

Minutes of meeting held on Wednesday 29 May 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**.

1 Minutes

The minutes of the meeting held on 20 March 2013 were submitted and approved and the Chairman was authorised to sign them as a correct record.

2 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 declared a personal interest in minute 5 (Devonshire Park review – procurement strategy and phasing) in view of his role as a board member of iESE (the Improvement and Efficiency Social Enterprise) who were assisting in respect of the procurement arrangements for this project. He did not however consider this to be a prejudicial interest and he remained and participated in the proceedings.

3 Princes Park development plan

- 3.1 Councillor Murdoch addressed the Cabinet and raised questions about the level of investment being proposed for the café and park. He noted that the re-opened café was trading successfully and queried whether further investment was necessarily a priority. He also noted that there had only been 21 responses to the questionnaire.
- 3.2 Cabinet considered the report of the Senior Head of Development. The Council had been working closely with the Friends of Princes Park since 2005 to improve the park and during this time, the park had benefitted from two newly equipped play areas and a splash pad, in addition to many other enhancements. The sale of the coach and lorry park at Wartling Road had resulted in a capital sum being assigned for further improvements to the park. A development plan for the park had been prepared last year in

consultation with the Friends and subject to wider consultation with the public and stakeholders.

3.3 In response to Councillor Murdoch's comments, it was pointed out that although the interior of the café had recently been refurbished, extensive work was required to the exterior along with the removal of the outside toilets and provision of internal toilets. It was considered that the approval of an overall plan for the park along with the recent designation of the park as a Queen Elizabeth II field should improve the chances of securing external funding. It was also considered important that improvements continue to be made to the park for the benefit of residents and visitors and to contribute to the enhancement of the eastern seafront area as a whole.

3.4 The outcome of the stakeholder consultation identified some key issues within Princes Park, and the consultants identified improvement proposals within the draft plan to deal with them. These were:

- That the priority was to improve the café.
- That a hub was created around the café as a meeting place, and the landscaping and viewing areas would be improved.
- That the disused land where the bowling greens were located was used to create an entrance directly from the seafront.
- That the Dotto Train was able to enter Princes Park via this new entrance but that non authorised vehicles were prevented from doing so.
- That there are improvements to the lake edge and opportunities for introducing more wildlife interest are investigated.

The response to the public consultation indicated good support for the above priorities with the exception of the Dotto Train proposal where support was less strong.

3.5 The capital budget available to commence work on the key areas, such as the café and hub, was £183,000, however, the estimated costs to improve the café was £331,000 and the creation of the hub was a further £494,000. The cost for completing all the proposals within the development plan totalled £1,805,050. Given the funding shortfall, there would be a need to secure external funding to commence works for improvements to the café as the first priority. The services a professional fund raiser would be required, who would be tasked with securing external funding on the proviso that their fees would only be paid for a successful bid. They would be initially appointed for a year and reviewed thereafter.

3.6 **Resolved (key decision):** (1) That the Princes Park development plan be approved and published.

(2) That the existing capital allocated to Princes Park be used for the purposes of attracting further funding if possible.

(3) That a professional fund raiser be appointed to secure additional funding.

4 Environment and natural resources strategies (Cabinet, 18 April 2012, minute 115, page 365 (2011/12 minutes)).

4.1 Cabinet considered the report of the Senior Head of Development providing an update on the action plans of the above named strategies and outlining the future development of a 2020 carbon reduction pathway. The environment strategy was an overarching strategy for the town as a whole and the natural resources strategy addressed environmental issues within the Council's own operations and estate. Cabinet had previously considered an update report in April 2012. This report also gave an outline of the future work still required if Eastbourne was to address climate change and move towards a sustainable future. The 2020 carbon reduction pathway set out aims and objectives for neighbourhood-wide clean energy programmes, locally grown food and resilience to extreme weather events.

4.2 The report listed the key areas of activity and achievements within both strategies. To address the future challenges it was proposed to develop a 2020 carbon reduction pathway. This would be a 7-year action plan and would build on the framework of the environment strategy to achieve the 2020 target of reducing carbon emissions by 40%. It would:

- Give a clear vision to the community.
- Enable the Council and the town to create a planned programme of investment over the next seven years.
- Give stability and control over work that needed to be done.
- Help to create a green economy with the establishment of local companies who assist delivery of energy efficiency and clean energy technology.

