.
- 80.6 As a result of representations and comments received during the consultation, a considerable number of changes had been made to the draft SPD and in the majority of cases the Council was able to take on board the comments made by the community and stakeholders. The most significant of the changes were that facilities for local fishermen would be retained and enhanced within site 3 and a significant reduction in the number of homes to be built on site 8. Both these changes would require an increase in the number of homes to be provided in site 7 to compensate for the loss of homes on sites 3 and 8. Planning Committee, at their meeting on 5 February 2013, supported the plan and made no further comments.
- *80.7 **Resolved (budget and policy framework)** That full Council be recommended to adopt the Sovereign Harbour supplementary planning document.

81 Royal Hippodrome theatre – future management (Cabinet, 20 October 2010, page 178, minute 74, 2010/11 minutes).

- 81.1 Cabinet considered the report of the Senior Head of Tourism and Leisure. 'The Royal Project', a community based project, had been working towards the formation of an independent trust as a vehicle to draw down funding to restore and re-model the theatre and to develop the venue as an arts and media centre. An agreement had been reached between the Council and members of the project to facilitate the transfer of the theatre by January 2011. The Council had worked with successive chairs and trustees and accepted and worked with their requests to defer decisions, strategies and proposals. The trust had now asserted that they were still not able to take on the programming or management of the theatre in the short to medium term and that they wanted time to recruit new trustees and consider what they might propose in the future.
- 81.2 The theatre was currently managed as part of Eastbourne Theatres following the end of the tenancy contract with Matpro productions in November 2007. In 2008 the Council had invested c. £150,000 to meet current licensing standards. The venue had consistently sustained an annual loss of £42,000, due in part to high production costs, guarantees and overheads. In addition, the building was still in decline, with many areas not yielding their

potential use or value due to their condition. A recent survey had revealed necessary works at an estimated value of £700,000, to put the theatre into a state of good repair. As a result, a community partnership was still considered the optimum solution for the long-term viability of the building and its value to the community.

- 81.3 Two of the individuals most involved in the promoting and championing the theatre had come forward with a proposal to invest in the venue and set up a new community interest company responsible for the financing and management of the programme and venue, with the view to taking on long-term responsibility. The company would comprise local hoteliers, performing arts groups and possibly the Council, to run the theatre long term. The intention, in the short to medium term, was to relocate the main office of the Eastbourne Hospitality Association (EHA) to the theatre, to provide an ongoing presence and open a tourist information service. The company would stage a summer programme and facilitate use of the venue by local amateur dramatics groups, education and training providers. In return, the Council would retain a stake in the facility's success, if it proved feasible to be a partner, with the company taking all the risk and EHA members promoting and conducting sales via its hotel stock. In the longer term, the company would take on full responsibility for the building and revenues, including all repair and maintenance and programming costs. A two tier phased approach was proposed.
- 81.4 In the first phase (March 2013 to April 2014) a management group would be set up with a commercial production company. The Council would be asked to grant them a licence to occupy the premises, put in place required improvements and programme the summer season and other activities as appropriate. The Council would however retain responsibility for the building structure, utilities, advertising and box office services. Alongside these arrangements further discussion and research would be undertaken with a view to granting a 5-year lease to enable the EHA to relocate their main office and operate a tourist information service. The second phase would see the establishment of a community interest company able to secure funding for the theatre and take-on a lease for the premises.
- 81.5 This alternative proposal would be undertaken within the current budget structures agreed as part of the former proposal, which took account of the removal of all income targets whilst retaining some costs for utilities, insurances and building rates, with a structural impact on the budget of £46,000 pa, until 2014.
- 81.6 **Resolved (key decision):** (1) That the present situation and progress of negotiations with the Royal Hippodrome Trust since October 2010 be noted.
- (2) That the principles and proposals of transferring management and governance of the theatre to the alternative community based company be agreed.

(3) That the Senior Head of Tourism and Leisure, in consultation with the lead Cabinet member for tourism and relevant legal and estate services' officers, be authorised to progress the licence and proposed lease agreements, as set out in the section 3 of the report.

82 Eastbourne town centre local plan (Cabinet, 14 December 2011, page 213, minute 71, 2011/12 minutes).

- 82.1 Cabinet considered the report of the Senior Head of Development and Environment. Cabinet had previously approved the 'Submission Eastbourne Town Centre Area Action Plan' (TCAAP) and 'Sustainability Appraisal' and given authority for the documents to be submitted to the Secretary of State. After formally submitting the plan (at the same time as the core strategy), the appointed inspector commented that there needed to be more detail of action taking place to progress identified schemes and additional information provided about implementation. In April 2012, the inspector had given a more detailed summary that reiterated her concerns about the action plan and provided specific areas of the document that she considered required additional information. Work had now been undertaken to overcome the inspector's concerns and an amended document produced. A copy of the revised plan (now renamed as a 'local plan') was available for inspection on the Council's website, at the Town Hall reception and in the Members' Room. A summary of the main changes was given in the report. The inspector had confirmed that the Council had made considerable effort to deal with the issues of delivery and monitoring and was therefore happy for the plan to go forward for consultation and submission. Planning Committee, at their meeting on 5 February 2013, supported the plan and made no further comments.
- 82.2 The Council would need to carry out 6 weeks of publicity on the proposed amendments to enable stakeholders and interested parties a further opportunity to make representations to the inspector. Letters would be sent to all interested parties on the Council's local development framework database, including those who had previously made representations and an advert would be placed in the local newspaper. The revised plan and details of the proposed modifications would also be placed on the Council's website to enable comments to be made online.
- 82.3 **Resolved (key decision):** (1) That authority be given for public consultation to be carried out on the proposed modifications to the revised Town Centre local plan over a 6 week period and for the plan to be submitted to the government's planning inspectorate.
- (2) That the Senior Head of Development and Environment be given delegated authority, in consultation with the Local Development Framework Steering Group, to make minor amendments to the local plan prior to its final submission to the government inspector and in response to the forthcoming consultation period.

