



## Lewes District Council

### Cabinet

**Minutes** of a meeting of the **Cabinet** held in the **Ditchling Room, Southover House, Southover Road, Lewes** on **Thursday, 13 February 2014** at 2.30pm

#### Present:

Councillor J V S Page (Chair)

Councillors P L Franklin, A T Jones, I A Nicholson and A X Smith.

#### In Attendance:

Councillor C A Bowers (Leader of the Liberal Democrat Group)

Councillor I Eiloart (Chair of the Audit and Standards Committee)

Mr D Forsdike and Mr J Sinclair (Tenants' Representatives)

	Minutes	Action
<b>119</b>	<b>Minutes</b>  The Minutes of the meeting held on 6 January 2014 were approved as a correct record and signed by the Chair.	
<b>120</b>	<b>Urgent Items</b>  The Chair advised that he had agreed, in accordance with Section 100B(4)(b) of the Local Government Act 1972, that the oral Report of the Cabinet Member for Health and Environment, Councillor Nicholson, relating to the effects of the adverse weather conditions which the nation was experiencing and the Council's response thereto, be considered as a matter of urgency in order that Cabinet could be made aware of the current situation.	

## 121 The Current Adverse Weather Conditions

The Cabinet Member for Health and Environment, Councillor Nicholson, reported that, as a result of the adverse weather conditions which the nation was experiencing, ten houses in the District had been flooded and ten businesses had been affected. The Council was pleased with the Landport flood defences which had been recently opened.

The District had been under pressure since 27 October 2013 during which time it had experienced gusts of wind of up to 80 miles per hour.

The Council's emergency response had been enacted on four occasions and its emergency monitoring arrangements had been on heightened readiness almost constantly since 5 December 2013. The Officers had been involved with, among other issues, distributing sand bags and setting up rest centres and the Council would be making a claim under the Belwin Scheme.

The current Winter period was the wettest since 1766 and Councillor Nicholson, on behalf of Cabinet, thanked the Officers for their efforts, a comment which was echoed by the Leader of the Liberal Democrat Group, Councillor Bowers.

The Environment Agency had been restoring Seaford beach and arrangements made with the emergency services had been excellent. Councillor Nicholson had planned to meet with the Environment Agency on Monday, 10 February 2014 as part of his duties, however, the Agency had not been able to achieve that meeting as it was dealing with more immediate issues.

### Resolved:

**121.1** That the oral Report of the Cabinet Member for Health and Environment, Councillor Nicholson, relating to the effects of the adverse weather conditions which the nation was experiencing and the Council's response thereto, be received and noted.

### Reason for the Decision:

To make Cabinet aware of the current situation in respect of the adverse weather conditions which the nation was experiencing and its effects on the District.

## 122 Reporting Back on Meetings of Outside Bodies

The Cabinet Member for Corporate Services, Councillor Smith, provided feedback on a meeting of Sussex Police and Crime Panel which he had attended as the Council's representative (he was also Chair of the

Community Safety Partnership), as follows:

Councillor

Outside Body

Councillor Smith

Sussex Police and Crime Panel

Councillor Smith reported that the Sussex Police Crime Commissioner had wanted to increase the Police' element of the Council Tax by 3.6% but, subsequently, had settled for an increase of 1.95% for which there was no requirement to undertake a referendum.

Sussex Police was currently in the bottom quartile of forces in respect of its overall cost and was considerably cheaper to fund than forces in surrounding counties.

Resolved:

**122.1** That the Report of Councillor Smith in respect of a meeting that he had attended as the Council's representative on the Sussex Police and Crime Panel, be received and noted.

**123 Scrutiny Committee – 16 January 2014**

The Cabinet considered the recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to the context in which next year's General Fund and Housing Revenue Account budgets and the Capital Programme, had been prepared. Those matters were the subject of Reports to this meeting of Cabinet.

The purpose of that Committee's consideration of such matters was so that it could provide its comments to Cabinet as part of the budget setting process.

Resolved:

**123.1** That the Recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to next year's General Fund and Housing Revenue Account budgets and the Capital Programme, be taken into account during Cabinet's consideration of the relevant Reports at this meeting.

