



Cabinet

Minutes of a Meeting of the **Cabinet** held in the **Ditchling Room**,
Southover House, Southover Road, Lewes on **Monday, 26 June 2017** at 2.30pm

Present:

Councillor A Smith (Chair)

Councillors P Franklin, B Giles, T Jones, I Linington, 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)

Councillor S Osborne (Leader of the Liberal Democrat Group)

Mr J Langley (Tenants' Representative)

Apology Received:

Ms D Twitchen (Tenants' Representative)

Minutes

1 Minutes

The Minutes of the meeting held on 20 March 2017 were approved as a correct record and signed by the Chair.

2 Urgent Items

It was reported that following the recent fire which had occurred at the Grenfell Tower block in London, a review had been undertaken of the Council's housing stock during which it had been established that none of the dwellings had been fitted with cladding that required safety testing.

Action

In line with councils across the country, the Council was currently reviewing its practices and would be working with the fire authority to review housing blocks in both the social and private sectors, details of which would be reported to the Cabinet in due course.

DSD

Cabinet's attention was drawn to the contents of a Notice of Motion that had been considered and agreed by the Council at its meeting on 16 October 2013 relating to fire sprinkler systems.

Resolved:

- 2.1** That the Notice of Motion which had been considered and agreed by the Council at its meeting on 16 October 2013 relating to fire sprinkler systems, be reviewed.

DSD/
DRP

Reason for the Decision:

To review of the Notice of Motion that had been considered and agreed by the Council at its meeting on 16 October 2013.

3 Finance Update – Performance Report - 2016/2017

The Cabinet considered Report No 89/17 which provided an update on the Council's financial performance in 2016/2017 and explained the impact on the Council's current financial position.

The Council's 2016/2017 Accounts had been closed and at the time of preparing the Report, the Deputy Chief Executive was expected to approve the draft Statement of Accounts during the week beginning 26 June 2017, immediately following which they would be released to the Council's external auditor, BDO, and made available to the public for inspection.

The General Fund year end position for 2016/2017 was in line with the forecast made when the Medium Term Financial Strategy was updated at the time that the 2017/2018 budget was prepared, and with the quarterly performance reports made to Cabinet during the course of the year.

Table 1 in the Report showed the final net expenditure/income for 2016/2017 analysed by management area which was the format used in the quarterly financial performance Reports to Cabinet during the year. It indicated that net spending on services was £171,000 less than budgeted. Details of each service were set out at Appendix 1 to the Report.

Table 5 listed the contributions to and use of each General Fund Reserve in 2016/2017, and the balance held at the end of the year. It also identified the anticipated movement on each Reserve in 2017/2018 which reflected the approved General Fund budget and the capital programme.

Table 6 showed that the Housing Revenue Account outturn for 2016/2017 (after planned specific one-off costs had been financed from the Special Projects element of the working balance) was a net surplus of £542,000 compared with a surplus of £519,000 which had been projected when the

budget for the year had been set, which provided a net positive variation of £23,000. Table 7 summarised the main variations compared with that projection.

The balance on the Council Tax Collection Fund at 31 March 2017 was a surplus of £1.792m, compared with a surplus of £1.700m which had been estimated at the time of setting the Council Tax for 2017/2018. Such positive variation, at 0.1% of income, reflected growth in the taxbase, changes in entitlement to discounts and a decrease in the value of Council Tax Reduction Scheme awards compared with the projection. The variation was well within the acceptable level of tolerance given that the total annual amount of Council Tax due was £64.7m. The earliest that the additional surplus could be distributed was during 2018/2019. The distribution would be between the Council, East Sussex County Council, East Sussex Fire Authority and the Sussex Police and Crime Commissioner, based on 2017/2018 Council Tax amounts. Approximately 15% of the surplus would be returned to the Council.

The balance on the Business Rates Collection Fund at 31 March 2017 was a deficit of £1.598m, of which the Council's share would be £0.639m, compared with a deficit of £1.386m that had been estimated at the time of setting the 2017/2018 budget. Such increased deficit was largely the result of backdated transitional relief and an increased provision for non-collectable debt. Appeals against business rate valuations, which were beyond the Council's control, remained a key risk. At 31 March 2017, 180 appeals against the Council's rating list remained to be settled. The provision for business rates appeals was reduced by £0.100m to £1.8m at 31 March 2017.

Financial Procedure Rules authorised the Deputy Chief Executive to write-off a debt which was below £10,000 or where the amount involved was claimable in bankruptcy or liquidation proceedings. Cabinet or Council approval was required to write off a single debt in excess of £10,000 or £50,000 respectively. It was important to ensure that only those debts for which a realistic prospect of recovery existed remained active. The Council's external auditor could be expected to review such activity as part of the statutory audit of accounts. However, there was nothing to prevent the Council from reinstating a debt, following its write-off, if new information came to light about the debtor's circumstances.

In 2016/2017 the amounts set out in paragraph 4.5.2 of the Report had been written off in total when action to recover individual debts had proved to be unsuccessful or uneconomic to pursue. No individual case was in excess of £10,000. Cabinet was recommended to approve the two write-offs set out in paragraph 4.5.3 of the Report where continued recovery action was no longer considered to be appropriate.

The Capital Programme was an allocation of resources, (principally capital receipts from the sale of assets, grants or contributions received with specific conditions attached, and reserves) to projects that related to the major repair, enhancement or purchase of long-term assets. In many cases such projects would span financial years. Table 9 summarised the final position in respect of the 2016/2017 Capital Programme and Appendix 2 to the Report set out a detailed analysis thereof.

Appendix 3 to the Report set out details relating to the Capital Programme for 2017/2018 which had been updated to include the amounts brought forward from 2016/2017. Details of the proposed variations to the 2017/18 programme were set out in paragraph 4.6.4 of the Report.

The Council had adopted the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management in the Public Services and complied with its requirements, one of which was that the Council should receive an Annual Treasury Management Report following the end of each financial year. Such Report also included the results of the various indicators which the Council set each year in accordance with the Prudential Code for Capital Finance in Local Authorities.

The Annual Report for 2016/2017, which had been considered by the Audit and Standards Committee at its meeting on 19 June 2016. was set out at Appendix 4 to Report No 89/17.