***83 Eastbourne town centre – use of compulsory purchase powers**

- 83.1 Cabinet considered the report of the Senior Head of Development and Environment seeking authority to proceed with all necessary procedures to obtain a compulsory purchase order (CPO) for the compulsory acquisition of properties and interests in the town centre, where appropriate, to facilitate the development of the retail extension to the Arndale Centre.
- 83.2 The regeneration of Eastbourne town centre had been a long standing ambition of the Council and the local community. The expansion of the town's retail offer was supported both nationally and locally in formal planning policy statements. Performance Retail Limited Partnership (PRLP), the owners of the Arndale Centre, had received a conditional planning consent from the Council on 23 August 2012. Officers were currently negotiating the legal agreement before issuing the formal decision notice.
- 83.3 A project of this size and complexity had a number of work strands to be completed to bring about its implementation. One piece of work was the assembly of the land on which to build the new extension. PRLP did not own all the land that was needed and were currently negotiating with the land owners to acquire and assemble the development site by private treaty. As PRLP could not require land owners to sell, and in instances where a scheme had significant community benefit and led to the better planning of a town, the law allowed a local authority to compulsorily purchase land and property on the developer's behalf. This would be a last resort after the developer had exhausted all other reasonable routes to acquire the land. In these instances local authorities had the power to acquire land compulsorily and then immediately pass on to the developer. A plan showing the extent of the potential CPO was appended to the report.
- 83.3 The report outlined the use and procedures in relation to compulsory purchase powers and the need to ensure that any risks associated with the process were properly managed. The Council and PRLP would enter into a CPO costs indemnity agreement under which PRLP would indemnify the Council against all costs arising from the use of the CPO powers.
- *83.4 **Resolved (key decision):** (1) That subject to the completion of an indemnity agreement with PRLP Cabinet approves the making of a CPO under Section 226(1)(a) of the Town and Country Planning Act 1990 and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 in respect of the land and interests and new rights within the area shown edged red on the plan attached to the report for securing the development of the Arndale Centre in Eastbourne Town Centre and that full Council be asked to formally endorse this decision.
- (2) That the Senior Head of Development and Environment, in consultation with the Chief Finance Officer and Leader of the Council, be authorised to :-
- (a) Take all necessary steps to secure the making, confirmation and

- implementation of the CPO including the publication of all notices to give effect thereto;
- (b) complete an indemnity agreement with PRLP to provide for the reimbursement of costs incurred by the Borough Council in processing the CPO;
- (c) make minor or technical amendments to the boundary of the delineated area, if necessary;
- (d) acquire all necessary interests in the delineated area either by agreement or compulsorily;
- (e) support the applicant in any negotiation with any land owner or occupier;
- (f) set out the terms for withdrawal of objections to the CPO;
- (g) make arrangements to assist with any relocation as required;
- (h) to confirm the CPO if granted power to do so by the Secretary of State;
- (i) make arrangements for the presentation of the Borough Council's case for confirmation of the CPO at any public inquiry; and
- (i) exercise the compulsory purchase powers authorised by the CPO by way of general vesting declaration and/or notice to treat and/or notices to enter.

85 Corporate performance 2012/13 3rd quarter (Cabinet, 12 December page 213, minute 61).

- 85.1 Cabinet considered the report of the Deputy Chief Executive and Chief Finance Officer reviewing the Council's performance against corporate plan priority indicators and action targets; financial performance of general fund revenue expenditure, housing revenue account and capital programme; and treasury management activities for the third quarter of 2012/13. Progress against key projects and indicators was updated on the online Covalent system on a regular basis and provided a "live" view of the Council's performance accessible at any time.
- 85.2 In relation to performance monitoring, particular mention was made of the reduction in the number of empty town centre shops, currently 8.8% as compared with a national average of 14.3%. Also noted was the performance in respect of recycling, reusing and composting household waste and the percentage of residual waste which were all broadly on target, reductions in the level of violent crime and criminal damage, increase in the number of theatre visitors, the good progress being made to meet the decent homes standard in respect of the Council's housing stock, and the low levels of staff sickness absence. Activity on the devolved ward budget scheme was also highlighted which showed some 39 completed projects with more in hand.
- 85.3 The budget position to the end of December showed a variance of £118,000 which was a movement of £96,000 compared to the position reported at the end of the second quarter in September. Service expenditure had a variance of £475,000 mainly as a result of income performance being lower than expected and some overspends for theatres, Airbourne sponsorship and the Redoubt. These are however offset by unused balance on the

contingency fund, savings due to vacancy management and the receipt of additional in-year grant support. The projected outturn showed a small positive variance of £14,000; a £70,000 improvement on the position reported at the end of quarter 2. This was mainly due to the receipt of £60,000 in grant for the retention of weekly waste collection and an expected recovery to the financial position of the theatres show account. The projected outturn was within 0.09% of the net budget. The contingency allowance currently stood at £234,600 and had been used to offset service expenditure. The projected housing revenue account outturn for the end of the year was a positive variance of £77,000.

85.4 Capital programme expenditure at 56% of the budget was lower than expected as a number of schemes had only just commenced or had not yet started (e.g. housing enabling, Jevington Gardens housing scheme and the Town Hall re-roofing works).

85.6 **Resolved (key decision):** (1) That the performance against national and local performance indicators and actions from the 2010/15 corporate plan (2012 refresh) be agreed.

(2) That the general fund and housing revenue account financial performance for the quarter ended December 2012, as set out in sections 3 and 4 of the report, be agreed.

(3) That the use of reserves, as set out in appendix 3 to the report, be agreed.

(4) That the amended capital programme, as set out in appendix 4 to the report, be agreed.

(5) That the treasury management performance, as set out in section 6 of the report, be agreed.

***86 Treasury management and prudential indicators 2013/14** (Cabinet, 12 September 2012, page 125, minute 35).

86.1 Cabinet considered the report of the Chief Finance Officer seeking approval to the Council's borrowing and investment strategies in line with legislative and other regulatory requirements as described in the report. It was expected that interest rates would remain at a low level for some time to come. The Chief Finance Officer emphasised that the Council's investment strategy was one of avoiding avoid risk rather than seeking high returns.

