



## Lewes District Council

### Cabinet

**Minutes** of a Meeting of the **Cabinet** held in the **Ditchling Room, Southover House, Southover Road, Lewes** on **Wednesday, 28 September 2016** at **2.30pm**

**Present:**

Councillor A Smith (Chair)

Councillors P Franklin, B Giles, T Jones, R Maskell, E Merry and T Nicholson

**In Attendance:**

Councillor M Chartier (Chair of the Audit and Standards Committee)  
Councillor P Gardiner (Chair of the Scrutiny Committee)

Ms D Twitchen (Tenants' Representative)

**Apology received:**

Councillor S Osborne (Leader of the Liberal Democrat Group)

	<b>Minutes</b>	<b>Action</b>
<b>15 Minutes</b>	The Minutes of the meeting held on 4 July 2016 were approved as a correct record and signed by the Chair.	
<b>16 Urgent Items</b>	The Chair advised that he had agreed that, in accordance with Section 100B(4)(b) of the Local Government Act 1972, a Minute Extract from the Audit & Standards Committee at its meeting on 26 September 2016 in respect of Minute No 21 entitled "Lewes District Council – Audit for the year ended	

31 March 2016", be considered as a matter of urgency under Agenda Item No 9.4 ("Report and Recommendations of New Homes Project Working Group") at the meeting, in order that Cabinet could take its decisions based on the most recent information which was available.

## 17 Written Questions from Councillors

Councillor Lent asked questions of the Leader of the Council, Councillor Smith, relating to:

- (a) the Council writing to the responsible minister in either or both the Department of Communities and Local Government and the Department for Business, Energy & Industrial Strategy to ask that the Council be represented on the Coast to Capital Local Enterprise Partnership;
- (b) the Council inviting the Coast to Capital and South East Local Enterprise Partnerships to present to councillors their proposed funding programmes in the current and next financial year; and
- (c) the Council writing to the Coast to Capital Local Enterprise Partnership and East Sussex County Council to ask whether or not they had submitted applications for government funds for capital and revenue projects in respect of the C7 route from Lewes to Newhaven in order to improve the situation for pedestrians, walkers and cyclists;

copies of which were circulated to Councillors at the meeting and made available to the public attending the meeting (copies of which are contained in the Minute Book). In asking his first two questions, Councillor Lent reported that he had written four letters to the Chief Executive of the Coast to Capital Local Enterprise Partnership on matters relating to the Partnership in respect of which he had not received replies.

Verbal replies to the questions were given at the meeting by Councillor Smith.

## 18 Reporting Back on Meetings of Outside Bodies

Councillor Nicholson reported that on 23 September 2016, he had attended a meeting of the Sussex Police and Crime Panel, to which he had been appointed as the Council's representative, in respect of which the immediate work related to the drafting of the Police and Crime Plan 2017 to 2021.

There were four policing and crime objectives for that period which had emerged from the Police Commissioner's manifesto namely:

- (a) strengthening local policing;
- (b) working with local communities and partners to keep Sussex safe;
- (c) protecting vulnerable people and helping victims cope and

recover from crime and abuse; and

- (d) improving access to justice for members of the public.

Councillor Nicholson reported that he was a Member of a Working Group that would consider the Plan and the assumptions on which the next budget was based.

The meeting that was held on 23 September 2016 had considered the medium term financial forecast in respect of which, based on assumptions that might change, the estimated savings requirement from 2016 to 2021 amounted to £42,806,000.

The model for policing was currently intelligence led, particularly as fraud and scams were the main drivers of crime.

Members of the Panel were concerned about the reduction in the number of Police Community Support Officers.

Councillor Jones reported that on 22 September 2016, he had attended a meeting of the South Downs National Park Authority (SDNPA), to which he had been appointed as the Council's representative, at which it had been agreed to adopt the Community Infrastructure Levy (CIL) and, following receipt of the Examiner's Report in June 2016, to implement all other associated formal arrangements.

At that meeting, the SDNPA had also agreed to implement CIL collection from all relevant developments that were applied for from 1 October 2016, based on the adopted CIL charging schedule.

Resolved:

- 18.1 That the oral report by Councillor Nicholson relating to a meeting of the Sussex Police and Crime Panel that he had attended as the Council's representative, be received and noted; and
- 18.2 That the oral report by Councillor Jones relating to a meeting of the South Downs National Park Authority that he had attended as the Council's representative, be received and noted.

Reason for the Decisions:

To note the oral reports of Councillors who had attended meetings of outside bodies to which they had been appointed to serve as the Council's representatives.

## **19 Finance Update – Performance Report 2016/2017**

The Cabinet considered Report No 116/16 which provided an update on financial matters that affected the General Fund Revenue Account, the Housing Revenue Account and the approved Capital Programme.