Resolved:

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| 3.1 | That the financial position on the General Fund, Housing Revenue Account and Collection Fund accounts for 2016/2017, as detailed in Report No 89/17, be agreed; | DCE |
| 3.2 | That the allocation of Reserves at 31 March 2017 shown in paragraph 4.2.9 of the Report, be confirmed; | DCE |
| 3.3 | That the Capital Programme outturn for 2016/2017 as shown in Appendix 2 to the Report, be agreed; | DCE |
| 3.4 | That the updated 2017/2018 Capital Programme, as set out in Appendix 3 to the Report, be approved; | DCE |
| 3.5 | That the write-off of irrecoverable debts noted in paragraph 4.5 of the Report, be approved. | DCE |

It was further

Recommended:

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| 3.6 | That the Annual Treasury Management Report for 2016/2017, as set out in Appendix 4 to the Report, be approved. | DCE
(to
note) |
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Reasons for the Decisions:

A Report on financial performance following the end of each quarter 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.

At the end of the financial year, Cabinet should review the impact of the financial performance on its current financial position, determine the level of Reserves available for use and variations, if any, which may be required to the revenue budget or capital programme.

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 (the Code) prepared by the Chartered Institute of Public Finance and Accountancy and adopted by the Council. The Code requires the Council to receive an Annual Treasury Management Report at the end of each financial year.

4 Portfolio Progress and Performance Report 2016/17 - Quarter 4 (January – March 2017)

The Cabinet considered Report No 90/17 which related to the Council's progress and performance in respect of key projects and targets for the fourth quarter of the year namely, January to March 2017, 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, to ensure that they continued to reflect customer needs and Council aspirations.

It was important to monitor and assess progress and performance on a regular basis to ensure that the Council continued to deliver priority outcomes and excellent services to its customers and communities. Those priorities were set out in the Council Plan that was adopted by the Council in February 2016, supported by associated projects and service performance targets that had been approved by Cabinet in July 2016.

The Scrutiny Committee had a key role in terms of oversight of the Council's progress and performance and challenging areas of under-performance. That Committee was scheduled to consider the data that was set out in the Report at its forthcoming meeting in September 2017 at which time it would raise any matters of concern.

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 being taken to address the issue was also provided. The recent addition to the Cabinet of a portfolio holder for Environmental Impact would be reflected in the next performance Report.

An overview of the Council's performance for the year as at the end of the fourth quarter was set out in paragraphs 13 to 44 of the Report.

93% of the Council's key projects were either completed or on track at the end of the fourth quarter. There were no project delays which constituted any serious risk to the Council. 86% of the Council's performance targets were either met, exceeded or within acceptable levels during the fourth quarter. Three indicators had not meet planned targets during the fourth quarter, details of which were set out in paragraphs 39 to 44 of the Report.

Resolved:

- 4.1 That Report No 90/17 which related to the Council's progress and performance in respect of key projects and targets for the fourth quarter of the year namely, January to March 2017, be received and noted; and
- 4.2 That the Officers be thanked for their work in helping the Council to achieve the levels of progress and performance that were detailed in the Report.

DRP

Reason for the Decisions:

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

5 Review of the Council Plan 2016-2020

The Cabinet considered Report No 91/17 which set out the results of a review that had been undertaken of the Council's four year plan namely, from 2016 to 2020, at the end of the first year, in order to enable the Cabinet to consider the successes and achievements to date and to approve the further development and refinement of the Plan as it moved into its second year.

The Plan was a key corporate document that set out the Council's commitments to its residents and businesses and outlined a programme of important strategic objectives and the projects that would deliver them for the District. The Plan drew upon a range of statistical data, as well as the views of key stakeholders, to inform and help shape the policy priorities for the Council.

The 2016-2020 Council Plan was adopted by the Council in February 2016 following extensive consultation and engagement with local residents, partners and stakeholders.

Progress against key success measures and project deliverables that were set out in the Plan had been reported to Councillors on a quarterly basis as part of normal performance management arrangements which would continue in 2017/18.

It was agreed by Council that, although covering a four year period, the Plan would be considered a dynamic document that would evolve over time in respect of which an annual review was agreed. The Report set out results of the first such review.

The Council had made good progress in the past year in delivering across a

range of the projects and initiatives set out in the Plan. The table at Appendix A to the Report showed which projects had been completed and what had been achieved. It also set out progress made to date on those longer term projects which would take more time to fully deliver.

In addition to the projects set out in the Plan, through the year opportunities had arisen for two additional areas of work to be progressed which helped to deliver the Plan's objectives, further details of which were set out in paragraph 8 of the Report.

Appendix B to the Report set out the work which the Council would be focusing on in the coming year to continue to ensure that its objectives and priorities were delivered. Amongst those were a number of existing projects which would be moving in to new phases, alongside some new projects which would help the Council to further its strategic aims. Some of the larger, longer duration projects would deliver key milestones in the coming year, further details of which were set out in paragraph 11 of the Report.

Six new projects were being proposed for inclusion in the Plan in 2017/18, further details of which were set out in paragraph 12 of the Report. They were in line with the overall aims and objectives of the Plan and had resulted, in the main, from new opportunities which had presented themselves since the original Plan was developed.

Resolved:

- 5.1 That the progress made in the first year of delivery of the Council Plan 2016 to 2020, as set out at Appendix A to Report No 91/17, be noted; and
- 5.2 That the action plan for year 2 of the Council Plan, as set out at Appendix B to the Report, including the additional projects as set out in paragraphs 8 and 12 of the Report, be approved.

DRP

Reason for the Decisions:

During the period of a four year Council Plan adjustments and refinements may need to be made to respond to changed circumstances and emerging opportunities. In acknowledgement of this an annual review is a helpful way of ensuring that the Plan remains focused on delivery of the organisations overall strategic objectives.

6 Joint Venture on Energy & Sustainability

The Cabinet considered Report No 92/17 which related to the proposed appointment of a preferred bidder to work with the Council and Eastbourne Borough Council to set up a structure that would deliver a range of projects to meet environmental ambitions, while also ensuring resilience against future energy, food, sustainability and climate change challenges.

The Council had made a commitment in its Council Plan 2016 – 2020, to have a Clean and Green District. Likewise, Eastbourne Borough Council had made

a similar commitment to providing a Quality Environment in its Corporate Plan 2016 – 2020, with it being one of four key themes. Specifically, by 2020, the Councils intended to be moving towards becoming low carbon areas, with a wide range of locally derived environmentally friendly initiatives. Both Councils had ambitious plans to improve their respective areas and deliver significant projects, along with high quality operational services, and so had made a commitment to deliver a shared service. Both Councils had already given consideration to the Joint Venture and had approved the public procurement process for a private sector partner.

Within the energy sector there was a combination of increasing prices, future shortage of supply, and the need to reduce carbon emissions. The food chain faced similar future uncertainty with population growth and major global food regions under threat from extreme weather patterns. There would also be future sustainability issues with transport, waste and water.