The draft objectives for the pathway had been developed in conjunction with CEPE (the Community Environment Partnership for Eastbourne) and were set out in an appendix to the report.

4.3 It was proposed that the existing strategies be incorporated into a single action plan for the 2020 carbon reduction pathway and for the plan to be finalised by the end of 2013. The draft objectives would be used as the platform to consult with the wider community and to develop specific actions to achieve the 2020 target. This would assist the Council in engaging with the community and assessing the level of support for initiatives and partnership delivery. The consultation would be done interactively and carried out with community groups and residents over a 12-week period.

4.4 **Resolved (key decision):** (1) That progress made with the environment and natural resources strategies and the proposed 2020 carbon reduction pathway objectives be noted and endorsed.

(2) That the Senior Head of Infrastructure, in consultation with the Carbon Reduction Board, be given delegated authority to approve the action plan for the 2020 carbon reduction pathway.

5 Devonshire Park review – procurement strategy and phasing

(Cabinet 12 December 2012, minute 65, page 220 and 20 March 2013, minute 102, page 321, 2012/13 minutes).

- 5.1 Councillors Ede, Jenkins and Warner addressed the Cabinet. Councillor Ede asked about the source of the funding for the repairs to the Congress Theatre and whether the £850,000 allocation would be the final amount. He was advised that the funds were available within the Council's capital reserves and that the sum was an estimate at this stage; the final amount would depend on the outcome of the procurement process. A question regarding the total cost of the scaffolding which had been erected to cover the front and side elevation of the theatre would be answered in writing. Councillor Jenkins suggested that there should be lead member involvement in the matter of further decision making in respect of the first stage priority works. The Chairman pointed out that the project board, with cross party membership, already allowed for the necessary member oversight of this project. The Chairman responded to questions from Councillor Warner who had asked why repairs had not been carried out sooner and why the works now proposed did not deal with the ground floor frontage of the theatre by explaining the reasons for the Council's approach which were set out in the report.
- 5.2 Cabinet considered the report of the Senior Head of Tourism and Leisure and the Senior Head of Development updating Cabinet on the work so far on the procurement strategy for the project, seeking agreement to an amended governance structure for the initiative and approval to the works to the upper façade of the Congress Theatre being carried out. Cabinet had previously agreed to review the procurement routes for the master-plan for Devonshire Park to RIBA Stage C and commission from David Clark Associates (DCA) more detailed work on the business plan, financing models, organisational and governance structure for the Devonshire Park complex.
- 5.3 Since December, work had been undertaken on the practicalities of realising the Council's ambitions for Devonshire Park. Detailed consideration had continued on how best to bring about the significant development and the most favourable way to phase the construction works with the minimum impact on business continuity. The review of the optimum procurement route was not yet complete, however, there was sufficient confidence to prioritise essential works and timetable the start of these by way of a separate specialist contract for the restoration and replacement of the upper façade of the Congress Theatre.

- 5.4 The key information that had informed the recommendation before Cabinet was as follows:-
- Retention of the original structure was the more viable option, with refurbishment and repurposing of the interiors being key to the long term sustainability.
 - The existing façade had a design fault which has caused the water ingress to corrode the internal re-enforcement which had led to the failure of the façade fixings. The design solution needed specialist consideration.
 - As the Congress Theatre was a listed building any changes to the façade required discussion with English Heritage. They said that they would prefer the façade to remain in the current alignment but had accepted the need for a solution to the design fault.
 - The upper floors could be authentically redesigned and restored, while dealing with the inherent flaws of the original façade, without compromising the master-plan that proposes putting in place a new public realm and box office service at ground level. The future work to remodel the entrance, box office and public realm to the front of the Congress and create integrated links with the new build were therefore not compromised.
- 5.5 Once the procurement strategy had been finalised, a set of briefs would be issued for the services required to fulfil the ambition for the whole site. Cabinet would then be presented with a further business case outlining the programming implications of the contracts and financial model for the development alongside future operational management and governance recommendations for the long term viability of the scheme.
- 5.6 At this stage the business case was predicated on all the buildings to the south of the park being of equally high quality, operationally efficient, fit for purpose and attractive to the contemporary market demands of visitors, touring theatre, audiences, conference agent and delegate needs. Therefore the programme, which included intensive restoration of the historic buildings; relocation of box office services; introduction of full disabled and technical access needs and circulation space; new bars, cafes and retail areas; new conference exhibition spaces and new public realm was considered to be part of a single phase of works, albeit subject to a programme that allowed for operational continuity.
- 5.7 Works to enhance the overall visibility of the park, landscaping and configuration of the tennis courts alongside refurbishment of the International Lawn Tennis Centre, player facilities, stadia seating and car parking, to allow for future requirements could also be considered as a single phase; the timetable of which would be governed by the tennis season and continued discussions with the Lawn Tennis Association around investment options as well as detailed consideration of the most economic and practical phasing of the construction works.