DF

**124 Annual Treasury Management Strategy Statement and Investment Strategy 2014/2015 to 2016/2017**

The Cabinet considered Report No 28/14 relating to the proposed Treasury and Investment Strategies for 2014/2015 to 2016/2017; the 2014/2015 authorised borrowing limit; the Council's 2014/2015 Investment Strategy; and the method of calculating the Council's Minimum Revenue Provision.

The draft Strategy Statement was set out at Appendix 1 to the Report which provided the background to the Council's treasury management activity in terms of the wider economy and the Council's current and projected financial position. It also set out the approach which would be taken to borrowing and the investment of cash balances, explained the risks which were inherent in treasury management and how they would be mitigated.

The content of the draft Statement followed the requirements of the Chartered Institute of Public Finance and Accountancy's revised Code of Practice which was published in November 2011, and had been prepared with the support of Arlingclose, the Council's Treasury advisers.

The Audit and Standards Committee had considered the draft Statement at its meeting on 27 January 2014, in line with the Code of Practice's recommendation that the annual Treasury Strategy should be subject to scrutiny. However, that Committee's review had not encompassed the Prudential Indicators, some of which were subject to final calculation pending the finalisation of the draft Capital Programme.

The Audit and Standards Committee had taken the view that there should be no change to the Investment Strategy in respect of the £1m limit currently applicable to the amount held in a Money Market Fund (MMF) as regulatory reforms which affected MMF's were expected to be implemented during 2014/2015 and, therefore, the potential impact could not yet be determined with certainty.

In response to the Committee's comments, Officers were able to confirm that retaining a £1m limit would not have a significant impact on Treasury Management activity.

The draft Statement which had been considered by the Committee contained a reference to the Council's claim with the Icelandic Bank LBI. Subsequent to that meeting, the Council had sold its claim and the reference had been deleted from the draft Statement that was appended to Report No 28/14.

**Recommended:**

**124.1** That the limit for deposits with an individual Money Market Fund remains at £1m;

DF (to note)

**124.2** That subject to the change outlined in 124.1 above, the Treasury Management Strategy Statement and Investment Strategy 2014/2015 to 2016/2017, as set out in Appendix 1 to Report No

DF (to note)

28/14, be adopted;.

**124.3** That the Council's 'Prudential Indicators' for the year be those set out in Appendix C of the Strategy document; DF (to note)

**124.4** That the Council's level of affordable borrowing, determined in accordance with the Local Government Act 2003, be subject to the following limits: DF (to note)

	2014/2015	2015/2016	2016/2017
Authorised limit for external debt	£72.5m	£72.5m	£72.5m

**124.5** That the Council's approach to allocating debt and associated costs between the Housing Revenue Account and General Fund, be as set out in Section 9 of the Strategy Statement; and DF (to note)

**124.6** That the Council's Minimum Revenue Provision be calculated as set out in Section 14 of the Strategy Statement. DF (to note)

It was further

Resolved:

**124.7** That the lending list as set out in Appendix D of the Strategy Statement, be approved. DF

Reasons for the Decisions:

The Council has adopted the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management. In accordance with that Code, the Cabinet approves an Annual Treasury Strategy Statement before the start of each financial year. This includes an Investment Strategy for the year ahead (which Government guidance notes should be adopted by full Council) as well as 'Prudential Indicators' which are required to be set in order to comply with the 'Prudential Code for Capital Finance in Local Authorities' (The Prudential Code). The majority of these indicators are an essential element of an integrated treasury management strategy.

In compliance with the Code of Practice, the Council has agreed a number of Treasury Management Practices, one of which requires an updated counterparty list to be submitted to Cabinet for approval each year at the same time as the Strategy Statement is considered.

The Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 2008 place a duty on local authorities to make a prudent provision for debt redemption. Guidance has been issued by the Secretary of State on determining 'Minimum Revenue Provision'.

**125 General Fund Revenue Budget 2014/2015**

The Cabinet considered Report No 29/14 relating to the Medium Term Budget Outlook and the 2014/2015 General Fund Revenue Budget which delivered a council tax freeze.

Delivering the Deficit Reduction Plan remained a national priority. Financial sustainability was the greatest challenge that faced local public services. In the period of the current Parliament, Local government's core funding would fall by 40 per cent and the Audit Commission's Tough Times 2013 report independently verified the huge financial challenge faced across local government.