Both Councils had good track records of investing and delivering in sustainability, and both had invested in solar panels on social housing, reduced their own carbon footprints, invested in green spaces, supported local community groups, and increased the amount of recycling collected. However in the context of future needs, a more ambitious approach to achieve large scale change was required, and a step change in investment, and working alongside commercial organisations for their specialist skills and experience, was required.

Whilst a key focus of the Joint Venture was to deliver potentially innovative energy and sustainability projects, it was possible that many capital projects could also be delivered, provided that they came within the wide scope of the procurement and there was a sufficient element of energy/sustainability.

The Joint Venture was, in effect, a partnering relationship between the two Councils and the private sector partner, and offered significant advantages to accelerate the delivery of projects, which would be completed to a high standard and would achieve councillor's ambitions for their respective areas, further details of which were set out in paragraph 1.6 of the Report.

Given that both Councils were in the process of sharing services, the procurement process had been undertaken on their behalf as founding partners. The Invitation to Submit Final Tender stage had concluded, which completed the procurement process. The Robertson Aecom Consortium were recommended as the preferred bidder and, subject to the approval of both Council's Cabinets and satisfactory finalisation of the contractual agreements, it was recommended that they be appointed as the Joint Venture partner for a period of 20 years, in order to provide a long term arrangement for a framework for the right strategic planning and investment to take place. There would also need to be an inter authority agreement between the two councils to govern the occasions when they must make decisions jointly.

Paragraph 2 of the Report set out details relating to the Robertson Aecom Consortium and paragraph 3 set out details of the proposed operation of the Joint Venture. Paragraph 4 outlined the governance arrangements which were explained in detail in the Governance Method Statement, paragraph 5 related to the examination of the investment pipeline and paragraph 6 indicated that the Joint Venture would be overseen at its top level through a Strategic

Partnership Agreement which gave the greatest flexibility for the long term aims.

Resolved:

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| 6.1 | That the Robertson Aecom Consortium be appointed as the Preferred Bidder for the Energy & Sustainability Joint Venture, as detailed in Report No 92/17, and that it be awarded a contract to work with Lewes District Council and Eastbourne Borough Council as the private sector partner subject to satisfactory finalisation and completion of the contractual agreements; | DRP |
| 6.2 | That the setting up of a new Joint Board for Energy & Sustainability comprising Lewes District Council and Eastbourne Borough Council members as nominated by the group leaders on a politically proportionate basis, be approved. Such Board will be advisory only and substitute members may be drawn from any political group; | DRP |
| 6.3 | That authority be delegated to the Director of Regeneration and Planning to take all necessary operational decisions to implement the Joint Venture in consultation with the Portfolio Holder for Environmental Impact and where appropriate the Chief Finance Officer and Assistant Director – Legal and Democratic Services; | DRP/
DCE/
ADLDS |
| 6.4 | That authority be delegated to the Director of Regeneration and Planning to agree the inclusion in the Joint Venture structure of other participants in consultation with the Portfolio Holder for Environmental Impact and where appropriate the Chief Finance Officer and Assistant Director – Legal and Democratic Services; and | DRP/
DCE/
ADLDS |
| 6.5 | That authority be delegated to the Director of Regeneration and Planning in consultation with the Portfolio Holder for Environmental Impact and where appropriate the Assistant Director – Legal and Democratic Services to agree the terms of an inter-authority agreement to govern the relationship between Lewes District Council and Eastbourne Borough Council as founding participants under the arrangement. | DRP/
ADLDS |

Reasons for the Decisions:

Setting up a Strategic Partnership Agreement (SPA) Joint Venture, is a low cost, low risk option for Lewes District Council, putting it in a strong position alongside Eastbourne Borough Council to deliver sustainability ambitions, and invest in significant capital projects with the potential for financial return.

The Joint Venture can be used to accelerate the delivery of projects, which will be completed to agreed timescales, and to a high standard, achieving members' ambitions for their respective areas. Use of a private sector Joint Venture partner will mean that other contractors can be brought into projects without the requirement for a procurement exercise, which can take time and have cost implications, so will have a positive impact on the Councils' budgets.

A local supply chain will be developed and projects with community benefit can be delivered.

As the SPA forms and grows, it will be a platform for advice and capacity building to other local authorities, something the Department for Business, Energy and Industrial Strategy, formerly the Department for Energy and Climate Change, is keen to encourage and see develop.

7 Corporate Asset Management Plan 2017-2020

The Cabinet considered Report No 93/17 which related to the proposed approval of the Corporate Asset Management Plan (AMP) 2017-2020 and the proposed implementation of a Strategic Property Board.

The AMP was a fundamental document that outlined the Council's strategy and priorities for its non-residential property. It encapsulated key initiatives and aims relating to the property portfolio and set the direction for managing that portfolio to help achieve the property aspirations of the Council Plan and the Council's overarching aim of reaching a sustainable asset base by 2021.

The AMP 2017-2020 which was set out at Appendix 1a to the Report with its Appendices set out at Appendix 1b thereto, was designed to run concurrently with the lifespan of the current Council Plan and would then be reviewed in light of the revised priorities from 2021. It was an important plan and was the first joint property document between the Council and Eastbourne Borough Council. In line with the commitment both Councils had to sharing services whilst retaining sovereignty over their respective areas, property asset management would be aligned across both Councils but each Council's property portfolios would be treated separately. Accordingly, the AMP reflected both the shared vision and each Council's individual priorities.

Poorly managed property assets could be a major drain on Council resources, but when managed efficiently, the asset base played a key part in helping to realise savings and generate income needed in order to meet future financial challenges.

The Council required flexibility from its property portfolio to support local communities, business and visitors and ensure that any held assets were efficiently managed to maximise and improve their uses and fully unlock their potential. The strategy to support that objective had been captured in a management plan against which progress could be clearly monitored and objectives updated in line with the changing future economic and environmental needs of the Council and its communities. It would be the primary tool that the Council would use to deliver the property elements of its corporate objectives and priorities working within the legislative framework and the Council's Constitution.

Paragraph 3 of the Report set out details relating to the aims and themes of the AMP which focused on four key areas for realising efficiencies, details of which were set out in paragraph 3.1.

The efficiency areas and aims of the Plan were met through six themes which underpinned the AMP Implementation Plan, further details of which were set out in paragraph 3.3 of the Report.

Paragraph 5 of the Report set out details relating to the purpose of the Strategic Property Board (SPB) which had operated at Eastbourne Borough Council for a number of years and had proved extremely useful for officers in allowing early engagement with councillors on property-related matters.