- 5.8 The current governance arrangements had worked well. The technical project team had been undertaking work for the project board, consisting of stakeholders and partners, to be engaged in the process. This had assisted the member board to make informed recommendations. It was now proposed that one board be established with the role of a capital project board.
- 5.9 Extensive consultation had taken place with stakeholders, business and community groups as the programme had progressed, with several presentations and public events inviting feedback on the plans throughout their iterations. Further consultation on the results had also been instigated with conference agents and exhibition designers; potential funders; sports and leisure; theatre and audience; catering and retail bodies and display boards were on permanent display in the foyer of the Congress. The project as a whole was subject to an equalities and fairness assessment and dialogue was underway with the Council's Disability Involvement Group.
- 5.10 **Resolved (key decision):** (1) That the governance of the Devonshire Park review work is arranged as shown in appendix 1 to the report, including a single project board.

(2) That the decision on the final procurement strategy for the overall development of Devonshire Park is delegated to the Senior Head of Development in consultation with the relevant lead Cabinet members.

(3) That up to £850,000 is released from capital reserves to enable the re-design and restoration of the upper levels of the Congress Theatre façade, as a priority first stage in the development.

(4) That all matters to complete this first stage of the development are delegated to the Senior Head of Development in consultation with the Senior Head of Tourism and Leisure.

Note: See minute 2 above as to disclosure of a personal (and non-prejudicial) interest by Councillor Tutt.

***6 2013/14 Corporate plan refresh** (Cabinet 12 December 2012, minute 63, page 216, 2012/13 minutes).

- 6.1 Cabinet considered the report of the Head of Corporate Development. Extensive consultation on the corporate plan priorities had been conducted with the community and stakeholders. The results had been reported to Cabinet and Scrutiny in 2012 and would be linked to relevant projects on Covalent to show where the Council was acting on the feedback received. Development of projects and targets had also been influenced by the recent service and financial planning process, reference to the local development framework and the sustainable community strategy.

6.2 The refreshed plan built upon previous year's versions and retained the same four priority chapters – each owned by a senior member of the corporate management team and Cabinet lead member who were responsible for managing the overall delivery of projects in that theme. An overview of the projects for each chapter was as follows:

6.3 **Prosperous Economy**

1. Deliver a sustainable events programme – Develop the events programme as a key part of the tourist and community economy.
2. Tourism marketing and development – Deliver and evaluate the marketing campaign for Eastbourne.
3. Employment - Town centre master-plan – Continue to progress the master-plan.
4. Employment - Sovereign Harbour business park – Development of a business park at Sovereign Harbour.
5. Activating Eastbourne – Multi-agency partnership with focus on promoting employment.
6. Eastbourne loyalty – Establish a loyalty scheme for Eastbourne to help sustain local businesses and understand spending needs.
7. Support secondary shopping areas – Continue to progress the Town Centre local plan.

6.4 **Quality Environment**

1. Managing waste responsibly – To procure the services of a waste collection and street cleansing contract in partnership with Wealden, Rother and Hastings councils and continue to divert waste from landfill.
2. Improving the cleanliness of the street and public areas – Work with the neighbourhoods to identify and improve further 'grot spots'; Difficult Properties Group to continue with the success of improving secondary shopping areas and streets near the town centre.
3. Allotment provision – To provide additional allotment plots for the community.
4. Towards a low carbon town – Prepare guidance for existing building and new development on sustainable design; To work with the community and within the Council's own estate and operations to improve the environment and reduce carbon emissions
5. Transport – Progress implementation of the cycling strategy and prepare borough parking strategy
6. Eastbourne Park supplementary planning document (SPD) – Provide a SPD for Eastbourne Park setting out a clear strategy and providing a sustainable framework for the future management of the area.
7. Pride in Our Parks – Enhance and preserve the quality of the town's parks.