Details relating to the financial performance at the end of Quarter 1 (June) 2016/2017 were set out in the table in paragraph 4.1 of the Report in respect of which the service details were set out at Appendix 1 thereto.

Actual financial performance in Quarter 1 had been largely in line with service budgets. Spending on staff was in line with the budget which incorporated a 2% reduction to allow for vacancies. However, reductions in some service areas were offset by higher than anticipated spending on Agency staff that had been deployed on the Waste and Recycling service in order to provide cover for sickness and other absence.

A shared Corporate Management Team (CMT) with Eastbourne Borough Council had been in place since July 2016 and restructuring of senior management posts which supported CMT would be completed later in 2016. A shared Information Technology (IT) service would be operational from November 2016 and the joint procurement of key IT systems was being implemented. Such activity, together with the active management of vacancies and joint procurement opportunities as they arose, contributed towards the 2016/17 saving target of £400,000 that was to be realised from the Joint Transformation Programme (JTP). However, it was likely that some of the resulting savings would be deferred into 2017/2018.

The share of business rates income that would be received by the General Fund in 2016/2017 was expected to reduce by in the region of £215,000 for reasons outside the Council's control, further details of which were set out in paragraph 6 of the Report.

Trends in housing benefit awarded and associated government subsidy, which could have a net impact on the net budget continued to be monitored and would be more identifiable later in the year.

Appendix 2 to the Report provided details of the capital programme spending in Quarter 1 which was in line with expectations, in respect of which payments of £1.7m had been made.

Cabinet was recommend to approve two variations to the capital programme namely:

- That the allocation to the Mandatory Disabled Facilities Grants at line 9 be increased by £242,000 in order to reflect the total funding which would be made available from East Sussex County Council's Better Care Fund; and
- That an additional sum of £35,400 be funded from the Asset Maintenance Reserve in order to support the higher than anticipated tender level for work to the roof at Lewes Leisure Centre (line 12 refers).

As part of the Council's management of risk and key controls, the Head of Audit, Fraud and Procurement made an independent appraisal of the overall position each year, details of which were reported to Cabinet. Consequently, details of his opinion in respect of the last financial year were set out in paragraph 8 of the Report.

Resolved:

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| <b>19.1</b> | That the General Fund and Housing Revenue Account financial performance for the quarter ended 30 June 2016, as set out in paragraphs 4 and 5 of Report No 116/16, be agreed;                          | DCE |
| <b>19.2</b> | That the Capital Programme financial performance for the quarter ended 30 June 2016, as set out in paragraph 7 of the Report, be agreed;  | DCE |
| <b>19.3</b> | That the variations to the Capital Programme explained in paragraph 7.2 of the Report, be agreed; and   | DCE |
| <b>19.4</b> | That the opinion of the Head of Audit, Fraud and Procurement on the internal control environment at the Council for the year ended 31 March 2016, as noted in paragraph 8 of the Report, be endorsed. | DCE |

Reasons for the Decisions:

A Report on current and anticipated financial performance is made to Cabinet to ensure that the financial health of the General Fund, Housing Revenue Account, Council Tax and Business Rates Collection Funds and the Capital Programme are kept under continual review. It is essential to ensure that the Council has a sound financial base from which to respond to changing activity levels and demand for statutory services and to ensure that, when appropriate, its finances are adjusted in response to reducing income levels and inflationary pressures on expenditure.

The Council's Treasury Management function deals with very large value transactions on a daily basis. It is essential that the Council is satisfied that appropriate controls are in place and in accordance with the Code of Practice on Treasury Management in the Public Services prepared by the Chartered Institute of Public Finance and Accountancy and adopted by the Council.

**20 Portfolio Progress and Performance Report 2016/17 (Quarter 1 (April to June 2016))**

The Cabinet considered Report No 117/16 which related to progress and performance in respect of key projects and targets for the first quarter of the year namely, April to June 2016, further details of which were set out in Appendix 1 thereto.

The Council had an annual cycle for the preparation, implementation and monitoring of its business plans and budgets which enabled it to regularly review its work, and the targets it sets for performance, in order to ensure that they continued to reflect customer needs and Council aspirations.

Furthermore, the Scrutiny Committee had a key role in terms of oversight of the Council's progress and performance and challenging areas of under-performance.

Appendix 1 to the Report provided a high level summary of progress and performance arranged by Cabinet portfolio. It showed where performance and

projects were 'on track/on target' and where there were areas of risk, concern or under-performance. Where performance or projects were 'off track/below target', an explanation of the management action that was being taken to address the issue was also provided.

An overview of the Council's performance for the year as at the end of the first quarter was set out in paragraph 6 of the Report.

Paragraphs 8 to 16 of the Report set out details of specific highlights by portfolio in terms of notable project progress or performance achievements whilst paragraphs 17 to 26 highlighted areas in which performance had fallen very slightly below target or projects that were slipping behind schedule or going slightly off-track.