The Council's implementation of an SPB would play a key part in the AMP strategy moving forward, providing the property governance mechanism for the Council. The SPB would monitor progress against AMP objectives to ensure that the Council was achieving the aspirations of the Council Plan as well as consider estate management and strategic property matters. The SPB was not designed to replace the Cabinet decision-making process and there would still be the need to bring Reports to Cabinet for approval. Terms of Reference for the Board were set out in Appendix 3 to the Report.

Resolved:

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| 7.1 | That the adoption of the Corporate Asset Management Plan 2017-2020, as detailed in Report No 93/17, be approved, and that, as part of the Asset Challenge process, as referred to in paragraph 4 of the Report, the Officers ensure that they stress-test existing assets giving consideration to income generation, and costs of the assets to the Council as well as taking account of any community value; | DRP |
| 7.2 | That authority be delegated to the Director of Regeneration and Planning, in consultation with the Cabinet Member for Finance, to make minor amendments to the Plan if required before formal publication; | DRP |
| 7.3 | That implementation of a Strategic Property Board, as set out in paragraph 5 and at Appendix 3 to the Report, be approved; | DRP |
| 7.4 | That authority be delegated to the Director of Regeneration and Planning, in consultation with the Cabinet Member for Finance, to approve procurement waivers in respect of commercial agents and legal fees relating to strategic acquisitions undertaken in line with the Council's Acquisition and Investment Strategy; and | DRP |
| 7.5 | That it be agreed that, save for exceptional circumstances, the Council's policy will be to apply open market rent for all new leases. | DRP |

Reasons for the Decisions:

The financial outlook for the Council continues to be challenging with a need for the Council to reduce its annual budget by 2020 in response to continuing reductions in government funding. Although by sharing services with Eastbourne Borough Council, Lewes District Council can build resilience that will help protect services for local communities and visitors, this alone will not

be enough to face the challenges ahead.

The Council has an overarching aspiration to achieve a sustainable asset base by 2021. Two decisions are required by the Council to help move forward a strategy that will support this aim:

- Adoption and implementation of the Corporate Asset Management Plan 2017-2020 (AMP). The Plan sets out the strategic framework for how the Council will manage its property portfolio (excluding Housing Revenue Account assets) to support the Council's aims.
- Implementation of the Strategic Property Board (SPB) to ensure Member oversight on property-related matters.

Progress on meeting the objectives of the AMP will be reported through SPB to ensure continued advancement in meeting the aspirations of the Council Plan.

8 Turkish Baths, Lewes

The Cabinet considered Report No 94/17 which related to proposals to negotiate and conclude a lease of the Turkish Baths and Thebes Annexe, both of which were located in Lewes.

The Turkish Baths was a single-storey building located at Friar's Walk. It was constructed in the late 19th century as a purpose-built Turkish Baths but no parts of the original baths remained. The building was not listed and was not registered as an Asset of Community Value. However, it was within the conservation zone and the South Downs National Park.

The building previously housed the Council's print unit but the service transferred to Eastbourne in June 2015. As a result, the building was empty and was surplus to the requirements of the service.

In July 2016, Cabinet had considered three options for the future management of the building, details of which were set out in paragraph 2.4 of the Report. Cabinet opted to set aside capital funding to refurbish the building with the aim of maximising rental income. Such approach was consistent with the aims set out in the emerging Asset Management Plan, subject to a decision at this meeting of Cabinet, to deliver a sustainable asset base by 2021 by several means, details of which were set out in paragraph 2.5 of the Report.

Furthermore, new legislation as a result of the Energy Act 2011 had placed a statutory obligation on all commercial landlords to ensure that premises which were let after 1 April 2018 met an energy performance rating no lower than Rating E. The statutory obligation widened to include all commercially leased buildings by 1 April 2023.

The Turkish Baths did not currently meet the minimum requirements of the Energy Act 2011 and irrespective of to whom the building was eventually leased, works were required to improve the glazing, insulation, heating, ventilation, and electrics. It was the Council's responsibility to bring the building up to a lettable standard and to reduce ongoing running costs for future

tenants.

In December 2016, a petition was received by the Council which stated:

“We the undersigned call upon Lewes District Council to fully explore a range of options for the future use of the building called the Turkish Baths in Friars Walk, Lewes. These options should include exploring the potential for a creative hub and other uses not relying on full refurbishment prior to use and ways to ensure that this public building remains accessible and used by a wide section of the local community.”

The petition was debated and referred to the Scrutiny Committee in March at which two groups with a community interest were invited to present their vision for how the Turkish Baths could be used to promote economic, regeneration, and social value in the town. Both groups also highlighted that there might be alternative means of funding capital works through bids to external organisations.

The Scrutiny Committee recommended that Cabinet review whether it was possible to let the building on terms which took into account economic, regeneration, and social value. That aim could be achieved either by letting the building with minimum refurbishments and therefore adjusting the anticipated rental income to deliver a good yield while making it affordable for a number of community-related groups; or by acknowledging the external funding opportunities a community group might be able to access, therefore reducing the amount of capital the Council would be required to invest.

There was considerable interest from a broad range of people who would like to lease the Turkish Baths some of which had commercial interests and some were more community led. To ensure fairness to all, the Report recommended that the building be marketed in a two-stage process, as detailed in paragraph 2.15 thereof. It was also recommended that the Council proceed with the works to improve the energy efficiency rating of the building.

There was also an opportunity to issue a new short-term lease at Thebes Annexe, which might offer an alternative option to a community-led group to the Turkish Baths. The Report recommended that both opportunities be marketed simultaneously using the same criteria and methodology.

Resolved:

- 8.1** That authority be delegated to the Director of Regeneration and Planning, in consultation with the Deputy Chief Executive, the Leader of the Council, and the Strategic Property Board, to negotiate and conclude Heads of Terms for a lease of the Turkish Baths and to authorise completion of a lease based on the Heads of Terms, as detailed in Report No 94/17;
- 8.2** That authority be delegated to the Director of Regeneration and Planning to enter into contracts to undertake essential refurbishment works at the Turkish Baths, Friars Walk, Lewes, at a cost of up to £171,600 (including fees and planning) so that the Council can meet its Statutory Obligation under the Energy Act

DRP/
DCE

DRP

2011;

8.3 That it be recognised that the proposal for agreeing a lease at the Turkish Baths is being made as an exception to the Council's policy of achieving an open market rent on all new leases; and

DRP

8.4 That authority be delegated to the Director of Regeneration and Planning, in consultation with the Deputy Chief Executive, the Leader of the Council, and the Strategic Property Board, to negotiate and conclude Heads of Terms for a lease of the Thebes Annexe and to authorise completion of a lease based on the Heads of Terms.