*86.2 **Resolved (budget and policy framework decision):** (1) That full Council, at their meeting on 20 February 2013, be recommended to approve the following:

(a) The treasury management strategy and annual investment strategy as set out in the report;

(b) the methodology for calculating the minimum revenue provision set out at paragraph 2.3 of the report;

(c) the prudential and treasury indicators as set out in the report; and

(d) the specified and non-specified investment categories listed in appendix 3 to the report.

***87 General fund revenue budget 2013/14 and capital programme 2012/16** (Cabinet, 12 December 2012, page 217, minute 64).

87.1 Cabinet considered the report of the Chief Finance Officer setting out the general fund revenue budget proposals for 2013/14 and a 3-year capital programme 2012/16. The medium term financial strategy (MTFS) had been revised in July 2012 and the Cabinet had agreed a draft 2013/14 budget proposal last December. The MTFS and resulting draft budget had been subject to extensive consultation and previously reported to Cabinet and the Scrutiny Committee.

87.2 The budget was the product of various plans and strategies as part of an integrated and corporate planning process and was linked principally to:

- The medium term financial strategy
- Asset management plans
- The corporate plan
- Workforce strategy
- Treasury management strategy
- Service plans
- Housing revenue account business plan
- DRIVE corporate transformation programme
- Sustainable service delivery strategy
- Agile working programme

The Chief Finance Officer had a legal responsibility to give positive assurances on the robustness of the estimates used in the budget and the level of reserves. He commented that if the recommendations in his report were agreed then these assurances would prevail.

87.3 The budget proposals included:

- No increase in the council tax in 2013/14.
- Overall savings totalling £1.807m (11.5% of the net budget).
- Efficiency savings of £1.483m (9.4% of the net budget).
- Inflation of £0.370m (2.4%).
- Other recurring service growth of £1.104m.
- Additional available capital finance of £0.302m.
- Non recurring service investments of £0.393m.
- All recurring expenditure met from recurring resources.
- General reserves averaging in excess of £3.5m (against a minimum

recommended of £2m).

- Capital receipts of £0.8m invested in new capital schemes.

Projected earmarked reserves as at 31 March 2014 were:

- Strategic change fund £1m.
- Economic regeneration reserve of £0.6m.
- Repairs and maintenance (capital programme) reserve of £0.2m.

87.4 The budget represented management of financial risks by:

- Building on a balanced outturn position.
- Balancing the base budget requirement without needing to use reserves.
- Identifiable and deliverable savings with accountability and no general unidentified targets.
- Reserves well above the minimum level.
- Zero basing of reward grants.
- Prudent calculation of the council tax and national non-domestic rate (NNDR) base.
- Exceeding the targets set by the MTFS prior to the current comprehensive spending review (2011-15) by £0.5m.
- Providing the funding required for the DRIVE change programme to deliver the future savings required by the MTFS.

87.5 The underlying methods of local government financing were changing significantly from 2013/14 and included the following changes:

- The retention of a proportion of business rates.
- The localisation of council tax benefit.
- The amalgamation of some specific grants into the main grant distribution mechanism.
- The introduction of 'top ups and tariffs' to redistribute non domestic rates.
- The introduction of a 'safety net' mechanism to manage the transition by top slicing the amount of grant available nationally.

87.6 For Eastbourne the headline figures were:

- A reduction in formula grant from £6.8m to £6.4m (5.8%).
- The inclusion of homelessness grant (£182,000) and the original 2011/12 council tax freeze grant (£206,000) in the above.
- Funding for the localisation of council tax benefit of £1.188m.
- A 'tariff' of £9.7m of business rates (£12.9m received, £3.2m retained).
- A 'safety net' of £2.951m for retained business rates.
- A further cut in baseline funding of £1m for 2014/15 offset by any retained element of business rate growth (currently £0.4m but subject to volatility).

87.7 Due to growth in the NNDR base, the Council would retain £3.5m of

business rates which was £0.6m above the safety net and £0.4m higher than the government's 'start up assessment'. In addition to the formula grant, the government was financing the cost of a 1% increase in council tax (£83,000) for the one year only. The government had also announced that Eastbourne would receive £557,000 in total of 'new homes bonus' due to the growth in housing in the area, of this £432,000 would be transferred to the regeneration reserve to fund economic initiatives. The grant was paid in tranches for six years; the 2013/14 figure included 3 tranches (approximately £185,000 per tranche).

- 87.8 No increase in council tax for 2013/14 was proposed and this would result in an unchanged band D rate of £224.19 (14% of the total council tax bill). A summary of the resources available was given, as shown below:

Source:	£'m
Government formula grant	(4.613)
Retained business rates	(3.518)
New homes bonus	(0.557)
Council tax freeze grant	(.083)
Grant for weekly household collection	(1.298)
Local council tax support (LCTS) transition grant	(0.033)
Council tax	(7.281)
Collection fund surplus	(0.022)
Total resources available (rounded)	(17.405)

In order to achieve a balanced budget without using reserves, the Council would need to set a net expenditure budget for 2013/14 of £16.267m. Therefore net contributions to reserves of £1.138m were included in the recommended budget (£17.405m less £16.267m).

- 87.9 In December the Cabinet put forward their draft budget proposals, the main movements since then were detailed in appendix 2 to the report and summarised below:

Item	£'000
Cost of localisation of council tax	10
Additional capital financing	99
Net additional resources available	(109)
Total	0

In addition to the general grant distributed through the formula grant system, the government had also provided some specific grants as follows:

Grant	2013/14 £m
Housing benefit subsidy	c. (40.000)
Housing benefit administration	(0.949)
New burdens funding	(0.080)
Household collection grant	(1.298)

- 87.10 As part of a national scheme delivered locally, housing and council tax benefit subsidy grant was intended to reimburse the Council for the awards of benefit made to eligible tenants in both the private and public rented sector, and to eligible council tax payers. Not only was this by far the largest single specific grant that the Council received, but it was performance related. The Council had improved its performance in recent years. A new system of universal credits was due to start in October 2013 with caseload moved to the Department for Work and Pensions and responsibility for council tax benefit devolved to a local level. Housing benefit administration grant to fund the cost of administering the national housing benefit and local council tax support schemes would be reduced by 5%.
- 87.11 The detailed budget proposals were set out in appendix 1 to the report and showed in detail the movement from the 2012/13 budget to the 2013/14 proposed budget. The movements were as summarised below:-

Movement from 2012/13 base budget	£'000	£'000
Change in resources:		
Main government grant	2,369	
Retained business rates	(3,518)	
Council tax – decrease in tax base/collection	998	
Council tax grant (decrease)	<u>123</u>	(28)
Cost increases:		
Inflation	370	
Other unavoidable costs increases and changes in income	634	
Service growth for priorities	<u>772</u>	1,776
Savings:		
Efficiency savings	(1,483)	
Service alterations	(24)	
Increased Income	<u>(300)</u>	
		(1,807)
Other net changes		<u>59</u>
Total		(0)

Details of proposed growth and savings were given in full in appendix 2 to the report. The proposals set out in the report would allow full Council on 20 February to approve a balanced budget in line with available resources and without the need to use reserves.