Resolved:

- 20.1** That Report No 117/16 relating to progress and performance for Quarter 1 namely, April to June 2016, as set out in Appendix 1 thereto, be considered, received and noted; and
- 20.2** That it be noted that there were no relevant recommendations arising from the Scrutiny Committee following its meeting on 8 September 2016.

Reason for the Decisions:

To enable Cabinet to consider specific aspects of the Council's progress and performance.

## **21 Waste and Recycling Service Review**

The Cabinet considered Report No 118/16 which related to a review of the Council's waste and recycling service provision in respect of which the Council aimed to establish a simple, sustainable and cost effective service which provided the best fit for local residents. Consequently, the waste consultancy company Ricardo plc had been re-engaged to update and model a suite of options to inform the review, following a Report that had been considered by Cabinet in July 2015. Ricardo was asked to consider the relationship between recycling levels, ease of use, costs and meeting the requirements of the legislative framework. Report No 118/16 proposed a number of approaches to meeting strategic council objectives which took account of the options appraisal provided.

The Council had undertaken the initial review in 2014/15, which sought to provide a service that encouraged recycling, was flexible and easy to understand for residents, within existing budgets, as well as enabled potential commercial opportunities.

The Council's recycling rate was within the lower quartile of local authorities in the country. The collection system was complicated and was likely to be a barrier for the many people who were not committed recyclers.

In July 2015, Cabinet had agreed to proceed to develop the service in accordance with the definition that was set out in paragraph 1.3 of Report No 118/16 which included some recycling collection. However, since July 2015, based on the Ricardo options appraisal 2014/15, the market for recycling materials had dropped significantly which affected the viability of the collection service that had been selected last summer.

As fluctuations in the markets for recyclates could have a significant impact on revenue, it was necessary to take market uncertainty into account when a long-term waste and recycling strategy was being developed. Given the changes in the market, Officers had been asked to pause the implementation of the July 2015 Cabinet decision which had led to a review of the service, in the interests of securing the best fit for the District.

Paragraph 2 of Report No 118/16 set out details relating to the Council's current service provision and paragraph 3 provided details of the national picture in respect of recycling. Paragraph 6 of the Report set out details of market intelligence and reported that waste sector market trends had indicated that the market would increasingly be about materials.

Appendix 1 to the Report outlined the nine options which had been modelled by Ricardo. The table at Appendix 2 showed options rated for projected dry recycling rate against the number of containers required, however, the wider picture included variables such as the need for local processing of the recyclate in respect of which work was underway to assess the associated implications.

At Appendix 3, the options appraisal based on modelling outputs set out some of the variables with a 'traffic light system' in order to indicate the relative merits of each option. The graph at Appendix 4 showed high level indicative service costs against projected recycling performance, including current costs of service, the data for which was currently being validated in order to ensure accuracy.

Paragraph 4.6 of the Report highlighted details of four particular options that Ricardo had modelled. By focusing on those options, a number of factors could be fully explored and assessed over the coming weeks, including the disposal of materials and an in-depth analysis of related costs. Different options required different vehicles, collection systems and sorting facilities.

Appendix 5 to the Report provided a summary of the points that had been raised by the Scrutiny Committee at its meeting on 1 July 2016 at which it had received a Report relating to the waste and recycling review and the Ricardo options appraisal. However, the data that was referred to in Report No 118/16 was from the latest version of the Ricardo analysis that had been received on 5 July 2016 which differed slightly from that which had been presented to the Scrutiny Committee in its recycling projections.

Resolved:

- 21.1** That the Director of Service Delivery be authorised to undertake further due diligence tests against a focused band of options modelled, to test cost assumptions, projected recycling rates and operational impacts on the service, namely options 3, 6, 7 and 7a,

DSD

as set out in Appendix 1 to Report No 118/16 as follows:

Option 3 – Weekly fully comingled recycling, fortnightly residual waste, weekly food waste;

Option 6 – Fortnightly fully comingled recycling, weekly residual waste, no food waste;

Option 7 – Fully comingled recycling, alternate weekly collection, weekly food waste; and

Option 7a – Comingled recycling with glass separate, alternate weekly collection, weekly food waste

The four options cover a range of collection and disposal methods, allowing a full assessment for consideration against the current method, all four being TEEP (technically, environmentally and economically practicable) compliant (see 'Legal Implications', 8.2);

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| <b>21.2</b><br><b>21.3</b><br><b>21.4</b> | <p>That the Director of Service Delivery be authorised to explore and implement changes to the current service in parallel to the tests conducted in 21.1 above, particularly in garden and food waste collection services;</p> <p>That £10,000 be released for additional consultancy services through iESE to provide independent critical guidance to the next phase of the review; and</p> <p>That the Director of Service Delivery be required to present proposals for achieving waste and recycling service objectives to Cabinet for decision in quarter 4, 2016/17.</p> | DSD<br>DSD<br>DSD |
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#### Reasons for the Decisions:

The objectives of the waste and recycling service review are to:

- Improve recycling rates significantly
- Simplify the collection system
- Enhance service cost effectiveness

Ricardo plc was invited to model nine possible collection methods and this has provided a substantial amount of information.