DRP/
DCE

Reason for the Decisions:

To deliver best consideration for the Council in relation to its property assets in accordance with S123 of the Local Government Act 1972.

9 North Street Quarter – Consideration of Delivery Options

The Cabinet considered Report No 95/17 which sought authority to: (a) progress work on a revised delivery route for Phase 1 of the North Street Quarter (NSQ), Lewes, scheme which would involve Santon North Street's (SNS) own development company Artisan as the development partner; (b) to revise the scope and content of the Land Collaboration (joint venture) Agreement (LCA) to ensure that it contained the mechanisms necessary to protect the Council's interests, and (c) to identify the assets (land and buildings) that the Council would wish to secure from the NSQ scheme.

On 1 October 2012, Cabinet had resolved to explore the possible disposal of its land interests in the North Street area to facilitate a comprehensive development scheme with landowner SNS. Following approval on 30 September 2013 to enter into a joint agreement with SNS (subject to satisfactory Heads of Terms and the securing of planning permission), Cabinet had endorsed a masterplan for the site on 24 April 2014. At that meeting, Cabinet had also agreed the Council's priorities, as landowner, details of which were set out in paragraph 4.1 of Report No 95/17.

Following the decision to grant planning permission for the NSQ scheme at the meeting of the South Downs National Park (SDNP) Planning Committee held on 10 December 2015, Cabinet had approved a Report that covered a number of commercial and legal matters relating to the NSQ development including agreement of the Heads of Terms of the joint venture (LCA), the procurement approach for land disposals and the exploration of Compulsory Purchase Order powers to ensure site assembly for the scheme. Cabinet had also agreed the necessary expenditure to buy back leasehold interests on Council owned land in the area.

Paragraph 5 of the Report set out details relating to the delivery of Phase 1 of the NSQ scheme. The approved Heads of Terms (and draft full agreement) of the LCA were predicated on the basis of it being an agreement between two neighbouring landowners. A developer(s) was to be procured by SNS via a

competitive tender process, overseen by a Joint Venture Board comprising equal representation from SNS and the Council. SNS was also to appoint a development manager. SNS had recently expressed a desire to appoint their own development company Artisan as the development partner.

The Council had commissioned a briefing from its financial advisor GVA, a copy of which was set out at Appendix 1 to the Report, to identify the potential risks and opportunities to the Council that were associated with that approach. Whilst GVA had noted that such delivery route may be acceptable to the Council, and could be financially rewarding, it also noted that additional due diligence work must be undertaken in order to address the identified risks and to protect the Council's interests. Cabinet approval was sought to carry out additional due diligence in respect of the identified risks.

Appendix 1 to the Report identified that the current approved Heads of Terms of the LCA would still be relevant in the context of the revised delivery approach, however, a number of additional items would need to be included in order to protect the Council's interests. Pending satisfactory completion of due diligence in respect of the risks identified, the Heads of Terms would be reviewed and revised in order to provide SNS with the ability to appoint Artisan as the Phase1 development partner.

165 units of affordable housing would be delivered as part of the NSQ scheme, the majority of which were to be in Phase 1 of the development. In order to inform the most appropriate delivery route for the affordable housing, which met strategic housing needs in the area and maximised the Council's return from its investment in the NSQ scheme, officers would carry out soft market testing with Registered Providers.

One of the Council's priorities in taking forward the NSQ development was to maximise a return on its investment through a recurring revenue stream in respect of which there were a number of potential income generating elements including commercial space, the health hub and car park. It was intended that the Council would agree to offset some of its capital receipt to instead take some of those income generating elements at their market value. As part of the work to revise the Heads of Terms of the LCA, officers would also identify which assets the Council should seek to acquire from the NSQ scheme, and the process by which they would be secured.

Resolved:

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|------------|--|-------------|
| 9.1 | That authority be delegated to the Director of Regeneration and Planning, in consultation with the Deputy Chief Executive and the Leader of the Council, to carry out due diligence in respect of the risks identified in Appendix 1 to Report No 95/17; | DRP/
DCE |
| 9.2 | That, pending satisfactory resolution of the identified risk issues, authority be delegated to the Director of Regeneration and Planning, in consultation with the Leader of the Council, to negotiate revisions to the approved Heads of Terms of the Land Collaboration (joint venture) Agreement to enable Santon North Street to appoint Artisan as Phase 1 developer, having particular regard to the securities and guarantees required by the Council and the roles and accountabilities of all parties. Such | DRP |

- amendments to be agreed at a future meeting of the Council's Cabinet;
- 9.3** That authority be delegated to the Deputy Chief Executive, in consultation with the Leader of the Council and Cabinet Member for Finance, to investigate the potential of the Council as lender of construction finance to the development partner, and the opportunities and risks associated with this role. Recommendations to be made to a future meeting of the Council's Cabinet;
- 9.4** That authority be delegated to the Director of Service Delivery, in consultation with the Deputy Chief Executive, Leader of the Council and Cabinet Member for Housing, to carry out soft market testing of the affordable housing with Registered Providers; and
- 9.5** That authority be delegated to the Director of Regeneration and Planning, in consultation with the Deputy Chief Executive, Leader of the Council and Cabinet Member for Finance, to identify the income generating assets that Lewes District Council would wish to secure from the North Street Quarter scheme in order to establish an on-going revenue stream from the development. Recommendations to be made to a future meeting of the Council's Cabinet.

Reasons for the Decisions:

To progress delivery of the strategically significant North Street Quarter (NSQ) development in Lewes. The NSQ is a £180m mixed use brownfield site that will deliver the following regeneration benefits to the area:

- 416 new homes, of which 40% will be affordable,
- 140,000 sq. ft. of new commercial space, including subsidised creative workspace,
- 475 full time jobs,
- 100 full time construction jobs,
- a new modern health centre serving in excess of 26,000 patients,
- strategically important flood defences, completing the defence of Lewes,
- a new riverside promenade, new footbridge, extensive new cycle paths and footpaths, and
- a public square hosting contemporary eateries and riverside dining.

To ensure that the Council maximises return on its investment into the North Street Quarter scheme, while at the same time minimising any risks involved in delivery and potential financing.

10 Springman House Site, North Street - Design and Redevelopment to Accommodate new Community Fire Station

The Cabinet considered Report No 96/17 which sought approval to progress the design and development of a new Community Fire Station, and Ambulance Community Response Post (ACRP), at the site of the vacant Springman

House, North Street, Lewes. The project would enable delivery of the North Street Quarter (NSQ) regeneration scheme by relocating the existing Community Fire Station from its current premises which was within the NSQ site.