- 87.12 The Council now followed a rolling 3-year financial planning cycle and the service and financial plans had been set out in detail for 2013/14. The next

MTFS was due in July and would project forward a further 3 years and continue to provide the basis of service and financial planning for the medium term. It was noted that the high level of the savings required for the next MTFS had already been identified. Further reports to Cabinet would detail the business plans under the Council's transformation programme (DRIVE). The government had set out a revised 4-year programme of reductions in funding and the Council's current MTFS already took this into account. The change programmes in place, such as the agile working programme and the sustainable service delivery strategy (SSDS) and the rest of the DRIVE programme, would deliver savings over and above the minimum in order to create headroom for investment in priority services.

87.13 The report also detailed the principal financial risks the Council was likely to face, as follows:

- Housing benefit subsidy performance.
- Inflation on goods and services.
- Income from services linked to customer choice (theatres, tourism; sports centres, car parking).
- Demand led services (e.g. bed and breakfast).
- Legal challenges.
- Costs of significant planning and/or licensing appeals.
- The welfare reform programme.

87.14 A single corporate contingency of £444,000 for unbudgeted expenditure or reductions in income had been allowed. This was in addition to the known inflation that had been built into service budgets. The Government had announced a 1% cap on pay rises in 2013/14 therefore £135,000 had been included in the contingency. Further, the Council's general fund reserves were anticipated to amount to £3.5m in March 2014 as compared with the Chief Finance Officer's minimum recommended level of £2m.

87.15 The following reserves had been set aside in addition to the general reserve in order to facilitate projects under the DRIVE programme. The available balances at 31 March 2014 were projected to be:

Reserve	Purpose	Amount £'m
Strategic change	To fund internal projects under DRIVE	1.0
Repairs and maintenance (capital programme)	To fund emergency repairs and maintenance (revenue)	0.227
Economic regeneration	To promote economic growth	0.587

The Council had followed a process of consolidating its reserves into the corporate reserves above. This better facilitated corporate priority planning. The only other reserves that the Council held had specific obligations attached (e.g. Section 106/partnership contributions).

- 87.16 The principles for formulating the capital programme were set out in the budget report to Cabinet last December and the updated programme was given in appendix 3 to the report and showed a revised budget of £6,792m in 2012/13; £13.883m in 2013/14; £8,789m in 2014/15; and £7.639m in 2015/16, aligned with known available resources. The Council had a policy of only using borrowing for schemes that were 'invest to save' and could generate enough savings or additional income to service the financing costs. In addition to schemes that qualified for borrowing, the Council had a further £850.000 of capital receipts to apply to the programme. No uncertain future capital receipts had been factored into the available resource so there would be opportunities to supplement the programme as the 3-year period progressed. Potential disposals would be identified through the asset management plans.
- 87.17 The HRA capital programme was set out in another report on the agenda (minute 88 below) and was financed entirely from HRA resources. Once approved it would be amalgamated with the general fund programme.
- 87.18 Councillor Mattock commented that the steps taken by the Council in previous years had ensured the making of significant efficiency savings allowing the Council to adjust to the reduced levels of government funding, the impact of inflation and growth in demand for services without recourse to cuts to front line services, with no increase in the borough's proportion of the council tax for fourth year running and increased spending in a number of priority areas. On behalf of the Cabinet she expressed her thanks to the Chief Finance Officer, his team and other council staff who had helped in the preparation of this budget.
- *87.19 **Resolved (budget and policy framework):** (1) That full Council, at their meeting on 20 February 2013, be recommended to approve the following:
- (a) A general fund budget for 2012/13 (revised) and 2013/14 (original) as set out in appendix 1 to the report, including growth and savings proposals for 2013/14 as set out in appendix 2 to the report.
- (b) No increase in the council tax for Eastbourne Borough Council resulting in an unaltered 'Band D' charge of £224.19 for 2013/14.
- (c) A general fund capital programme and financing 2012/16 as set out in appendix 3 to the report.

***88 Housing revenue account (HRA) revenue budget and rent setting 2013/14 and HRA capital programme 2012/16** (Cabinet, 8 February 2012, page 267, minute 96).

- 88.1 Cabinet considered the report of the Senior Head of Community and Chief Finance Officer in respect of the rents, service and other charges to be set for all of the council's housing tenants. The report outlined the revenue

account budget proposals for 2013/14 and housing capital programme 2012/16 and arrangements for agreeing Eastbourne Homes Limited's (EHL) management fee and delivery plan.