Additionally, the local government finance settlement for 2014/2015 and provisional settlement for 2015/2016 confirmed that the central government core grant to run local services would fall nationally by 15.9 per cent each year for district councils. That reduction excluded the availability of the New Homes Bonus Funding Stream which was reflected within each Council's overall Spending Power figures.

Taking Spending Power into account, there was an overall reduction for district councils of 2.5% in 2014/2015, for which the Council's reduction was 2%, and 3.0% in 2015/2016. Many councils, including the Council, were rebalancing budgets to reflect the drop in core funding.

Appendix A to the Report set out details of the Council's Financial Principles and Objectives in its Medium Term Financial Strategy which were used as part of the framework to guide estimate preparation and compilation of the Medium Term Budget Outlook.

The Localism Act 2011 had introduced a requirement for referenda to approve or veto council tax increases that exceeded limits set out by the Secretary of State and which had been approved by Parliament, in "principles" which were defined for the following financial year.

The thresholds for 2014/2015 were expected to be similar to that for 2013/2014 namely, a 2% cap for the majority of district councils. However, there had been speculation that such limit might be reduced to 1.5%. Whilst the Council's stated intention to freeze council tax would not be affected by a lower limit, there would be implications if one of the preceptors upon the Council exceeded the limits.

The Government was making available a further grant for councils which froze council tax bills in England in 2014/2015 which was equivalent to a 1% increase in the 2013/2014 council tax and was payable for the two years 2014/2015 and 2015/2016. At its meeting on 6 January 2014, Cabinet had announced that there would be a further year's council tax freeze in 2014/2015.

For planning purposes, the Government had provisionally calculated the value of the Council's grant to be £76,100 for which the Government had

strongly encouraged acceptance.

The General Fund Budget Summary for next year was set out at Appendix B to the Report. In previous years, service budgets had been grouped on the Summary by Lead Councillor Portfolio. However, as Portfolio responsibilities were subject to change, it was considered to be more appropriate to present the Summary using the Chartered Institute of Public Finance and Accountancy's standard Service Expenditure Analysis which would provide consistency between years and would be in the statutory format in which all councils were required to present their accounts.

The table set out in paragraph 5.2 of the Report analysed the high level movement in the budget from 2013/2014 to 2014/2015, further details of which were provided in the Report.

Paragraph 5.3 of the Report set out details relating to assumptions in respect of pay and prices upon which the 2014/2015 draft budget had been prepared.

The Government had stated its position that the economy would grow throughout the period of the next Parliament and that public sector funding would continue to reduce. The Council's Medium Term Finance Strategy had been extended through to 2019/2020 and reflected the expectation that core funding from Revenue Support Grant would be extinguished by the end of that period.

The targets set at the start of the year, and achievement during the year, were set out in the table in paragraph 6.11 of the Report. If savings were not in place by the start of each financial year there would be an additional drain on the General Fund Working Balance until they were delivered for which an allowance had been made in the budget.

The Medium Term Budget Outlook was shown at Appendix E to the Report together with a detailed commentary. It built upon the estimate for 2014/2015, set out the stated assumptions and modelled a tax freeze for the next two years. The remainder of the period, which was subject to greater uncertainty, modelled an indicative increase of 2.9% for each year, which was less than the rate of estimated Retail Price Index inflation.

In line with the objectives in the Medium Term Finance Strategy, the Outlook delivered a sustainable recurring base budget by 31 March 2020, with no call on the Working Balance and with no reliance upon Revenue Support Grant. The savings target for the next six years amounted to £2.958m. Delivering council tax freezes in each subsequent year beyond 2016/2017 would require further annual average reductions in the recurring base budget of around £220,000 for each year of a freeze.

Paragraph 8 of the Report set out details relating to the interaction of the revenue and capital accounts and the Council's unallocated reserves and balances.

The Collection Fund Balance was a key component of the Council Tax setting process. A principle of the Medium Term Financial Strategy was to achieve a zero balance, or as close as possible, each year. A review of the likely Collection Fund position at 31 March 2014, including a review of the provision for doubtful debts, meant that a surplus of £401,000 could be utilised during the 2014/2015 budget setting process which would be redistributed to the preceptors as detailed in the table in paragraph 11.1 of the Report.

Paragraph 14 of the Report set out the statutory Report of the Chief Finance Officer (Director of Finance) in respect of the Council's finances in accordance with Section 151 of the Local Government Act 1972 and Section 114 of the Local Government Finance Act 1988.