Presenting these models to the Scrutiny Committee in July 2016 led to a range of comments regarding how collection methods would fit across the Lewes district to ensure full resident engagement and satisfaction with the service (see Scrutiny section and Appendix 5).

Of the nine options modelled, Ricardo identified several as good performers in terms of value for money and 'ease of use' for residents. Of these, officers propose to test four options further (3, 6, 7 and 7a), in particular on cost assumptions, recycling performance and impacts on operational service delivery (for residents and for ease of delivery for the service). In addition, the

current method of collection will be reviewed to assess current and potential performance to ensure an appropriate baseline.

Testing these assumptions further will give confidence in the Council establishing a waste and recycling service fit for the future. It may be the case that a hybrid solution, taking the best from the options modelled, is arrived at through this process.

The collection system selected will need to be fit for purpose for the 10 year period dictated by the dedicated vehicle lifespan.

Other considerations will include the possible supply and size of wheelie bins, where appropriate. A further significant consideration will be disposal arrangements.

It would be prudent for any new service design to be a viable option for both the Council and other providers. It will need to be scalable as well as affordable, and a service which is easy to use by the customer and straightforward to implement and operate.

## **22 Report and Recommendations of New Homes Project Working Group**

The Cabinet considered Report No 119/16 which set out the findings and recommendations of the New Homes Project Working Group; and details of the review that had been carried out by the Council's external auditor, BDO, into the New Homes Project Governance Arrangements.

At its meeting on 9 December 2015, the Council had agreed "That this Council form an all-party Working Party to look into the way that negotiations were conducted with regard to the conditional contract and profit share agreement involving Lewes District Council, Karis Developments Limited, Southern Housing Group Limited and Karis Southern Housing Projects Limited; and further that this Working Party oversee future decisions made under these agreements and report periodically to Members."

The Working Group had met on seven occasions to review the Project, consider lessons learned and formulate recommendations applicable to future Council strategic projects. The Group had comprised six elected Members who represented all political Groups on the Council, and an independent Chair appointed by them who was neither an Officer nor Member of the Council.

As a Working Group, rather than a committee, its meetings had not been open to the public which had allowed discussion with Members and Officers to be open and frank. That had assisted the Group in reporting back to Cabinet more meaningfully than might otherwise have been the case.

Five themes had emerged as the Group's investigations had progressed:-

1. project size and complexity;
2. sites and planning matters;
3. consultation and keeping Members informed;
4. procurement; and

5. governance and management;

further details of which were set out in paragraphs 2.1 to 2.5 of the Group's Report that was set out at Schedule 1 to Report No 119/16.

That Schedule comprised details of the Group's membership and terms of reference (Appendix 1); the witnesses who had given evidence (Appendix 2); and the Group's recommendations (Appendix 3).

BDO's report, including the management response thereto, was set out at Schedule 2 to Report No 119/16.

A report by BDO, which incorporated matters relating to the New Homes Project, had been considered by the Council's Audit & Standards Committee at its meeting on 26 September 2016, as part of that Committee's remit in providing independent scrutiny of the Council's financial performance to the extent that it affected the Council's exposure to risk. A Minute extract from that meeting was circulated to Councillors at the meeting and made available to those attending the meeting (a copy of which is contained in the Minute Book).

The Chair introduced to the meeting Mr Vic Kempner who was one of the Council's independent persons for Standards matters and who had been elected Chair of the Working Group. Mr Kempner summarised the Group's role and gave Cabinet a presentation relating to the Group's Report in respect of which he drew attention to some of the key issues. Additionally, he explained that the Group had not had any contact with BDO during the preparation of its audit report and indicated that the Group's work, and that undertaken by BDO, had been conducted separately from one another.

Resolved:

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| <b>22.1</b> | That the findings and recommendations of the New Homes Project Working Group, as set out in Schedule 1 to Report No 119/16, be accepted;   | CE |
| <b>22.2</b> | That the findings and recommendations of the review by BDO, the council's external auditor, into the New Homes Project governance arrangements; and the Council's management response to this review, as set out in Schedule 2 to the Report, be accepted; | CE |
| <b>22.3</b> | That the Minute extract from the meeting of the Audit & Standards Committee at its meeting on 26 September 2016, which was circulated at the meeting, be received and noted;   | CE |
| <b>22.4</b> | That the Chief Executive be required to produce a management action plan in response to the Working Group's recommendations, addressing together the points raised both by the Working Group and BDO's review; and   | CE |
| <b>22.5</b> | That the Chief Executive be required to submit the composite action plan referred to in 22.4 above to Cabinet for approval.  | CE |

### Reasons for the Decisions:

At its meeting on 9 December 2015, full Council approved the formation of a cross-party Working Group to review certain aspects of the New Homes Project. Once formed in January 2016, the Working Group met seven times to review the Project, consider lessons learned and formulate recommendations applicable to future Council strategic projects.