- 88.2 From the 1 April 2012 the way that council social housing was financed changed and the housing revenue account (HRA) became self financing. This meant that expenditure had to be entirely supported from rental and other income. The main tool for the future financial management of the HRA was the 30-year business plan which had been approved by the Cabinet on 8 February 2012. The 2013/14 budget showed a deficit of £103,150 which was mainly due to the one off factors of having 53 rent weeks in the year and a revenue contribution to capital. Without these additions the account would be in surplus by £115,000, representing just 0.92% of gross expenditure. This meant that after taking into account the risks on inflation, interest rates, rents and benefits changes it continued to be essential that the HRA adopted a long term efficiency plan over the next few years in order to protect services to tenants and ensure continued best value.
- 88.3 The major changes between the 2012/13 and the 2013/14 budgets were:
- Income increases and expenditure reductions:
 - Effect of rent and service charge review -£511,450
 - Extra rent week -£250,000
 - Continuing effect of lower interest rates -£104,150
 - Fall out of premia for early debt repayment in prior years -£76,900
 - Preliminary reduction in EHL Management Fee -£200,000
- Increase in expenditure
- Increase in provision for bad debts, as a result of increased risk to rent collection from benefit changes £339,100
 - Council tax on sheltered accommodation remaining empty £179,330
 - EHL commissioned regeneration activity £200,000
 - Under occupation scheme £35,000
 - Revenue contribution to capital £468,150
- 88.4 The total HRA debt outstanding was £37m of which £30m was external debt and was at fixed interest rates. The remaining £7m was internally borrowed from reserves. Cash flow projections indicated that this internal borrowing would have to be replaced during 2013/14 by external debt and was therefore subject to the risk of future interest rate increases. The Council's treasury management advisors were predicting that the current low levels of interest rates would continue into 2013/14 and the budget had been prepared on that basis.
- 88.5 The HRA business plan was based on a policy for a minimum level of HRA balance of £1m to maintain a prudent level of reserve to ensure that the HRA remained sustainable in the longer term and was able to deal with any risks posed by the current economic climate. The current level of balance

would decrease in the short term in order to support the capital programme but would start to increase again from 2016/17 onwards. The balance would remain above the recommended minimum throughout.

- 88.6 Rent increases were subject to national policy on rent convergence. In December 2001 the Council had adopted a policy of achieving convergence, based on consultation with its tenants at the time. Under the HRA self-financing settlement the government had assumed that rent convergence was achieved in 2015/16. To avoid any large variation in the rent level from one year to the next, the government proposals limited any changes to individual tenants' rents to a maximum of £2 per week, plus RPI plus 0.5% each year. The RPI for September 2012 was 2.6% and this plus the 0.5% increase gave a formula rent increase of 3.1% for 2013/14. For 2012/13 the average weekly rent levied over 52 weeks a year was £71.57. After allowing for the damping mechanism referred to above, the average rent for 2013/14 for the HRA properties would be £74.51, an increase of 4.3 %. Details of proposals for service charges in shared blocks, heating costs in older persons' accommodation, water and sewerage charges and garage rents were also given in the report. The amounts were to be set at a level to recover the expected actual cost incurred for the respective properties in the forthcoming year, or, in the case of garage rents, in line with the average increase in housing rents.
- 88.7 The HRA capital programme was appended to the report and had been prepared to meet the Council's strategies, as adjusted to reflect the availability of resources, relating to decent homes, remodelling of sheltered housing and major works. Total budgeted expenditure for 2013/14 was £7,115,100 and included expenditure of £4.7m in 2012/13.
- 88.8 Negotiations were in progress to reduce the management fee paid to EHL for the year 2013/14 by up to £200,000. Should these negotiations be successfully concluded, the management fee would be circa £6.8m. As reported in the minute below (89) discussions were currently taking place with EHL over the company developing additional HRA based regeneration activity. If agreed, this was likely to result in an additional payment of £200,000 to EHL to meet the costs of this work for the period 2013/14.
- 88.9 Rent increases were subject to national policy on rent convergence. In December 2001 the Council had adopted a policy of achieving convergence, based on consultation with its tenants at the time. Additional consultation was carried out through a meeting Eastbourne Homes' Residents Scrutiny Panel held in January 2013. Changes to the HRA funding arrangements for 2012 and thereafter were referred to in the winter 2011 issue of Open House, sent to all residents. The Council was obliged to ensure that all tenants were given 28 days notice of any changes to their tenancy including changes to the rent they pay.
- *88.10 **Resolved (budget and policy framework):** (1) That full Council, at their meeting on 20 February 2013, be recommended to approve the following:

- (a) The HRA budget 2013/14 and revised 2012/13, as set out in appendix 1 to the report;
- (b) that rents are set in line with the rent convergence target of 2016 set by government resulting in an average increase in rents of 4.3%;
- (c) that service charges for older persons' sheltered accommodation currently available for let are increased by 4.3% in order to recover actual cost;
- (d) that water charges are set at a level designed to recover the estimated cost of metered consumption;
- (e) that garage rents are set to increase by 4.3% in line with the average increase in housing rent;
- (f) that delegated authority be granted to the Senior Head of Community, in consultation with the lead Cabinet members for community services and finance and the Chief Finance Officer to finalise Eastbourne Homes' management fee and delivery plan; and
- (i) approve the HRA capital programme as set out in appendix 2 to the report.

Note: See minute 78 above as to disclosure of personal (and non-prejudicial) interest by Councillor Tutt.

89 Eastbourne housing and economic development project

- 89.1 Cabinet considered the report of the Senior Head of Community on the joint work of the Council and Eastbourne Homes Limited (EHL) in developing a housing and economic development programme for the borough. The new approach aimed to take advantage of any new funding streams and have regard to the changing policy landscape in order to meet Eastbourne's housing and economic needs. Changes to funding and a more restricted housing market meant that the Council would have to take a proactive role if it was to shape the housing market to meet Eastbourne's needs and aspirations. The Localism Act 2011 had introduced additional powers for both local authorities and the social housing sector. One option being considered by some councils was the use of institutional investment funds to support private rented sector housing development.
- 89.2 An interim project team, assisted through a secondment from the Town and Country Housing Group, with representatives from both EHL and the Council, had considered the overall scope, focus and core objectives for an Eastbourne housing initiative. By April 2013 the team would produce a

proposed 3-year strategy and delivery plan to set out in detail a programme of housing and economic development work. It was proposed that a project board be formally established to consider this programme and oversee its implementation. Representatives of both EHL and the Council would comprise the membership of the Board.

89.3 The project team had identified potential funding routes and was working with the Council's housing and planning specialists to examine key sites and areas that might form part of the programme. The programme would incorporate existing and planned housing projects and consider how to further encourage stalled sites to be brought forward. Wider economic development objectives were also being developed by the Council and the 3-year plan would set out how housing and economic development projects would contribute to these outcomes, either directly (e.g. employment and training requirements, ICT installations to support new and existing businesses, relocation incentives, site assembly) or through the accrual of funds to support new and existing economic and business activity.