The budget proposals had been prepared in accordance with the Council's policy framework and had been reviewed by Heads of Service, Lead Councillors and the Scrutiny Committee. In the opinion of the Chief Finance Officer, the estimates were robust for the purpose of determining the statutory calculations required by section 32 of the Local Government Finance Act 1992.

The Cabinet Member for Corporate Services updated Cabinet on matters relating to the context of a council tax freeze. He stated that the Director of Finance had completed and returned the Statutory Business rates form NNDR1 which estimated the net collectable business rates for the year ahead that amounted to £23,485,743.

He further stated that the term "Council Tax Freeze" was defined in legislation and related to the statutory "Basic Amount of Tax" for the Council. However, it was a Council decision as to how such tax was recouped through its general expenses and its special expenses.

Completion of the statutory form CTR1 confirmed a Council's entitlement to a Council Tax Freeze Grant and whether it was required to hold a referendum. The form was scheduled to be issued in late February. Based upon last year's form and the detail in the final local government finance settlement issued on 5 February 2014, the Council would be entitled to a Council Tax Freeze Grant and would not be required to hold any referenda.

The Cabinet received the recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to the context in which next year's General Fund and Housing Revenue Account budgets and the Capital Programme, had been prepared.

Resolved:

- 125.1** That the detailed contributions to reserves and use of reserves, as set out in Appendices D, F, G, H and I to Report No 29/14, be noted;
- 125.2** That the recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to the context in which next year's General Fund and Housing Revenue Account budgets and the



Capital Programme, had been prepared, be received and noted.

- 125.3** That the Collection Fund balance to be returned to taxpayers in 2014/2015, be noted;
- 125.4** That the implications of the public sector funding outlook and impact upon the Council's Medium Term Budget Outlook through to 2019/2020, be noted;
- 125.5** That the statutory report of the Director of Finance as required by section 25(1) of the Local Government Act 2003, set out in paragraph 14 of the Report, be received and noted;
- 125.6** That the estimated net collectable business rates for the year ahead that amounted to £23,485,743, be noted; and.
- 125.7** That, based upon completion of last year's statutory CTR1 form and the detail in the final local government finance settlement issued on 5 February 2014, it be noted that the Council will be entitled to a Council Tax Freeze Grant and will not be required to hold any referenda.

It was further

Recommended:

- 125.8** That the Council Tax Freeze and associated budget for 2014/2015, as set out in Appendix B to Report No 29/14, be approved.

DF (to note)

Reasons for the Decisions:

Cabinet is required to approve the estimates in accordance with the Council's Constitution. Report No 29/14 set out the level of General Fund revenue resources needed to support the Council's priorities and services.

The Council has a statutory duty to determine its level of budget requirement and Council Tax for the coming year. Cabinet makes a recommendation to Council on this matter having taken account of the Director of Finance's statutory report on the adequacy of reserves and balances.

**126 Housing Revenue Account Budget 2014/2015**

The Cabinet considered Report No 30/14 relating to the Housing Revenue Account Budget and the associated rent proposals for 2014/2015.

The national Housing Revenue Account self-financing system allowed all income generated to be kept locally and available to fund the maintenance and management of housing stock, service debt and acquire and provide additional Social Housing.

The budgets had been prepared on the basis of the national Housing Revenue Account Accounting Code of Practice and incorporated Restructured Rents, Supporting People and Service Charges.

The Department for Communities and Local Government (DCLG) had established the framework of policy for social housing. Under the current 'rent restructuring' regime, rents for Council owned properties were expected to converge with the property's individual target rent over several years, which was to end in 2015/2016. Each year the weekly increase was limited to the Retail Price Index (RPI) plus 0.5% plus £2. Once the target rent was reached, the rent was then increased annually by the RPI plus 0.5%.

In the Spending Review 2013, the Government had announced that rents in the social sector would increase by the Consumer Price Index plus 1% annually for the ten years period 2015/2016 to 2024/2025.

The DCLG had indicated that it was minded not to extend rent convergence beyond 2014/2015 for which it had entered into a consultation exercise that had ended in December 2013. DCLG had expected most landlords to have reached the target rent convergence by 2015. However, that was not the case for all local authorities, including the Council. Ending such convergence a year early would result in rent levels within the Housing Revenue Account being lower than had been assumed when calculating the amount of borrowing by local authorities at the start of the self-financing system on 1 April 2013.