The Working Group's recommendations are now complete, and presented for Cabinet's consideration.

Separately, the Council's auditors, BDO, have conducted a review of the New Homes Project governance arrangements as part of their audit of the Council's use of resources for the year ending March 2016.

Since the findings and recommendations of both the Working Group and BDO are broadly consistent, it is appropriate that Cabinet consider them together and request that a management action plan is produced, addressing the points from both sources.

### **23 Amendments to Private Sector Housing Financial Assistance Policy**

The Cabinet considered Report No 120/16 which related to proposed amendments to the private sector housing renewal Financial Assistance Policy, further details of which were set out at Appendix A thereto.

It was a statutory requirement that the Council's private sector housing renewal strategy included a Financial Assistance Policy in respect of grant aid and other forms of financial assistance.

The revised Financial Assistance Policy was set out at Appendix A to the Report with amendments highlighted and in italics. There were very minor changes to the Disabled Facilities Grants to include extended warranties for external stairlifts, through floor lifts and specialist wash/dry toilets. They were expensive items of equipment and by the nature of their electronic make-up, a failure could lead to a distressful situation.

The main changes were to the Emergency Repairs Grant (ERG) and Over 75's Heating Grant. Both grants were overspent last year and the Over 75's grant was becoming increasingly popular as there was no financial eligibility criteria in respect thereof. The ERG was a maximum grant of £2000 for small scale emergency works which was often not enough. Any owner occupiers who required large scale repair work would be offered a loan up to a maximum of £25,000.

In order to ensure that the grants available increased the standard of accommodation for vulnerable groups and that the Council's limited funds reached as many people as possible, it had been decided to merge the two grants into one Heating and Repair Grant (HRG) for which a maximum grant of £3,500 would be awarded in cases of emergency repair or lack of a suitable heating system.

To ensure that the HRG would be available for those vulnerable groups who fell outside the criteria for means tested benefit, the disabled and chronically sick would be considered for a grant. Additionally, it was proposed to include low income families, just above the benefit level, who struggled to find resources for essential repairs to their properties; and low income families with children under the age of 10, who fell just outside of the benefit criteria. A low income would be classed as a joint income of below £20,000. In order to satisfy all of those exemption criteria, the applicants must have less than £10,000 in savings (single person) or £15,000 in savings (couple).

The policy would be reviewed quarterly.

Resolved:

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| <b>23.1</b> | That the amendments to the private sector housing Financial Assistance Policy, as set out at Appendix A to Report No 120/16, be approved;  | DSD |
| <b>23.2</b> | That the Director of Service Delivery be authorised to make any reasonable future changes to the Policy, in consultation with the Lead Member for Housing, if circumstances change (ie funding); and | DSD |
| <b>23.3</b> | That the Director of Service Delivery be requested to prepare Reports to future meetings of Cabinet as necessary, setting out details of significant proposed changes to the Policy.                 | DSD |

Reasons for the Decisions:

To update the private sector housing Financial Assistance Policy in line with the capital resources available for the year 2016/17.

To enable minor changes in the policy to be made throughout the financial year, in agreement with the Lead Member, to preclude the need for a full Cabinet Report for a minor amendment.

## **24 Local Air Quality Management: Newhaven's Air Quality Action Plan**

The Cabinet considered Report No 121/16 which proposed the adoption of an Air Quality Action Plan for Newhaven to improve local air quality in the District.

Part IV of the Environment Act 1995 placed a statutory duty on all local authorities to periodically review and assess the quality of air within their boundaries, both currently and for the future. The Council continuously monitored air pollution against national standards in a number of locations throughout the District, the results of which were submitted to the Department for Environment, Food and Rural Affairs (DEFRA) on a regular basis.

In instances where results indicated that air quality limits were at risk of being reached or exceeded, DEFRA required local authorities to undertake a more detailed assessment of the levels of pollution in that area. A detailed assessment of Newhaven Town Centre had led to the declaration of an Air Quality Management Area (AQMA) in areas adjacent to the A259 ring road in

July 2014, a map of which was appended to the Report.

Following the declaration of the AQMA, the Council was required to produce an Air Quality Action Plan (AQAP) outlining how it had, was currently and would address the issues that had led to the declaration of the AQMA.

A draft AQAP was prepared between June and September 2015 through a partnership approach in particular with East Sussex County Council (Transport and Public Health), Planning, Newhaven Town Council, Newhaven Port Authority, South Down's National Park and Highways England.