89.4 Whilst the Council's capital investment facility was proposed to be in the region of £20m, it was expected that this would be matched to some extent by additional investments and sources of funding. Subject to the nature of the final programme, this match funding could come from a mixture of:

- Use of local authority guarantees.
- Institutional investment via pension and private equity funds.
- Public Works Loan Board borrowing.
- Bank borrowing.
- South East Local Economic Partnership (SELEP) Growing Places fund.
- Homes and Communities Agency (HCA) including acting as a risk guarantor for working capital cash flow and via new funding streams.

A detailed comparative assessment of funding mechanisms would be undertaken by externally commissioned investment specialists.

89.5 It was proposed that EHL would be commissioned to undertake HRA linked regeneration activity that would initially be at the core of the 3-year strategy and delivery plan. To fund this, an additional payment of £200,000 would be paid to EHL, to meet the costs of this emerging housing and economic development initiative for the period 2013-2014.

89.6 **Resolved (key decision):** (1) That the development of a joint Eastbourne Homes Ltd (EHL) and Eastbourne Borough Council (EBC) Housing and Economic Development Project Board to co-ordinate and bring forward delivery of a housing and economic development initiative be approved.

(2) That, subject to the approval by full Council of the 2013-2018 capital programme (see minute 87 above), the establishment of a £20 million

investment facility be agreed, with separate business case approval to be sought for individual projects and schemes before any financial commitment is made.

Note: See minute 78 above as to disclosure of personal (and non-prejudicial) interest by Councillor Tutt.

90 Development of new affordable homes (Cabinet, 24 October 2012, page 168, minute 55).

- 90.1 Cabinet considered the report of the Senior Head of Community on proposals for 23 new affordable homes. Research undertaken to inform the development of the Council's forthcoming housing strategy suggested an annual need for 230 additional affordable homes a year. Although the Council had been able to let 212 homes in 2011/12 it had a waiting list of 3,889 households.
- 90.2 Relevant strategic considerations to meeting housing demand included:
- Provision of additional affordable homes, available to rent on secure tenancies, in the Seaside and Langney areas of Eastbourne where there was a need for homes affordable to people on low incomes.
 - Support economic development by helping to improve the appearance of the link between the Lottbridge Drove trading area, and its connections to the A22 and A27, with the revitalised town centre retail experience.
 - To keep the stock numbers within the Council's own housing stock at a level that kept the self-financing HRA viable.
 - To make positive use within the time limits set out in the various planning agreements, the funding of which the Council had successfully secured from commuted sums payments paid to provide a new supply of affordable housing.
 - Support the Council's policy decision to retain right to buy receipts for affordable housing.
- 90.3 The report detailed funding options including use of capital receipts from property sales, capital programme and Section 106 monies, external private finance and Homes and Communities Agency funding (should such funding become available in the future). The report identified one particular property at 14 Vicarage Road which was shortly due to be returned to the Council and which would not be viable to retain due to its age and construction and recommended its disposal. For a provider of affordable homes to meet the government's definition of an 'affordable rent', the rent charged needed to equate to no more than 80% of market rent. It was anticipated that the rents for new homes developed through this initiative would be higher than those charged for council homes in Eastbourne but at least 20% below market rents.
- 90.4 Work was underway to identify further potential sites in private ownership

and discuss proposals with the owners. However a number of sites could be developed quickly over the coming 2 years as they were in Council ownership. Three sites had the capacity to provide up to 23 new family homes in total. The proposed mix of properties, which would best help meet current needs for Council-owned homes, was as follows

- Coventry Court: Eight 3-bedroom family houses; eight 2-bedroom family houses.
- Site at 25A Belmore Road: Four 3-bedroom family houses.
- Car park at Tenterden Road, Langney: Three 3-bedroom family houses.

The total scheme cost would be in the region of £2,750,000 subject to competitive tendering with an additional contingency sum of £180,000 set aside to cover unforeseen issues.

90.5 Delivery options were outlined in the report which concluded that the advantages of the Council developing the affordable homes itself outweighed those of putting the sites out to tender and relying upon a registered provider or private developer to deliver the affordable homes:

- Developing the properties itself allowed the Council to retain the value of its accumulated financial and land assets.
- A further programme of building new council homes between 2013-2016 meant the Council would retain the capacity and capability, developed for the 2009-2011 programme, to continue to be in a position to take advantage of future development opportunities.
- Direct provision allowed for greater level of control over the design and use of the properties.
- The addition of properties to the HRA would help support the long term viability of the Council's role as a landlord.

Adding these properties to the Council's housing stock would, based on the current value of the properties with vacant possession, be £3,905,000. The investment would therefore represent value for money.

90.6 **Resolved (key decision):** (1) That the sale of 14 Vicarage Road be approved, with authority to accept the sale price delegated to the Chief Finance Officer and Senior Head of Community in consultation with the lead Cabinet members for finance and community.

(2) That the development of up to 23 affordable Council-owned family houses on Council owned sites in Seaside (Coventry Court and 25A Belmore Road) and Langney (Tenterden Close) be approved with a budget of £2,930,000 to be included in the capital programme (see minute 87 above) which is subject to approval by full Council).

(3) That the charging of an affordable rent set at 80% of the local housing allowance for the properties be approved.

***91 Eastbourne Park supplementary planning document (SPD)** (Cabinet, 19 October 2011, page 155, minute 53, 2011/12 minutes).