Formal consultation on the proposed changes had taken place in October 2013. The Council had responded to the consultation in liaison with the Tenants' of Lewes District group, and had expressed opposition to the proposed change. The budgets had been prepared in line with the Business Plan the existing Council policy on rent restructuring. The increase in average dwelling rents amounted to 4.81%.

A provision of 1% had been made for movements in the pay bill in line with national priorities and the salary budgets also allowed for contractual salary increments. The budgeted employer's pension contribution rate for 2014/2015 was the same as that proposed by the actuary following the three yearly review of the East Sussex Pension Fund, which had been finalised in December 2013.

Inflation had been provided to cover known price changes, such as utility and contractual commitments. Furthermore, the items referred to in paragraphs 3.6 to 3.8 of the Report relating to maintenance budgets, insurance and various projects, had been provided in the budget.

The budget layout complied with national accounting requirements and included explanatory notes within the body of the budgets. An explanation of items included within the expenditure headings was set out in paragraph 4.1 of the Report.

The Cabinet received the recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to the context in which next year's General Fund and Housing Revenue Account budgets and the Capital Programme, had been prepared.

Resolved:

**126.1** That the recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to the context in which next year's General Fund and Housing Revenue Account budgets and the Capital Programme, had been prepared, be received and noted; and

**126.2** That the Corporate Head – Housing Services, be requested to investigate approaches to best practice which are undertaken at other councils in respect of future housing rent convergence and be further requested to prepare a Report thereon for consideration at a future meeting of Cabinet.

CHHS

It was further

Recommended:

**126.3** That the Housing Revenue Account budgets for 2014/15, as set out in Appendices 1 to 6 of Report No 30/14, be approved;

DF (to note)

**126.4** That an average dwelling rent increase of 4.81%, as set out in paragraph 9 of the Report, be approved and be effective from 7 April 2014 in line with the Business Plan and current Council policy on rent restructuring;

DF (to note)

**126.5** That the proposed increase of 3.7% in Affordable Rents, as set out in paragraph 11 of the Report, be approved and be effective from 7 April 2014;

DF (to note)

**126.6** That an average garage rent increase of 3.2%, as set out in paragraph 12 of the Report, be approved and be effective from 7 April 2014 in line with the Business Plan and current Council policy on garage rentals.

DF (to note)

**126.7** That the proposed increase of 3.2% in Private Sector Leased Property rents, as set out in paragraph 13 of the Report, be approved and be effective from 7 April 2014; and

DF (to note)

**126.8** That the proposal to implement revised Service Charges, as set out in paragraphs 14 to 19 of the Report, be approved and be effective from 7 April 2014.

DF (to note)

Reason for the Decisions:

To enable the Council to fulfill its legal obligations to produce a balanced Housing Revenue Account for 2014/2015.

**127 The Capital Programme 2013/2014 to 2016/2017**

The Cabinet considered Report No 31/14 relating to the revised 2013/2014 Capital Programme, the 2014/2015 Capital Programme, the outline Capital Programme 2015/2016 to 2016/2017 and the associated Prudential Indicators.

As part of the annual budget cycle the Cabinet considered what level of capital support to allocate to its Policy Programme. It also considered the medium term position in relation to likely capital needs and available resources.

The capital planning process took account of the Council's Capital Strategy and Asset Management Plan as those key documents had a direct influence on the allocation of resources. The Council's Constitution required Cabinet to make a recommendation to Council on the level of the Capital Programme budget.

Part 1 of the Local Government Act 2003 had introduced a framework for local authority capital expenditure and financing, the 'Prudential Capital Finance System'. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, which defined that system, required local authorities to follow the Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when taking their decisions. The Prudential Code required authorities to set a number of Prudential Indicators before the beginning of each financial year, further details of which were set out in paragraph 7 of the Report.

The 2013/2014 Capital Programme was set out at lines 1 to 122 to Appendix 1 to the Report which totalled £14.893m. That sum included the full cost of implementing new capital schemes, however some of that expenditure would fall into 2014/2015.

Details relating to a projection of the resources which would be available at 1 April 2014 to fund capital expenditure were set out in the table in paragraph 5.1 of the Report.