6.5 **Thriving Communities**

1. Youth activities – Development and delivery of youth activities – putting on Youth Fair to showcase activities/clubs operating in the town and encourage greater participation, launch of a youth network and delivery of the partnership youth strategy.
2. Improving neighbourhood delivery – Supporting delivery of the £1m Big Local Devonshire West project, launch program of ward walks, handover Langney Community Centre and deliver Healthy Eastbourne Campaign.
3. Maximising our housing assets – Finish decent homes for retirement courts, construction of new council homes in Seaside and Langney, launch E-Switch energy buying and review future housing management options.
4. Support to vulnerable households – Helping households adjust to changes in welfare benefits, managing and reducing rough sleeping, developing a scheme for council tax support and working with partners to support troubled families.
5. Town Hall community hub – Development of a strategy and plans for future use of the Town Hall as a community hub.
6. Cultural development – Develop networks and opportunities for the sustainable growth of cultural activity in the town.
7. Cultural development - Devonshire Park – Progress the development to provide a quality cultural brand and diverse arts and leisure programme at Devonshire Park.
8. Cultural Development – Sustainable strategy for Eastbourne Theatres – Develop audiences, programming and investment plans for Eastbourne Theatres, including options for revenue generating and alternative governance.

6.6 **Sustainable Performance**

1. Efficiency (Future Model phase 1) – Embed phase 1 of the Future Operating Model.
2. Efficiency (Future Model phase 2) – Deliver phase 2 of the Future Operating Model.
3. Assets – Move towards an asset portfolio that is appropriate for the Council's needs and economically sustainable for the future.

6.7 It was highlighted that a significant majority of consultation respondents (84%) agreed that the priorities listed in the 2012/15 corporate plan were "important" or "very important." This factor, combined with the use of 'Local Futures' statistical evidence, had reinforced the validity of the Council's priority planning. The specific projects that most respondents agreed were top priorities were:

1. Re-development of Town Centre.
2. Transport – public transport and cycling provision.
3. "Activating Eastbourne" – jobs for young people.
4. Street cleaning – including public open spaces and derelict sites.

5. Housing strategy – affordable and decent homes.
All of these projects were continued and developed in the refreshed corporate plan reflecting the feedback received.

*6.8 **Resolved (budget and policy framework)** (1) That the draft 2013/14 refresh of the corporate plan be approved subject to detail on performance indicators and final formatting being agreed by senior heads of service and lead Cabinet members.

(2) That full Council be recommended to approve the refreshed corporate plan at their meeting on 17 July 2013.

7 Corporate performance - Quarter 4/year-end 2012/13 (Cabinet, 6 February 2013, page 269, minute 85).

7.1 Cabinet considered the report of the Deputy Chief Executive 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 fourth quarter of 2012/13 and giving the provisional financial outturn for the year. The final outturn figures would be reported to Cabinet and the Audit and Governance Committee in July.

7.2 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. It was noted that the capability now existed within Covalent to analyse performance data via dashboard reporting. This allowed looking beyond green – amber – red performance reporting and 'drilling down' into the data. This showed best performing indicators and those demonstrating the best relative improvement in performance. The success of the 2012/13 devolved ward budget programme comprising 68 projects was also highlighted.

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

(2) That the provisional general fund outturn on services expenditure for 2012/13 of £16.2m, a net under-spend of £57,000 against the revised budget be agreed.

(3) That the transfers to and from reserves as set out at appendix 3 to the report be agreed.

(4) That the provisional balances on non-earmarked revenue reserves as at 31 March 2013, as shown in paragraph 5.1 of the report, be agreed.

(5) That the provisional housing revenue account surplus for 2012/13 of

£177,000 be agreed.

(6) That the final capital programmed and outturn for 2012/13 of £12.5m, a variance of 0.6% against the final programme, be agreed.