Under Schedule 11 of the Environment Act, local authorities were required to consult on their AQAP, further details of which were set out in paragraph 2 of the Report.

The AQAP provided an overview of air quality in Newhaven and placed it in context of a range of European, national, regional and local policies, including the Local Transport Plan 2011-2026, Coast to Capital Local Enterprise Partnership Strategic Economic Plan, and the Council's Local Plan, specifically Core Policy 9 on Air Quality.

The Action Plan had been prepared to address the high concentrations of Nitrogen Dioxide which people were exposed to alongside the busy roads in the centre of Newhaven. The Plan described seven actions that, if adopted, could deliver improvements in air quality, each of which had been evaluated in terms of cost, feasibility and timescale.

The AQAP had been discussed by the Scrutiny Committee at its meeting on 1 July 2016 which had discussed various methods of reducing air pollution within the town, further details of which were set out in paragraph 6.1 of the Report.

The Committee agreed that the Action Plan had been well researched, however, it recognised the difficulty in changing the infrastructure within Newhaven town as it fell within the remit of East Sussex County Council, as did the majority of actions contained within the Plan.

The Committee had requested that Natural England be included as a consultee and resolved:

- That the AQAP for Newhaven be endorsed
- That Cabinet be advised that the Committee welcomed the action points as shown in paragraph 3.4 of the Report.

A copy of the proposed Plan was appended to the Report.

Resolved:

- 24.1** That the Air Quality Action Plan for Newhaven, as appended to Report No 121/16, be approved.

DSD

Reasons for the Decision:

To fulfil the Council's Local Air Quality Management duties under Part IV of the

Environment Act 1995.

To work towards improving air quality in Newhaven particularly in those areas in close proximity to the A259 ring road.

For the Council and its partners to work together on a local level to reduce emissions of relevant pollutants and reduce the health impacts of the pollutants.

## 25 Asset Management: Relocation of CAB to Newhaven Square

The Cabinet considered Report No 122/16 which set out the business case for additional investment at Newhaven Square.

The Lewes District Citizen's Advice Bureau (CAB) was a long established voluntary organisation for the District which provided free, confidential, impartial and independent advice to enable local residents to deal with a wide range of issues, including benefits, housing, money advice, employment, consumer, relationships, taxation and many more.

The Council had provided substantial funding to the CAB for many years. A Service Level Agreement (SLA) set out the service requirements expected in return for the grant given, together with clear monitoring arrangements. The current SLA ran from 2015 to 2018.

In April 2016, the Council had purchased the headlease of Newhaven Square which comprised a number of retail and office premises, many of which had been empty for more than 5 years and were badly run down.

The CAB currently operated from two main offices namely, in Lewes and Seaford. Additionally, it currently provided a minor presence in Newhaven and Peacehaven, and from the Council's offices in Southover House, Lewes.

When the CAB's three year SLA with the Council was renegotiated in 2014, the Council stressed the importance of the CAB being located where need was greatest for its service. Therefore, it was stated in the SLA that the CAB would provide:

- (a) a revised accommodation/service configuration in Lewes where services were delivered through shared accommodation with the Council at Southover House or other public buildings within the District; and
- (b) a full service in Newhaven, delivered out of a shared facility with Lewes District Council or other public buildings within the District.

Paragraphs 3.4 to 3.6 of the Report set out details relating to the Lewes accommodation; and paragraphs 3.7 to 3.19 set out details relating to the Newhaven accommodation.

Over the past two years, Council Officers had worked closely with the CAB to investigate a range of options to enable the accommodation changes to be achieved. Despite numerous attempts, it had not been possible to find suitable

accommodation for the CAB in Newhaven.

Following the Council's purchase of properties at Newhaven Square, discussions had again taken place with the CAB regarding relocation in respect of which a suitable property had been identified at units 15-19 Chapel Street, Newhaven, which required refurbishment works prior to letting.

Due to the specialist and confidential nature of its work, the CAB required the accommodation to be sub-divided into multiple, sound-proofed interview rooms. In light of the nature of the building, those rooms required air conditioning and ventilation in order to provide a conducive environment in which staff could work and which met Building Regulations. The estimated costs of the refurbishment works were in the region of £175k plus fees.

Further details relating to the proposal, including the anticipated level of rent receipt for the building, were set out in the Report.

Resolved:

- 25.1** That capital investment of up to £175,000 at Newhaven Square, Newhaven, be approved to refurbish premises so that they are suitable for the provision of an advice centre, enabling the relocation of the Citizen's Advice Bureau from Lewes to Newhaven, as detailed in Report No 122/16; and DRP
- 25.2** That the capital investment be funded from the Capital Reserve. DRP

Reasons for the Decisions:

To enable the Citizen's Advice Bureau to achieve the objective shared with the Council to relocate their main office to Newhaven, in line with service demand and to increase the services on offer to residents along the coastal strip.