The Prudential Code required local authorities to plan their capital expenditure programme for at least three years ahead which corresponded with the time scale covered by the Council's Capital Strategy.

The recommended Capital Programme for 2014/2015 to 2016/2017 was set out at Appendix 2 to the Report. However, it was important to note that the items shown for 2015/2016 and 2016/2017 were provisional, the reasons for which were set out in paragraph 6.1 of the Report.

Paragraph 6.5 of the Report provided details in respect of the General Fund Capital Programme for which the Non-Housing Programme, as set out at lines 31 to 37 of Appendix 2 thereto, had a proposed value in 2014/2015 of £1.328m.

A contribution in the sum of £0.883m to the University Technical College (UTC) project was included at line 36 which had been considered and agreed by Cabinet at its meeting on 6 January 2014. However, at that meeting, Cabinet had requested information on the estimated cost of the Boardwalk and any other contributions that might need to be considered to see the project through to completion.

An initial report by Black and Veatch on the estimated cost of various Boardwalk options had been received and further options were being considered. The estimates received included a 60% optimism bias which provided a reasonable degree of contingency for such project. The costs referred to in paragraph 6.5.5 of the Report related to the Boardwalk to the frontage of the proposed UTC building for which Cabinet was requested to recommend an appropriate budget to Council for approval.

The Cabinet received the recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to the context in which next year's General Fund and Housing Revenue Account budgets and the Capital Programme, had been prepared.

Resolved:

**127.1** That the recommendations of the Scrutiny Committee at its meeting held on 16 January 2014 relating to the context in which next year's General Fund and Housing Revenue Account budgets and the Capital Programme, had been prepared, be received and noted.

It was further

Recommended:

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| <b>127.2</b> That the revised 2013/2014 Capital Programme in the sum of £14,893,280, as set out at Appendix 1 to report No 31/14, be approved;  | DF (to note) |
| <b>127.3</b> That a further funding allocation for the University Technical College project in the sum of £0.8m, be approved and be funded from the Spending Power Element of the Change Management and Spending Power Reserve; | DF (to note) |
| <b>127.4</b> That the 2014/2015 Capital Programme in the sum of £7,745,520, as set out at Appendix 2 to the Report, be approved;  | DF (to note) |
| <b>127.5</b> That the outline Capital Programme 2015/2016 to 2016/2017 in the sum of £14,031,400, as set out at Appendix 2 to the Report, be approved; and  | DF (to note) |
| <b>127.6</b> That the Prudential Indicators in respect of the Capital Programme, as detailed in paragraph 7 of the Report, be approved and be adopted for 2014/2015.  | DF (to note) |

Reasons for the Decisions:

As part of the annual budget cycle the Cabinet considers what level of capital support to allocate to its Policy Programme. It also considers the medium term position in relation to likely capital needs and available resources. The capital planning process takes account of the Council's Capital Strategy and Asset Management Plan as these key documents have a direct influence on the allocation of resources. The Council's Constitution requires Cabinet to make a recommendation to Council on the level of the Capital Programme budget.

Part 1 of the Local Government Act 2003 introduced a framework for local authority capital expenditure and financing, the 'Prudential Capital Finance System'. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, which define this system, requires local authorities to follow the 'Prudential Code for Capital Finance in Local Authorities' (the Prudential Code) when taking their decisions. The Prudential Code requires authorities to set a number of 'Prudential Indicators' before the beginning of each financial year.

**128 Consultation Draft of Revised Lewes District Contaminated Land Inspection Strategy 2014**

The Cabinet considered Report No 32/14 relating to the proposed revised Contaminated Land Inspection Strategy, a copy of which was appended thereto.

In 2000, amendments to the Environmental Protection Act 1990 had introduced the current contaminated land investigation and remediation regime which required local authorities to adopt Contaminated Land Strategies.

The Council had adopted its first Strategy in 2001 and Report No 32/14 provided its second review which incorporated changes in national guidance that had been introduced by the revised Contaminated Land strategy Guidance published in April 2012 and the National Planning Policy Framework published in March 2012.

The Strategy set out to provide a definition of land contamination and its relationship between the management of contaminated land and other policies and strategies, in particular the relationship with the planning process, as contaminated land was often investigated and remediated in association with development proposals.