The site of the existing Community Fire Station was in phase two of the NSQ development scheme and occupied land that was intended for market housing for families. Failure to relocate the fire station would impact on the return from the NSQ development and therefore the viability of the proposed scheme. In line with the Council's Infrastructure Delivery Plan, there had been a long standing proposal to relocate the existing fire station.

An initial site appraisal had looked at a number of possible relocation sites and had identified that Springman House was the best option operationally for East Sussex Fire and Rescue Services (ESFRS). As well as being located outside of a flood risk zone, the site offered opportunities to co-locate 'blue light' emergency service functions with Sussex Police, which occupied the adjacent building. The site's location also conformed to ESFRS' access time requirements.

The Springman House site was located outside of the area of the permitted NSQ scheme. The site comprised a mid to late 20th Century building which was most recently used as NHS administration offices. An open yard and smaller buildings behind Springman House were still operated as an ambulance depot by South East Coast Ambulance Service (SECAmb).

Following advice from GVA, acting as the Council's financial advisors, and preliminary feasibility and ground investigation works, the Council had completed the purchase of the Springman House site from the vendors in March 2017. However, prior to the purchase, the Council had undertaken extensive discussion with both ESFRS and SECAmb to understand their ongoing / future operational requirements in terms of the delivery of services. SECAmb requested that an ACRP be included as part of the new facility, which ESFRS agreed to accommodate.

The Report requested that Cabinet authorise a budget of £3.5 million to deliver the design and build of the new fire station and the ACRP, including project management fees.

The site of the existing fire station represented around 4.5% of the overall NSQ site area. It had been agreed with Santon, which was the Council's joint venture partner in respect of the NSQ scheme, that in return for the Council acquiring the Springman House site, the Council would increase its equalisation share of the NSQ scheme by the additional percentage and that the cost of building and funding the new fire station would be a direct scheme development cost, to be shared between the Council and Santon ahead of any distribution of land value or profit to the parties.

Paragraphs 5.4 to 5.6 of the Report set out details relating to the proposed procurement of project management services in respect of the Springman House site.

Resolved:

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|-------------|---|-------------|
| 10.1 | That authority be delegated to the Director of Regeneration and Planning, in consultation with the Deputy Chief Executive and Cabinet Member for Finance, to authorise the design and development of a new fire station and Ambulance Community Response Post at the site of Springman House, as detailed in Report No 96/17, and to take all and any steps necessary to facilitate implementation of such development; | DRP/
DCE |
| 10.2 | That an allocation be made in the sum of £3.5m for the delivery of the project within the 2017/18 capital programme; | DRP |
| 10.3 | That authority be delegated to the Director of Regeneration and Planning, in consultation with the Deputy Chief Executive and Cabinet Member for Finance, to procure project management services as set out in paragraphs 5.4 – 5.6 of the Report and that any requirement in the Council’s Contract Procedure Rules which might otherwise require a different approach, be waived; and | DRP/
DCE |
| 10.4 | That authority be delegated to the Director of Regeneration and Planning to conduct a feasibility study and/or options appraisal on the remainder of the site. | DRP |

Reason for the Decisions:

To unlock the strategically significant North Street Quarter (NSQ) development in Lewes. The NSQ is a £180m mixed use brownfield site that will deliver the following regeneration benefits to the area:

- 416 new homes, of which 40% will be affordable,
- 140,000 sq. ft. of new commercial space, including subsidised creative workspace,
- 475 full time jobs,
- 100 full time construction jobs,
- a new modern health centre serving in excess of 26,000 patients,
- strategically important flood defences, completing the defence of Lewes,
- a new riverside promenade, new footbridge, extensive new cycle paths and footpaths, and
- a public square hosting contemporary eateries and riverside dining.

The Report has been tabled at a meeting of the North Street Quarter Members’ Oversight Board.

11 Housing Revenue Account - Housing Development Update

The Cabinet considered Report No 97/17 which provided an update on the existing Council programme for developing new housing through the Housing Revenue Account (HRA) and sought approval for future stages of the programme.

Paragraphs 1 to 4 of the Report related to garage site new builds. The Local Growth Fund project had commenced in August 2015 with the aim of building new affordable homes for the Council to offer to households on the housing register for rent. The development of 22 new Council homes was close to completion as of the end of May 2017, and the majority were already occupied, further details of which were set out in paragraph 2 of the Report.

The building known as Saxonbury, Juggs Road, Lewes, was built in 1891 and was located on the south edge of Lewes Town. The house was converted into 6 flats with communal bathrooms in the late 1970's and then a three-storey extension was added to the rear of the original house in 1991, to increase its use for temporary accommodation.

By 2015 the necessary repairs required and the poor internal facilities had made the building not fit for purpose, and 12 Council homes were identified to use as alternative temporary accommodation. The age of the original property, along with the design of the 1970's conversion mean that Saxonbury was a complex and expensive building to refurbish. Additionally, pressures on the HRA had meant that a number of different scenarios needed to be worked through to ensure the sustainability of the Council's HRA Business plan over the 30 year period.

Paragraph 7 of the Report set out details of the feasibility options that had been assessed for the future use of the empty building, with the reasons for rejection being shown in italics. Option D for the conversion of the building into fewer than 12 flats and for the selling of those located in the original part of the building for market sale and the remaining as affordable shared ownership (part buy/part rent) flats, had been selected as the best approach to bringing Saxonbury back into use as it fulfilled a number of key criteria, details of which were set out in paragraph 8 of the Report.

The feasibility work on Council sites for future housing development was an important stage in the capital programme as it ensured that money was not wasted on sites that could not or should not be developed. The Report requested a budget of £200,000 to explore the opportunities to develop on additional garage sites in the District. However before more extensive appraisals for sites were agreed or planning applications made, the Development Delivery team would hold community engagement events in each locality. The opinions of those present would be used to inform the design of any new developments.

Resolved:

- 11.1** That the 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 97/17, be noted;
- 11.2** That the outline proposals for refurbishment and future use of Saxonbury, Juggs Road, Lewes, be approved;
- 11.3** That an investment budget of up to £1,500,000 be approved for the re-design and development of the Housing Revenue Account dwellings at Saxonbury, which will be fully recovered through the

DSD

DSD

mixed-tenure sales of dwellings following the works; and

- 11.4** That a budget of up to £200,000 be approved for early feasibility work on Housing Revenue Account sites with residential development potential.

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.

The Council's building at Saxonbury is currently uninhabited and will require substantial work in order to make it suitable for occupation. However, the market sales of a proportion of the flats will ensure the works are cost neutral, with no resultant long-term debt against the Housing Revenue Account. The business case for taking a mixed tenure approach to the development is covered within Report No 97/17.