## **26 New Affordable Housing Update – Housing Revenue Account**

The Cabinet considered Report No 123/16 which provided an update on the existing Council programme for developing new affordable housing through the Housing Revenue Account (HRA) and proposals for the next stage of the programme.

The Local Growth Fund project had commenced in Summer 2015 with the aim of building new affordable homes for the Council to offer to households on the housing register for rent. The project initially included seven small Council owned sites where the land had been assessed as being underutilised and where new affordable homes would benefit the community.

Those seven sites had been assessed as having capacity for up to 30 homes, and designs were worked upon during Autumn 2015. Following consultation on the designs with local residents and town councils, it was decided that more work was required to produce two of the sites in Valley Road, Newhaven and Waldshut Road, Lewes, both of which were consequently dropped from the programme. The remaining five sites went forward to the planning stage and

all were granted planning permission, details of which were set out in paragraph 2 of the Report.

There were a large number of households registered on the Council's housing register which had a need for accessible housing due to mobility issues or who were registered as disabled, and 10% of all new households that joined the register required adapted properties.

The cost of adapting existing homes to meet the needs of tenants who could not use the stairs was significant and, once adapted, affordable homes did not become available for new tenants very often. Additionally, most private landlords were very reluctant to allow their properties to be adapted for disabled tenants which increased the need for the Council to meet such requirement.

A small site at Ashington Gardens, Peacehaven, had been identified as having good potential for a development, although there were planning reasons why only single storey homes would be acceptable. The remaining capacity within the HRA to borrow to fund the construction of new homes meant that the site would be an opportunity to rapidly deliver two new affordable homes for those in need of accessibility features, ahead of any larger housing delivery programmes that the Council undertook.

Resolved:

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| <p><b>26.1</b> That progress in developing 22 new affordable homes as part of the Local Growth Fund Project, predominantly upon former Council garage blocks, as detailed in Report No 123/16, be noted;</p> <p><b>26.2</b> That the use of a Council owned amenity land site at Ashington Gardens, Peacehaven, for the construction of two affordable homes designed with full disabled access, be approved; and</p> <p><b>26.3</b> That a budget from the Housing Revenue Account of up to £400,000 for the design, planning, consultation and construction of the homes, be approved.</p> | DSD |
|  | DSD |

Reasons for the Decisions:

Delivering sustainable new housing and infrastructure is a key priority within the Council Plan, and the Local Growth Fund is a key project within it.

There is a shortage of affordable homes with full disabled access and the site at Ashington Gardens has planning restrictions that would prevent the development of housing above ground floor level.

The development of the homes directly by the Council will ensure that the project comes forward promptly and within a specification set to meet the needs of the Council's residents.

## 27 Play Streets

The Cabinet considered Report No 124/16 which proposed a process and criteria for agreeing regular road closure orders to enable 'Play Streets' in suitable locations and at suitable times.

The Council was responsible for road closures orders for which it dealt with a number of requests every year for annual or one-off events. Officers had been approached by a local resident who wanted to apply for a road closure to allow a Play Street in Lewes which was a temporary road closure for 2 to 3 hours. Starting in Bristol in 2009, Play Streets were currently established in around 30 local authorities including several London Boroughs, Brighton & Hove (since 2012), and Adur & Worthing (since 2013).

Play Streets could take place regularly, but no more often than once a week, on a school afternoon or a weekend morning or afternoon or during school holidays. Generally they only operated during daylight hours and were designed to allow children to claim back the streets for play which was supervised by parents or other carers which also acted as a community-building opportunity for the grown-ups. Roads were closed off to vehicular movements using signs, though access was allowed to residents to park in existing parking bays.

Play Streets had taken place in Wheatsheaf Gardens, Lewes, in July 2016 and September 2016. The events had operated well and had attracted positive publicity, with further ones planned in the same road. Those pilots had been arranged by individual road closure orders for each date, but the proposal in the Report, if approved, would simplify that process.

Paragraphs 2.6 to 2.8 of the Report set out details relating to the consultation process associated with the proposal.

Resolved:

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| <p><b>27.1</b> That the use of the Council's existing road closure powers to enable the implementation of Play Streets where requested, as detailed in Report No 124/16, be agreed;</p> <p><b>27.2</b> That a regular road closure be issued for a Play Street to be dependent on agreement from Sussex Police and East Sussex County Council, and to be subject of consultation of all affected parties. Where the proposers cannot show support of at least 60% of affected residents and businesses, or where one or more resident or business can show their interests are particularly prejudiced by the proposal then it will not be allowed to go ahead; and</p> <p><b>27.3</b> That if once a Play Street is implemented, one or more resident or business shows their interests are being particularly prejudiced by the event, then the regular road closure order may be rescinded.</p> | DRP |
|  | DRP |
|  | DRP |

Reasons for the Decisions:

To enable the implementation of Play Streets to enable children to play out in a community setting, but to ensure that it occurs in safe and suitable locations

with the agreement of affected neighbours and businesses.