The revised Strategy placed more focus upon the relationship between contaminated land and groundwater, particularly those aquifers which were suitable for drinking water abstraction. It also set out the methodology that had been used for assessing the risk that land which might historically been considered to have caused land contamination. The strategy described the programme for inspection and a range of documents which might be used

to guide any investigation.

The Report recommended that, in the event that Cabinet approved the consultation draft, it be put out for stakeholder consultation for a period of four weeks. Any comments made in respect of the consultation that necessitated a substantial revision to the document would be reported back to Cabinet for final approval. Otherwise, if only minor points arose, it was recommended that approval of a final document be delegated to the Director of Service Delivery in consultation with the Lead Councillor for Environment.

Resolved:

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| <p><b>128.1</b> That the Director of Service Delivery be requested to:</p> <ul style="list-style-type: none"> <li>(a) Provide clarification of the technical terms used in the revised Contaminated Land Inspection Strategy, as set out at Appendix 1 to Report No 32/14, which has also been circulated electronically to Councillors, and include a glossary of such terms therein;</li> <li>(b) Review the categories “Controlled Waters”; “Ecological System Effects”; and “Living Property Effects”, as referred to in the third bullet point in paragraph 6.2 of the Strategy document; and</li> <li>(c) Give consideration to including a summary of the changes that have been included in the revised Strategy when compared to the earlier Strategy;</li> </ul> | DSD          |
| <p><b>128.2</b> That the Director of Service Delivery, in consultation with the Assistant Director of Corporate Services, be requested to revise the explanatory text set out in paragraph 4 of the Strategy document (ie the text “These terms are.....in statutory guidance:”);</p>  | DSD/<br>ADCS |
| <p><b>128.3</b> That, subject to 128.1 and 128.2 above, the revised Contaminated Land Inspection Strategy be approved as a basis for public consultation; and</p>  | DSD          |
| <p><b>128.4</b> That the Director of Service Delivery, in consultation with the Cabinet Member for Environment, be authorised to amend and approve a final Strategy document in response to any minor points arising from consultation, or to report back to Cabinet for approval of a final document should any substantive points arise from consultation.</p>   | DSD          |

Reason for the Decisions:

To update the 2008 Contaminated Land Inspection Strategy.

**129 Greater Brighton City Deal**

The Cabinet considered Report No 33/14 which provided an update on the progress of the City Deal submission, set out Governance arrangements and the decision making structure and sought a recommendation to Council for the establishment of the Greater Brighton Economic Board (GBEB) and its arrangements.

In October 2012, the Government had announced Wave Two of its City Deal programme and invited Brighton & Hove City Council to participate. The council, in collaboration with its Greater Brighton City Region partners had subsequently developed and submitted an expression of interest on 15 January 2013 which was successful and enabled the City Region to progress to the next stage of the negotiation process.

Throughout 2013, partners from across the City Region had been developing the Greater Brighton City Deal proposals and specifying the 'asks' of and 'commitments' to Government. The proposals, details of which were set out at Appendix 2 to the Report, focused on creating jobs and increasing productivity by unlocking sites and space and by setting the right conditions for the City Region's businesses to grow. They were presented to Greg Clark MP on 5 November 2013 and it was anticipated that a City Deal be agreed with the Government early in 2014.

Paragraphs 2.1 to 2.4 of the Report set out details of the opportunities for the District from City Deal. In particular, paragraph 2.4 indicated that there was an opportunity for that Deal to add value to the Council's existing work and outlined some of the benefits to the District.

Paragraphs 2.5 to 2.9 provided details of progress which had been made since a Report relating to Wave 2 of the City Deal had been considered by Cabinet at its meeting on 30 September 2013. Report No 33/14 also outlined the governance arrangements in respect of the Deal.

Brighton and Hove City Council would be the lead authority for the GBEB for years 1 and 2 and, therefore, would provide the necessary financial, legal, scrutiny, administrative and business management support which had been estimated to cost approximately £70,000 per annum for which reasonable financial contributions from partner organisations were being negotiated for agreement by the GBEB at its inaugural meeting.

For local authorities, it was anticipated that contributions would be apportioned in accordance with the size of their working age populations which, for the Council had been calculated to equate to £5,280 pa. However, in a letter to Cabinet dated 5 February 2014 (a copy of which is contained in the Minute Book), Councillors had been advised that, as the amount of funding that was to be provided by the University of Brighton and the University of Sussex towards the project was not going to be as much as had been anticipated, it would be necessary for the Council to make a higher than anticipated contribution towards the associated administration cost in the sum of £6,600.