The Council has a large number of sites with potential to be developed and will form part of a future capital investment programme to provide much needed homes across the District. To better understand the resources required to deliver the capital programme early feasibility work is required such as legal reports and sites surveys.

12 Cliff Tops at Peacehaven (The Promenade)

The Cabinet considered Report No 98/17 which sought approval to undertake works to reduce deterioration of the road surface at The Promenade, Peacehaven.

For a number of years, the Council had received complaints from residents in Peacehaven about the poor condition of the access road along the cliff-tops to their properties. The road was not adopted and was therefore not maintained by East Sussex County Council. It was owned by Lewes District Council and the residents had no obligation to keep the roadway in good repair.

The road surface was not designed to take the weight or volume of traffic that currently used it. It had also become a 'rat run' for delivery drivers and the surface was breaking up with deep ruts and considerable ponding in wet weather.

Lewes District Council had historically undertaken repairs to the road which had been of varying standards and at times in an unsuitable material for the existing roadway. There was no positive water drainage system present and water drained with the contours of the land which washed out any fine content in the loose road surface which left it more susceptible to breaking up.

There were broadly three options to consider, details of which were set out in paragraph 2.5 of the Report. Option 2 related to carrying out essential works and improving drainage, including the construction of turning areas at the junctions with the adopted road to encourage motorists to turn, rather than use the roads at right angles to the Promenade, therefore reducing traffic and

associated wear. The Report recommended that Option 2 be implemented as it appeared to be the most cost-effective.

The access roads were, at certain locations, within a few metres of the cliff edge and at others were many tens of metres away. The cliff was at risk of erosion from weathering and erosion from the top of the cliff and from the sea at its toe where there were no cliff defences.

Lewes District Council had permissive power under the Coast Protection Act 1949 to take steps to manage the risks posed by the erosion of the coast. In 2014 with Brighton and Hove City Council, Lewes District Council had commissioned a study into the long term management of the coast which resulted in the Brighton to Newhaven Coastal Management Implementation Plan (CMIP).

CMIP explores many options for how Lewes District Council managed the coast, but issues that were directly pertinent to the provision of improved access roads along the cliffs tops were set out in paragraph 2.10 of the Report which included improvement to the management of rain water running of the cliff access roads and so reducing the risk of cliff top erosion and the potential for rock falls from the cliff faces.

The Report therefore recommended that in taking forward any of the options identified in paragraph 2.5 thereof, that an access road drainage plan should be developed and delivered as part of the improvements to the access roads. The likely cost of the plan and improvements to land drainage in the location would be in the region of £30,000.

Resolved:

12.1 That authority be delegated to the Director of Regeneration and Planning, to engage contractors to specify and carry out works designed to reduce deterioration of the road surface at key points along the Promenade, Peacehaven, in line with Option 2 within Report No 98/17; and

DRP

12.2 That funding of up to £30,000 be set aside to develop an access road drainage plan in conjunction with any repair or improvement works carried out.

DRP

Reason for the Decisions:

To reduce the risk of accidents due to the poor road surface along the cliff tops at Peacehaven.

13 Public Space Protection Orders (PSPO) for (1) Public Consumption of Alcohol and (2) Dog Fouling

The Cabinet considered Report No 99/17 which proposed the introduction of two Public Space Protection Orders (PSPO) to replace the Designated Public Place Order (DPPO) in Lewes town and Dog (Fouling of Land) Order across

the District.

The Council had implemented a DPPO, in conjunction with Sussex Police, which covered areas of Lewes, Newhaven, Seaford, Peacehaven and Telscombe. Such Orders enabled local authorities to designate places where restrictions on public drinking applied. Police officers (and other accredited persons) then had the powers to deal with anti-social drinking in areas where a DPPO applied which included the power to require a person in a Designated Public Place not to drink alcohol and, if required, to ask a person to surrender any alcohol in their possession.

The Lewes District Council Dogs (Fouling of Land) Order came into force on 18 July 2005. The Order designated land to which the Dogs (Fouling of Land) Act 1996 applied which meant that if a dog defecated at any time on the designated land and a person who was in charge of the dog and at that time failed to remove the faeces, without reasonable excuse, was guilty of an offence.

The designated land included any land within the administrative boundary of the Council, which was open to the air and to which the public were entitled or permitted to have access with or without payment - excluding areas described and defined in section 1(3) and (6) of the Dogs (Fouling of Land) Act. However, the Clean Neighbourhoods and Environment Act 2005 had repealed Orders and were replaced with Dog Control Orders (DCO) which were designed to encourage Councils to deal with dog fouling by means of the DCO.

The Anti-Social Behaviour, Crime & Policing Act 2014 then removed the power to make any further DPPOs or DCOs. At that time, all existing DPPOs and DCOs remained valid for a period of three years, unless they were terminated in the interim, at which time they automatically converted to a PSPO, further details of which were set out in paragraph 5 of the Report.

The Report recommended that the Council make two Public Space Protection Orders, one that dealt with anti-social drinking in public, and the other which dealt with dog fouling.

Following Cabinet's agreement of the proposals, a formal consultation would be launched and run for a minimum of 28 days, further details of which were set out in paragraph 7 of the Report. Paragraph 8 of the Report set out details relating to the proposed implementation of the Orders and paragraph 9 provided details relating to enforcement.

Resolved:

13.1 That the Public Space Protection Orders set out in Appendices D and E to Report No 99/17, be approved in draft form for consultation; and

DSD

13.2 That authority be granted to the Director of Service Delivery:

DSD

- i. to carry out statutory consultation on the draft Public Space Protection Orders;
- ii. if necessary, to amend the content of the Orders in light of

consultation responses;

- iii. to make and publicise the Orders in accordance with relevant legislation;
- iv. to put in place arrangements, including with external parties, to enforce the Orders; and
- v. to keep the Orders under review; and to cease, renew or amend them at the end of their term, as appropriate.

Reason for the Decisions:

To ensure a continued response to alcohol related anti-social behaviour in Lewes town and dog fouling across the district in light of recent changes introduced by the Anti-Social Behaviour, Crime & Policing Act 2014.

14 "Stronger Together" Joint Transformation Programme Update

The Cabinet considered Report No 100/17 which provided an update on the progress of the Joint Transformation Programme and key decisions taken by the Programme Board.

In May 2016, the Cabinets of the Council and of Eastbourne Borough Council had approved the Joint Transformation Programme to deliver the majority of council services via shared teams adopting new ways of working which was a major change programme for both councils and a significant contributor to their medium term financial strategy savings targets.

In October 2016, Cabinet had approved the three phase delivery of the Programme, with Phase One lasting from September 2016 to March 2017. Report No 100/17 outlined the progress made in delivering Phase One, looked ahead to the work happening in the next 4 to 6 months and outlined key decisions made by the Programme Board.