## 28 Wave Leisure Trust Annual Review 2015/2016

The Cabinet considered Report No 125/16 which sought approval of the objectives stated within the 2017-18 Annual Service Statement between the Council and Wave Leisure Trust (WLT).

WLT had completed ten successful years of operation. The partnership between the Council and the Trust had matured over that period and the arrangements that were in place were considered to be successful in bringing about positive outcomes for the local community.

Through careful control of costs, WLT had ended 2015/2016 with a surplus of £44,457 which was an increase on the previous year of £3,359, and uncommitted reserves of £891,060.

A summary of WLT's Chief Executive's (Duncan Kerr) Annual report was set out at Appendix A to Report No 125/16. The Chair introduced Mr Kerr to the meeting who drew Cabinet's attention to a small number of changes to the figures that were set out in Appendix A.

The contractual arrangements between the Council and WLT required the Council to prepare and approve an Annual Service Statement each year and to indicate the level of Service Fee to be paid for the provision of services. In return, WLT was required to produce an Annual Service Delivery Plan (ASDP) and submit it to the Council for approval in January of each year.

The ASDP sets out how WLT intended to meet the Council's objectives based on the requirements of the Annual Statement which related to services that were intended to be delivered in the next financial year.

The ASDP for 2017-18 would align with the Council's objectives as set out in the Council Plan, the specific objectives for which were set out at Appendix B to Report No 125/16 which also set out the objectives for Newhaven Fort.

WLT's performance against the objectives for 2015-2016 was the subject of a presentation to the Lead Member by WLT's Chief Executive in July 2016. There were no concerns about the ongoing performance of the Trust.

WLT had developed plans for a mezzanine level in the gym at the Downs Leisure Centre, Seaford, which would significantly increase the space within the gym and allow WLT to offer improved gym facilities and equipment. WLT had requested consent from the Council for such works in respect of which Officers were waiting on a detailed submission from WLT prior to issuing consent.

The Trust wished to replace all gym equipment across the four main sites as the current lease agreement was coming to an end. The Trust required the Council to sign a "Step-In Agreement" to enable WLT to enter into a five year operating lease for the new equipment. Such Agreement was required by Investec Asset Finance plc, which was the leasing company, in light of WLT's

large pension fund liability. The Agreement was a form of guarantee whereby the Council would step in, in place of WLT, to service the obligations under the lease should WLT be unable to do so. The proposed Agreement was compliant with the rules on State Aid. If agreed, the improved gym facilities should increase usage of the gyms and membership figures.

Resolved:

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| <p><b>28.1</b> That the objectives identified in the 2017/2018 Annual Service Statement with Wave Leisure Trust, as detailed in Report No 125/16, be approved;</p> <p><b>28.2</b> That the Director of Tourism and Enterprise be given delegated authority to enter into an agreement enabling the Council to act as Guarantor to Wave Leisure Trust in respect of an agreement to lease new gym equipment, up to a maximum liability of £500,000; and</p> <p><b>28.3</b> That Wave Leisure Trust's performance against the Annual Service Delivery Plan for 2015/2016, be noted.</p> | DTE |
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Reasons for the Decisions:

The agreement between the Council and Wave Leisure Trust requires Cabinet to approve a Service Statement on an annual basis and to receive a report on the performance of the Trust. Additionally, Cabinet is required to approve the joint objectives proposed for the forthcoming financial year.

Wave Leisure Trust requires the Council to sign a "Step-in Agreement" so that Wave may enter into a five year operating lease for new gym equipment. The Agreement is required by Investec Asset Finance plc (the leasing company) because of Wave Leisure Trust's large pension fund liability.

## **29 Ward Issues Raised by Councillors at Council**

The Cabinet considered Report No 126/16 which set out responses to Ward issues that had been raised by councillors at the meeting of the Council held on 21 July 2016.

Resolved:

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| <p><b>29.1</b> That the Officer action in respect of Ward issues that had been raised by Councillors at the meeting of the Council held on 21 July 2016, as detailed in Report No 126/16, be noted and agreed.</p> |
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Reason for the Decision:

To ensure that appropriate follow up action is taken in respect of Ward issues that were raised by councillors at Meetings of the Council.

**30 Appointment to Serve on Outside Body**

Resolved:

- 30.1** That the appointment of Councillor J Peterson to serve as the member representative on East Sussex County Council's Children's Scrutiny Committee, which is a new outside body, be confirmed.

ADLDS  
(HDS)

Reason for the Decision:

To confirm the appointment of a councillor to serve as the Council's representative on a new outside body.

The meeting ended at 4.15pm.

A Smith  
Chair