- 91.1 Cabinet considered the report of the Senior Head of Development and Environment. The Eastbourne Park SPD had been prepared to set out a clear strategy for the future management of Eastbourne Park as an ecological, archaeological and leisure resource. It would be used as a guide to developers and as a material consideration in the determination of planning applications within Eastbourne Park.
- 91.2 The Eastbourne Park SPD had to conform to the Eastbourne core strategy local plan (see minute 79 above). The inspector's report did not recommend any changes to the Eastbourne Park SPD and therefore no additional amendments were required other than those recommended by officers in the consultation statement appended to the report.
- 91.3 A 12-week consultation period had run between 4 November 2011 and 27 January 2012. Businesses, organisations and individuals were given an opportunity to comment on the draft plan. Other consultation events included a stakeholder workshop, a static exhibition in Eastbourne Central Library and a staffed exhibition in the Arndale Centre. The Council had received a total of 58 representations from 18 consultees and included comments from landowners, developers, other statutory public sector organisations, local schools and local residents.
- 91.4 The feedback received from this consultation exercise and the formal responses given, had helped inform the preparation of the SPD. Annex A of the consultation statement provided a summary of the representations received and set out an officer's formal comment and response to each. It then set out whether or not the Council was proposing to amend the document to take account of the representations received. A comprehensive schedule of the changes being proposed was set out in annex B of the statement. These changes had been incorporated (as tracked changes) into an updated version of the Eastbourne Park SPD (available for inspection on the Council's website, at the Town Hall reception and in the Members' Room).
- 91.5 Key changes made to the plan included:
- Minor amendments to the boundary of Eastbourne Park to reflect an extant planning permission at the Bedfordwell Road depot site.
 - Clarification that the proposed pedestrian and cycle routes set out in figure 7 were indicative and that the detailed route planning of these would involve landowners and stakeholders.
 - Amendments to the text in recognition of the recent designation of the Bronze Age settlement at Shinewater as a scheduled monument.
 - Deletion of reference to the need for increasing the capacity of outfalls to the sea following advice from the Environment Agency.

- 91.6 Representations that provision for wind turbines be included in the plan had been rejected. It was noted that the inspector appointed to examine the core strategy local plan had determined that it would be inappropriate given the need to protect the natural and historic environment of the park area. The relevant policy stated that "*...with the exception of wind-turbines, renewable energy generation will be encouraged, taking care to ensure that new installations do not cause obstructions to watercourses or have an unacceptable effect on the local fauna.*" Also, the Council had not agreed to the inclusion of Hampden Park within the plan's boundaries. Hampden Park was different in character from Eastbourne Park and served a different function. It was recognised as an important green space that would be protected through policies within the core strategy local plan.
- 91.7 The Senior Head of Development and Environment reported that the Planning Committee at their meeting on 5 February 2013 had suggested that the location on the plan at paragraph 4.4.5 of the SPD to a wetland visitor centre/archaeology education resource centre should be shown as "indicative". The committee had otherwise supported the plan.
- *91.8 **Resolved (budget and policy framework)** That full Council be recommended to adopt the Eastbourne Park supplementary planning document subject to the amendment regarding the proposed the visitor centre at paragraph 91.7 above.

***92 Sustainable building design supplementary planning document (SPD)** (Cabinet, 14 December 2011, page 214, minute 72, 2011/12 minutes).

- 92.1 Cabinet considered the report of the Senior Head of Development and Environment. The sustainable building design SPD provided detailed guidance on the acceptable design of domestic and commercial development. It expanded upon new sustainability policies introduced in the Eastbourne local plan core strategy. The SPD included a new checklist to be submitted with all new planning applications, to ensure energy reduction measures and renewable energy technologies were designed into new development. The SPD sought to minimise water consumption as well as reduce the risk of flooding and surface water run-off in new developments. Other issues covered in the SPD included waste recycling, air quality, transport, and the provision and protection of wildlife habitats.
- 92.2 Approximately 27% of the UK's total carbon emissions came from the domestic housing sector through energy use in the home for heating, hot water, lighting and appliances. New homes and buildings provided a real opportunity to deliver substantial cuts in carbon emissions, and to reduce further the environmental impact of new buildings. This was recognised through the publication of the governments policy statement 'Building a Greener Future' which set out proposals to tighten building regulations to ensure all new homes were constructed to zero carbon by 2016.

- 92.3 Key objectives of the SPD were:
- To promote the highest practicable standard of resource and energy efficiency in new developments.
 - To provide clear guidance for developers about adapting to or mitigating the harmful impacts of climate change.
 - To improve construction techniques to reduce waste and adverse environmental impacts.
 - To encourage the use of renewable energy and reduce dependency on non-renewable energy sources.
 - To reduce the proportion of waste that went to landfill.
 - To enhance the biodiversity and nature conservation interest of Eastbourne.
 - To promote sustainable forms of travel by encouraging the provision of high quality cycling facilities and the provision of a convenient and safe walking environment in new developments.
- 92.4 A 12 week consultation had run from 16 December 2011 until 9 March, 2012. The representations received and the officer's responses were detailed in appendix 2 to the report. Following the consultation, the representations had been considered and a schedule of proposed changes to the SPD given in appendix 3 to the report. Planning Committee, at their meeting on 5 February 2013, supported the plan and made no further comments. The full version of the SPD with tracked changes was available for inspection on the Council's website, at the Town Hall reception and in the Members' Room.
- *92.5 **Resolved (budget and policy framework)** That full Council be recommended to adopt the sustainable building design supplementary planning document.
- *93** **Gambling Act – Statement of principles 2013/16** (Cabinet, 21 October 2009, page 150, minute 76, 2009/10 minutes).
- 93.1 Cabinet considered the report of the Senior Head of Development and Environment. The Gambling Act 2005 required the Council's policy to be reviewed at least every 3 years. Details of consultations undertaken were given in the report and the 2 responses received appended. The revised policy was available for inspection on the Council's website, at the Town Hall reception and in the Members' Room. The Council's Licensing Act committee had been consulted upon and had agreed the revised policy at their meeting on 14 January 2013.
- 93.2 As the licensing authority, the Council was responsible for issuing premises licences for casinos, bingo premises, adult gaming centres, family entertainment centres and betting premises as well as licensing all types of gaming machines and certain types of lottery.
- *93.3 **Resolved (budget and policy framework)** (1) That the proposed changes to the Council's Gambling Policy (Statement of Principles) 2013 –

2016 (which will form the Council's approach to gambling matters under the Gambling Act 2005 for the next three years, unless reviewed in the interim) be approved.

(2) That full Council be recommended to approve and adopt the policy.

94 Sustainable service delivery strategy (SSDS) update (Cabinet, 24 October 2012, page 164, minute 55).

94.1 Cabinet considered the report of the Head of Infrastructure updating members on the progress made against the Future Model programme plan as at the end of December 2012. The programme was a key project under the corporate plan and aimed to improve service delivery whilst delivering savings estimated at £1.5m to £1.6m across the Council's organisation. It had been estimated that the current phase (phase one) would save about £500k. The programme was a key project within the Council's corporate plan under the sustainable performance theme and part of the Council's ongoing 'DRIVE' corporate improvement programme.