The Programme had a clear governance structure that was led by the Board which met bi-monthly and consisted of the leaders and deputy leaders, the leaders of the main opposition groups, the Chief Executive and three other Corporate Management Team members.

Paragraph 2 of the Report set out details of the Programme activity from October 2016 until May 2017 whilst paragraph 3 looked ahead to the future.

The Programme was on budget and Phase One was delivered on time. The Phase One savings would be delivered however, there were significant time pressures on the delivery of key technologies to support both Phase One teams and enable the development of joint business processes for the Phase Two teams. It would be necessary to strictly prioritise delivery of the most important technologies and business processes that enabled the new teams to go live in early 2018 following which they would be further improved and developed through 2018 and 2019 in order to fully deliver the planned improvements and efficiencies.

Resolved:

- 14.1** That the delivery of Phase One of the Joint Transformation Programme, as set out in Report No 100/17, be noted, and that the decisions made by the Programme Board, be endorsed.

ADBT

Reasons for the Decisions:

To note the delivery of Phase One of the Joint Transformation Programme and to endorse the decisions made by the Programme Board.

15 Discretionary Disabled Facilities Grants

The Cabinet considered Report No 101/17 which proposed the introduction of discretionary assistance for Disabled Facilities Grants (DFG's) within the Private Sector Housing Financial Assistance Policy.

It was a statutory requirement under the Housing Act 1985 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.

In 2013 a main objective of the Government's spending round was to ensure better cooperation between local services following which the Chancellor of the Exchequer had announced that, in 2015-16, £3.8 billion would be pooled into a single budget for health and social care services to work more closely together namely, the Better Care Fund (BCF).

Following the announcement of the BCF in 2013, there were a number of changes that affected DFG's, further details of which were set out in paragraph 3 of the Report.

The Report therefore recommended that the amended private sector housing financial assistance policy as set out at Appendix A thereto, be agreed, which reflected how the increase in funding could be best spent to achieve improved outcomes for the most vulnerable people in the Lewes area. Paragraph 4 of the Report provided a summary of the Policy.

Resolved:

- 15.1** That the amended Lewes District Council Financial Assistance Policy 2017/18, set out in Appendix A to Report No 101/17, be approved.

DSD

Reasons for the Decision:

Introducing discretionary elements will:

- Allow the fast track adaptations approach in line with the best practice from the National Audit Office, the Department for Communities and Local Government and Department of Health;
- Take account of the increase in labour and material costs;

- Increase the incentive for residents to move to a more suitable property;
- Provide a safety net for cases of genuine hardship;
- Allow fees to be paid for feasibility studies; and
- Increase the availability of warranties for equipment.

16 Exclusion of the Public and Press

Resolved:

- 16.1** That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the Public and Press be excluded from the meeting during the discussion of Report No 102/17 entitled "Waste and Recycling Review Update: Options for a Joint Service with Eastbourne Borough Council" (Item 9.14 on the Agenda), and Report No 103/17 entitled "Waste and Recycling Review Update: Report on Results from Procurement for the Disposal of Recycling Materials" (Item 9.15 on the Agenda), as there are likely to be disclosures of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act (ie Information relating to the financial or business affairs of any particular person (including the authority holding that information)). The public interest in maintaining the exemption outweighs the public interest in disclosing the information.

17 Waste and Recycling Review Update: Options for a Joint Service with Eastbourne Borough Council

The Cabinet considered Report No 102/17 which presented details of cost modelling in order to support the elected Members of Eastbourne Borough Council and Lewes District Council in coming to an informed decision with clarity about the high level financial impacts for their respective organisations in respect of providing a joint service as referred to in the Report.

Resolved:

- 17.1** That subject to Eastbourne Borough Council making the decision to bring the services referred to in Report No 102/17 in-house, working together to develop joint services across Eastbourne Borough Council and Lewes District Council, as detailed therein, be approved; DSD
- 17.2** That the Director of Service Delivery, in consultation with the Leader of the Council and the Cabinet Member referred to in Recommendation 2 of the Report, be authorised to seek further advice on the appropriate delivery mechanism and to present the DSD

case to Cabinet in the autumn; and

- 17.3** That the contract procedure rules be waived and £30,000 be released for additional consultancy services from the company referred to in Recommendation 3 of the Report to provide independent critical guidance through the next phase of the review.

DSD

Reasons for the Decisions:

The iESE appraisal report, May 2017, indicates there are benefits including greater flexibility and marginal cost savings to a combined service, derived from the cost effectiveness and added resilience of integration, and from future opportunities for commercial activity.

Moreover, joint working commonly facilitates annual running cost savings through:

- Better resource utilisation
- Improved purchasing power

Eastbourne Borough Council is at a critical point and has to decide (July 2017) on matters relating to its service provision.

Members have made the over-arching decision to join the two organisations according to the principles of 'Stronger Together'.

18 Waste and Recycling Review Update: Report on Results from Procurement for the Disposal of Recycling Materials

The Cabinet considered Report No 103/17 which provided an update following Report No 26/17, 8 February 2017, which recommended adopting a co-mingled recycling collection service and authorised the Director of Service Delivery, in consultation with the Lead Member for Waste and Recycling, to seek to procure a recycling disposal partner and to prepare a Report for Cabinet with final costs and business case for the implementation of the new recycling service.

Resolved:

- 18.1** That authority be delegated to the Director of Service Delivery in consultation with the Leader of the Council and the Cabinet Member for Waste and Recycling to award the contract, as detailed in Report No 103/17, subject to indicative outcomes of Joint Waste Partnership deliberations regarding future recycling collection methods, further consultations with East Sussex County Council as the Waste Disposal Authority and final financial assessments;

DSD

- 18.2** That, if not best value, authority be delegated to the Director of Service Delivery in consultation with the Leader of the Council and the Cabinet Member for Waste and Recycling to put materials

DSD

through the integrated waste contract with East Sussex County Council; and

- 18.3** That contract procedure rules be waived and £10,000 be released for additional consultancy service from Waste Consulting (who have advised officers thus far) to provide independent critical guidance to support the service through implementation.

DSD

Reasons for the Decisions:

The Council seeks to improve recycling and reduce residual waste by diverting recyclable material from incineration.

A co-mingled solution is designed to meet the aspirations of the Council's residents as expressed in a recent customer survey, to be able to recycle more materials and to have a simpler recycling collection system.

To ensure best value, the recycling disposal options will undergo final due diligence prior to a decision to proceed.

The meeting ended at 4.19pm.

A Smith
Chair