8 Strategic asset management (Cabinet, 24 October 2012, page 165, minute 51).

- 8.1 Councillors Jenkins and Warner addressed the Cabinet. Councillor Jenkins queried the value of the proposed work noting that a sum of £90,000 had been included in the recommendation and a sum of £75,000 mentioned in the financial implications section for the cost of the asset challenge scoping exercise. The Chairman confirmed that the latter sum was included within the overall budget allocation of £90,000. Councillor Warner challenged the use of consultants for this work and generally for other work undertaken by the Council in the past. The Chairman explained that a district council of Eastbourne's size and resources could not be expected to retain the services of a wide range of experts and that buying in such professional advice as and when required was necessary and appropriate.
- 8.2 Cabinet considered the report of the Senior Head of Infrastructure. The Council had identified asset management as a corporate plan priority in 2010 and set a goal to make the council's asset portfolio sustainable and self-financing. Recommendations from a CIPFA (Chartered Institute of Public Finance and Accountancy) review had been implemented including the establishment of the Strategic Property Board, condition surveys on all core operational premises and the allocation of additional resources to ensure completion of the programme on track. 'Asset challenge' was a key recommendation of the CIPFA review and was a fundamental process necessary to assist the Council in reaching the goal of a sustainable asset base. Adopting a 'corporate landlord' model on the retained asset base would enable the Council to drive out further savings, ensure assets were properly managed and mitigate risk.
- 8.3 The scale of the asset challenge facing the Council had been the subject of presentations to the Strategic Property Board and a full member briefing. Key elements were as follows:
- Average annual expenditure on the Council's property assets was approximately £4.5m per annum with a net cost (after deducting income directly from the asset base) of £3.2m per annum.
 - The Council's portfolio was a combination of operational and non operational buildings and land. Both sectors needed to be included in the asset challenge process.
 - Unless challenged, addressing the backlog of maintenance and introducing an effective planned and term maintenance programme could see total expenditure on property assets reach approximately £50m over the next 5 years, excluding development proposals.

- Over 40% of the Council's property asset expenditure was required to support leisure and heritage assets.
- Unless challenged, the total budget for property assets would exceed the total combined budget for all services across the Council over the next 5 years.
- Undertaking a scoping study on the potential for disposal or transfer of assets to trust would establish the options for asset challenge.
- Undertaking a scoping study on the on the optimum model and savings achievable through adopting a 'corporate landlord' model would inform the sustainable asset base strategy on the retained estate.

- 8.4 'Asset challenge' and the adoption of a 'corporate landlord' approach were consistent with and linked to the ongoing initiatives at Devonshire Park and the Town Hall community hub initiative. The scoping studies proposed related to general fund properties only. Separate initiatives to assess the future potential and management of housing revenue account assets were being undertaken concurrently.
- 8.5 Certain of the Council's operational assets generated significant revenue. In addition various current initiatives sought to improve the yield and enhance the cultural and community offering. However the true cost of property related expenditure was not fully reflected in revenue forecasts; this was evidenced by the backlog of maintenance, the lack of effective planned and term maintenance, little or no notional rent liability and the lack of allocated 'asset specific' staff costs. Maintaining all of the Council's existing buildings (excluding housing revenue account) was not sustainable, even allowing for best case potential savings from the corporate landlord approach. The Council therefore needed to explore either the disposal or transfer of assets to reduce revenue cost and/or realise capital receipts to support future investment in retained assets. It was recognised that the sale or transfer of heritage/community assets would be both sensitive and a challenge, however the case for a comprehensive asset transfer strategy was compelling given the scale of the asset challenge. The report detailed a range of options for achieving the Council's objectives.
- 8.6 Implementation of a full corporate landlord model on the retained asset base (i.e. post asset challenge/transfer) would be a substantial cultural change for the Council; full corporate support would be necessary for the centralisation of budgets, together with re-profiling of staff roles where there was previously a building function and the transfer of risks and responsibilities to a single corporate entity. Prioritisation of investment on assets or the transfer of assets to the third sector to support the wider corporate objectives might also have an impact on existing service delivery. A limited corporate landlord model, where for example only risks were transferred centrally and existing processes enhanced to take advantage of savings through procurement, planned and term maintenance etc., might be a preferred route, provided the objectives of the asset challenge could be

met. In order to establish the best option for the Council to pursue it was recommended that a scoping exercise be undertaken.

8.7 The outcomes of both studies were expected to be reported back to Cabinet in the autumn of this year and would lead to a recommendation on the optimum route to achieve a sustainable asset base and how best to manage the retained asset base thereafter. Consultation with community groups and stakeholders would be crucial in forming recommendations, particularly in respect of the conditions upon which the transfer of community/heritage assets becomes viable. In the meantime, and in order to be able to assist in funding the backlog of maintenance whilst these initiatives are ongoing, capital receipts would be targeted from the non operational portfolio. A disposal programme would be submitted to the Strategic Property Board with the intention of realising capital receipts to fund expenditure in the short term. The Chairman also thanked the Eastbourne Society for their continuing interest in this initiative and productive dialogue with the Council.

8.8 **Resolved (key decision):** (1) That the recommended approach to asset challenge, including the scoping exercise to establish the viability and programme for transfer of assets to trust, be agreed.