94.2 Phase 1 of the programme was largely on time and on budget. The Deputy Chief Executive provided an update in respect of the appointment of staff to roles within the new structure in the private part of the meeting (minute 97.5 below refers). He commented that c. 15 roles remained to be filled. Work was now underway on the business case for phase 2 of the 'Future Model' implementation. The business case document was due to be submitted to the Cabinet on 29 May 2013.

94.3 **Resolved (key decision):** (1) That key activities and progress made against the 'Future Model' programme plan be noted.

(2) That key programme milestones for January to March 2013 be approved.

***95 Executive regulations – Delegation arrangements**

95.1 Cabinet considered the report of the Head of Corporate Development on new statutory regulations which imposed additional administrative duties on the Council's executive arm. In order that these could be undertaken in a timely and efficient manner it was desirable that delegation arrangements and proper officer appointments were put in place. The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 applied to the conduct of executive business by the Cabinet, committee or sub-committee of the Cabinet or individual on behalf of the Cabinet. The regulations made provision for public access to meetings and to information relating to decisions of executives/cabinets and their committees and for public access to documents where executive decisions were made by individual members or officers.

*95.2 **Resolved:** (1) That the delegations and proper officer appointments set out

in section 5 of the report be agreed, including:

- Issue of all notices required in respect of private business, key decisions, time and place of meetings and urgency (paragraph 5.2).
- Duties in respect of the exclusion of part or all of a report from the public part of a meeting, key decisions and written statements of decisions (paragraph 5.3).
- Grant of dispensations in relation to conflicts of interest (paragraph 5.4).

(2) That the Council's Monitoring Officer make all necessary amendments to the Council's constitution in so far as is necessary to ensure wording is consistent with the requirements of the regulations.

(3) That the Head of Corporate Development be authorised to approve any necessary changes to public notice and provision of information procedures under these regulations (such as that indicated in paragraph 3.3 of the report regarding key decisions) that might be required as a consequence of the Council implementing a "back-office" IT system for member and meeting related activities.

(4) That full Council be asked to approve the foregoing recommendations in so far as they relate to amendments to the Council's Constitution.

96 Exclusion of the public

Resolved: 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 paragraphs of schedule 12A and descriptions of the exempt information are shown beneath the item below. *(The requisite notices having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)*

97 Summary of confidential proceedings for information

(Note: The full minutes of the under-mentioned items are set out in the confidential section of these minutes. The reports remain confidential.)

97.1 **Grants to voluntary organisations 2013/14 (key decision)** (Cabinet, 30 May 2012, page 40, minute 10). Cabinet received a report on the community grants programme. Awards of £240,400 were made in 2012/13 and Cabinet now proposed to increase this sum for 2013/14 by £23,000 subject to final decisions on the overall budget by full Council on 20 February 2013. It was reported that the Council also supported voluntary and community organisations in a variety of other ways including:

- The award of rent support grants to some organisations occupying Council properties to the value of £108,000.

- Discretionary rate relief awards to voluntary and community sector occupying premises in the town with a budget in 2012/13 of £29,840.
- The Council's housing service's grant of £25,000 to Brighton Housing Trust for the provision of services to homeless households in 2012/13 and a grant of £8,000 to the Family Intervention Project.
- Allocation of £90,000 each year to the Council's devolved ward budget scheme, with ward councillors were able spend up to £10,000 on quick fix one-off works or initiatives to improve the lives of local residents. Local residents could make suggestions on how this money should be spent by contacting their local councillor.

In total the Council's direct support to voluntary and community organisations amounted to over £0.5m. This level of support had steadily increased at a time when spending in many other areas had been reduced.

- 97.2 Last May, Cabinet had approved a revised policy for the award of grants which allocated £180,000 for spending on grants of £10,000 or more and the remaining £60,000 for spending on small grants of less than £10,000. This increased the amount available to small organisations from around £40,000 but reduced the amount available for major grants. The new policy set out the eligibility criteria for applications. These were designed to reflect the limited budget available and the wide demand for funding within the voluntary and community sector. The aim was to ensure that resources were spent where services were most needed. Applications for large capital items would not be considered. Similarly applications for services which duplicated existing services and were available and funded elsewhere were ineligible. The policy also required that there must be a clear financial need for funding and organisations with large unrestricted reserves or which had made a significant surplus would not be funded.
- 97.3 Cabinet agreed that the community grants policy be amended to remove the priority relating to helping unemployed people back into work from the list of priorities for major grants (although retained for small grants as there was still scope for small projects to address some of the gaps in existing services). It was apparent that the majority of applications received relating to employment duplicated existing services or could be delivered within existing programmes or funding streams designed specifically for this purpose. Cabinet also agreed an additional small grants priority for 2014/15 for projects that promoted the inclusion of disabled people in community activities.
- 97.4 Fifty four applications had been received for community grants at a total value of c.£696,500, almost three times the amount of grant funding available and similar to the level of requests received last year. Cabinet endorsed the approach taken by the Grants Task Group in assessing the applications against the Council's approved policy criteria and approved awards within the budget available subject to the allocation of an additional sum of £23,000 to ensure that certain of the major grants could be maintained at current levels given the current financial climate and a desire

to protect key services at this time. Details of the grants awarded would be made public as soon as the grant applicants had been informed of the awards. This would happen after full Council had agreed the 2013/14 budget on 20 February 2013.

(1) Exempt information reason 3 (information relating to the financial or business affairs of any particular person (including the authority) holding that information).

- 97.5 **Alternative employment procedure (AEP).** Cabinet noted that 30 employees were subject to the procedure at present and agreed the associated financial implications. They also noted the early retirement of another individual and the associated financial implications.

Exempt information reasons 1 and 2 – Information relating to an individual or likely to reveal the identity of an individual.

The meeting closed at 8.00 pm.

**Councillor David Tutt
Chairman**

(der\P:\cabinet\minutes\13.02.06)