(2) That the scoping exercise to establish the savings and improvements to quality of service by transferring the retained asset base into a corporate landlord model be agreed.

(3) That the release funds, as the asset challenge programme progresses and upon reaching key milestones, of up to £90,000, from the strategic change fund, be agreed.

(4) That an exemption to the Council's contract procedure rules be agreed for resolutions (1) and (2) above to benefit from efficiencies in cost and programme.

9 Housing strategy 'At Home in Eastbourne' and 'Housing Futures' review (Cabinet, 24 October 2012, minute 54, page 167, 2012/13 minutes).

9.1 Cabinet considered the report of the Senior Head of Community updating Cabinet on progress in developing the Council's housing strategy for the period 2013 through to 2020, entitled 'At Home in Eastbourne', and including a summary of priorities and an action plan. One of the tasks arising from the development of the strategy was a need to consider the future of the Council's role as a landlord. The Council was responsible for the homes of nearly one in ten of Eastbourne's households and the current management agreement with Eastbourne Homes Ltd was due to end in March 2015. The Council had also now completed its first year of being a landlord within the parameters of the self financing housing revenue account

system.

- 9.2 The report outlined the challenges that would need to be tackled effectively if people were to be able to find, keep and enjoy a home in the town and detailed the development work and consultation undertaken to date. The strategy (which was available as a draft to view on the Council's website) comprised 4 main themes:

Providing homes that support prosperity and choice.

Actions focused on encouraging developers and investors to provide more homes, with particular attention being paid to making sure those homes provided stability and security to households, at costs that allowed people to participate fully in the wider economy of the town. This included supporting the development of affordable homes to rent and buy by the Council itself and other investors and providers and working closely with new investors to make the most of development and housing opportunities arising in the town from the economic development of areas such as the Town Centre.

Finding and keeping a home.

This would embrace helping people secure the finance they need to buy a home, the support they may need to rent a home in the private sector and encouraging all types of landlord to offer high levels of tenure security. It also included helping people who faced losing their home. Particular attention would be paid to meeting the needs of rough sleepers, disabled people and those faced with the problems arising from domestic violence.

Improving the quality of homes

Actions to encourage property owners to invest in homes, with a particular emphasis on improving energy efficiency and reducing fuel poverty. Encouraging the design and development of new homes that had low maintenance requirements and a robust and pro-active approach to enforcing standards amongst the private rented sector and maintaining the decent homes standard in the Council's own homes.

Enjoying homes and neighbourhoods

Helping people enjoy where they lived and being able to take part in community life.

- 9.3 The 'Housing Futures' review would consider the future of the Council's role as a social landlord. The Council currently owned a mixed portfolio of 3,713 residential properties with a programme to add a further 23 properties to that total in 2013-2015. All Council-owned homes would by the middle of 2013 meet the decent homes standard and within current projected rent income could be kept to the standard over the next 30 years. This meant that there was no need for the Council to secure additional income over and above that which it currently earned from its landlord role if it wished to maintain the current position.

9.4 The current debt assigned to the Council's housing stock was £37,039,000 which equated to £9,976 per property. It was this amount that the Council would need to generate from any large scale stock transfer if it were to consider bringing to an end its role as a direct provider of social housing. The Council currently had £5,921,000 of unassigned borrowing capacity in the housing revenue account. This meant that it had capacity for a small but significant programme of additional investment either in new homes or improvements. Demand for all types of Council-owned homes was extremely strong, far in excess of the 220 or so lettings the Council made each year. Future housing market projections suggested that demand for affordable, secure rented accommodation, of the type provided by the Council, would remain strong for the foreseeable future. Eastbourne Homes Ltd. (an 'arms length management organisation' wholly owned by the Council) would receive a management fee from the Council of £6,804,000 in 2013-2014 for managing and undertaking day-to-day and cyclical repairs to the housing stock.

9.5 As a first step, a project board would be established to oversee the overall review. Membership of the board would need to include a high level of housing knowledge and expertise, clear political authority and democratic accountability to the wider community, organisational independence and a clear role for tenants in determining the future of their homes. Membership of the board was proposed as follows:

- Cabinet lead member for community/housing (chair)
- Cabinet lead member for finance
- Opposition group lead member for community/housing
- Tenants' representatives
- Senior Head of Community
- The Council's Chief Finance Officer

It was emphasised that the above membership should be seen as indicative at this stage. Knowledge and expertise from Eastbourne Homes Ltd would be fully used to input and contribute to the review process.

9.6 Additional funds would be needed for the specialist financial and/or consultation work arising from the review. It was not yet possible to quantify this as the end cost would be dependent on the direction of the review but was not expected to exceed £20,000. These funds were available within the housing revenue account reserves.

9.7 **Resolved (key decision):** (1) That the Senior Head of Community, in consultation with the lead Cabinet member for Community, is given delegated authority to give approve the strategy following review of final consultation comments received.

(2) That the establishment of a project board to oversee the 'Housing Futures' review and the drawing down of funds from the housing revenue

account of up to and not exceeding £20,000 to support this work be approved.

10 Housing investment in Eastbourne (Cabinet, 6 February 2013, page 281, minute 90).

- 10.1 Cabinet considered the report of the Senior Head of Community. The Council's housing team had, over the last year, been identifying sites within the ownership of the Council that might provide an opportunity to develop additional affordable homes. To date, three sites had been identified and agreed for up to 23 affordable Council owned homes (at Hawkhurst Road/Faversham Road, Chilham Close and the site of garages at Faversham Road (all in Langney) to Raglan Housing Association.
- 10.2 Further work had taken place in Langney with Raglan Housing Association and the Council's housing specialists, and following consultation with representatives of the local community and planners, the following additional sites had been identified (and shown on the appendix to the report):
- Pensford Drive
 - Foxglove Road
 - Freshford Close
 - Hever Close
 - Wayford Close
 - Barming Close
- Taken together, these six sites had the potential to provide between 12 and 15 additional affordable homes.
- 10.3 Including these sites into the overall programme for Langney would allow the programme to be delivered more effectively, allow greater coherence of design and speed up delivery of a total of between 16 and 19 new homes. Working with Raglan Housing Association would allow for work already undertaken by the association on design and feasibility to be used effectively and would make the project more effective to manage and support developing a clear and focused vision and partnership for the local community.
- 10.4 The 6 sites had an estimated value of approximately £375,000 if sold on the open market. By leasing them for a peppercorn rent to a housing association, the Council would be foregoing a capital receipt. However, the transfer proposal would secure up to 15 new rented affordable homes. The estimated development cost of 15 family homes was in the region of £1,950,000. As such by transferring the sites at an average estimated net value of £25,000 per unit, the Council was able to cost effectively facilitate the provision of new affordable housing.
- 10.5 **Resolved (key decision):** (1) That approval is given to the transfer of the six pieces of land referred to in the report and indicated above by means of

a 125 year lease to Raglan Housing Association at a peppercorn rent for the development of affordable housing and subject to the following conditions:

- That the sites are used exclusively for the provision of affordable housing, of a type and tenure approved by the lead member for Community and the Council's Strategic Housing Manager.
- That the properties are let on an introductory tenancy for a period of one year, followed by conversion, subject to the tenant complying with the terms of their introductory tenancy, to an assured periodic tenancy.

(2) That the Senior Head of Community in consultation with the Chief Finance Officer and lead Cabinet member for Community be given delegated authority to agree the final arrangements for the land disposals to Raglan Housing Association.

11 Armed forces community covenant

11.1 Councillor Ansell addressed the Cabinet in support of this initiative.

11.2 Cabinet considered the report of the Senior Head of Community. The community covenant scheme was launched by the government in 2011 following a high profile British Legion campaign. Community covenants were voluntary statements of mutual support between civilian communities and their local armed forces community.

11.3 Community covenants aimed to :

- Encourage local communities to support the Armed Forces community in their areas.
- Nurture public understanding and awareness of the issues affecting the Armed Forces community.
- Recognise and remember the sacrifice made by the Armed Forces community.
- Encourage activities which help to integrate the Armed Forces community into local life.
- Encourage the Armed Forces community to help and support the wider community, whether through participation in events and joint projects, or other forms of engagement.

11.4 A joint community covenant for East Sussex had been agreed in principle by council leaders and chief executives. The full text of the covenant was attached as appendix 1 to the report. The local measures were to:

- Support the work of the Sussex Armed Forces Health Network in relation to the provision of housing and health services to the Armed Forces.
- Continue to use a person-centered approach to service provision that ensured veterans' issues were recognised and picked up as part of assessment processes.

- Ensure that information on the community covenant grant and how to bid was easily available to charities, community and voluntary organisations.

East Sussex Strategic Partnership (ESSP) would provide overall direction and oversight of the work under the covenant. A 'virtual' civilian-military partnership board would be established, comprising members of the ESSP and military personnel.

- 11.5 **Resolved (key decision):** That Cabinet notes the joint community covenant and work undertaken to date and that Eastbourne Borough Council has signed the joint covenant.

12 Discretionary housing payments policy (Cabinet, 2 July 2001, page 68, minute 24, 2011/12 minutes).

- 12.1 Cabinet considered the report of the Senior Head of Community. Discretionary housing payments (DHP) were introduced in July 2001 to replace the legislation providing for exceptional hardship payments in housing benefit and council tax benefit. The Council adopted a DHP policy in July 2001 (a copy was appended to the report). The government awarded the Council a sum of money each year to be used for DHPs. Any money unspent had to be returned. The Council could, if it wished, add to this sum. In past years the Council had decided not to add any additional funds and demand had been managed within the allocation.
- 12.2 Council tax benefit had now been abolished and replaced with a local scheme of support and there were also many changes to housing benefit, which would lead to a reduction in benefit for some people. These changes were likely to lead to a great demand on the DHP budget and a revised policy (also appended to the report) was necessary to take account of these changes.
- 12.3 The government grant for 2013/14 was £256,602 (an increase of c.£115,000 on the 2011/12 grant). However, the annual loss in income to benefit claimants affected by the spare room subsidy and the benefit cap was estimated to be in the region of £400k and £170k respectively. Other changes, such as the under 35 rule and restrictions to local housing allowance claims, would mean a loss in benefit of over £300k.
- 12.4 In 2012/13 there were 849 applications for a DHP. 547 awards were made totalling £142,319. So far this year, from 1 to 30 April 2013, 136 applications had been received and awards made in 100 cases (equivalent to 15% of the annual budget).
- 12.5 The main changes to the existing policy were:
 - To remove awards to cover a shortfall in council tax benefit as this benefit had been abolished.

- To identify those type of circumstances that would be prioritised when making an award.
- To give more detail on the circumstances in which awards might be made.
- To make it more explicit that awards of DHP might be tapered and were for fixed periods.
- To make it more explicit that once the budget had been reached no further awards would be made irrespective of the circumstances of the claimant.

The cases considered as a priority would be those that affected by the recent changes to benefit, specifically those affected by the spare room subsidy removal and the benefit cap, allowing time for households to adjust to their new entitlement where appropriate.

12.6 Consultation on the revised policy had taken place with the voluntary sector. The only comments received were around the time limits on making decision (a one month time limit had been proposed), however, every effort would be made to reach a decision within a week. Decision times would be monitored at six monthly intervals. An equality and fairness analysis had been undertaken. Members expressed concern at the potential impact of the government's welfare changes and the Chairman asked that Cabinet be kept updated on the operation of the DHP fund.

12.7 **Resolved (key decision):** That the revised discretionary housing payments policy is adopted.

13 Write-off of irrecoverable debts

13.1 Councillor Ede sought further detail regarding the steps previously taken to recover these debts. Information was provided in the Cabinet's private session on this matter.

13.2 Cabinet considered the report of the Chief Finance Officer seeking approval to the write-off of debts in excess of £5,000 as required by financial procedure rule 4.26. Full details were given in a separately circulated appendix covered under exempt information reason 3 of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of any particular person, including the authority holding that information).

13.3 **Resolved:** That the write off of irrecoverable debts detailed in the exempt appendix, totalling £124,831, be approved.

14 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 in the above minute or beneath the item below.
(The requisite notices were given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

15 Alternative employment procedure (AEP)

- 15.1 Cabinet considered the report of the Human Resources Manager. Nine employees were currently within the scope of the procedure. The Human Resources team was working with the Corporate Management Team to identify suitable vacancies within the Council and otherwise provide support to those under threat of redundancy.
- 15.2 **Resolved:** That action taken to support, redeploy and assist with self-marketing under the AEP and the use of the AEP in managing the change resulting from implementation of phase one of future model be noted.

*Notes: (1) Exempt information reasons 1 and 2 – information relating to an individual or likely to reveal the identity of an individual.
(2) The minute was declared open, but the report and discussions thereon remain confidential.*

The meeting closed at 8.05pm.

**Councillor David Tutt
Chairman**

(der\P:\cabinet\minutes\13.05.29)