The recommendations set out in Report No 33/14 replaced and added to the recommendations made by Cabinet at its meeting on 30 September 2013, on the basis that the project was currently further advanced.

Resolved:

**129.1** That recommendations 129.3 to 129.6 below replace and add to the recommendations made by Cabinet at its meeting on 30 September 2013, on the basis that the Greater Brighton City Deal project is now further advanced; and

DBSD

**129.2** That it be noted that the text set out in:

- (a) Paragraph 5.2 of the proposed Heads of Terms document, as set out at Appendix 1 to Report No 33/14, should have read: "GBEJC shall comprise the bodies specified in paragraphs 5.1(i) to (vi); and GBBP shall comprise the bodies specified in paragraphs 5.1(vii) to (xiii)."; and
- (b) The sixth bullet point in respect of the Greater Brighton Commitments for Flood defences in the Summary of Commitments at Appendix 2 (Greater Brighton City Deal) to the Report should have read: "...will bid for £1.5m in its Growth bid.....".

It was further

Recommended:

**129.3** That the establishment, on 1 April 2014 of the Greater Brighton Economic Board ('the Board'), constituted broadly in accordance with the Heads of Terms specified in Appendix 1 to Report No 33/14, be agreed, and that delegated authority be granted to the Chief Executive and the Director of Corporate Services to amend the Heads of Terms as necessary to achieve the objectives set out in that Report;

DBSD/CE  
/DCS (to  
note)

**129.4** That it be noted that establishment of the Board is dependent on all the bodies represented thereon agreeing to its establishment;

**129.5** That the appointment of the Greater Brighton Economic Joint Committee ('the Joint Committee') as an integral part of the Board, be agreed;

DBSD (to  
note)

**129.6** That it be noted that appointment of the Joint Committee is dependent on all the local authorities represented on the Board agreeing that it be appointed;

**129.7** That delegated authority be granted to the Chief Executive and the Director of Corporate Services to take all measures necessary for or incidental to (i) the implementation of recommendations 129. 3 and 129.5 above, and (ii) the on-going management and administration of

CE/DCS/  
DBSD (all  
to note)

the Board;

- |  |                                |
|--|--------------------------------|
| <b>129.8</b> That the proposals set out in paragraphs 2.14 to 2.16 of the Report in respect of Lewes District Council's right to call in a decision of the Board in accordance with the Board's Call-in Protocol, (as set out in Appendix 3 to the Report), be agreed; | DBSD (to note)                 |
| <b>129.9</b> That it be noted that the recommendations set out in 129.7 and 129.8 above are subject to all Board members agreeing the establishment of the Board, and subject to the relevant Board members agreeing the appointment of the Joint Committee;           |                                |
| <b>129.10</b> That the Director of Corporate Services be instructed to amend the Council's Constitution to give effect to recommendation 129.8;  | DCS/<br>DBSD<br>(both to note) |
| <b>129.11</b> That, subject to the Council agreeing to recommendations 129.3 to 129.10 above, it be agreed to contribute £6,600 per annum towards the administration cost incurred by the lead authority, (total cost £70,000 pa); and                                 | DBSD (to note)                 |
| <b>129.12</b> That, for the time being, the Leader of the Council be appointed to be the Council's representative on the Greater Brighton Economic Board.  | DBSD (to note)                 |

Reasons for the Decisions:

In October 2012, Government announced Wave Two of its City Deal programme and invited Brighton & Hove City Council to participate. The council, in collaboration with its Greater Brighton City Region partners, (including Adur and Worthing Councils, Universities, the Coast to Capital Local Enterprise Partnership, County Councils, and the private sector) subsequently developed and submitted an expression of interest on 15 January 2013. This was successful and enabled the City Region to progress to the next stage of the negotiation process.

Throughout 2013, partners from across the City Region have been developing the Greater Brighton City Deal proposals, specifying the 'asks' of and 'commitments' to Government. The proposals, which are focused on creating jobs and increasing productivity by unlocking sites and space and by setting the right conditions for the City Region's businesses to grow, were presented to Greg Clark MP on 5 November 2013. It is anticipated that a City Deal be agreed with Government early in 2014. Full details of the Greater Brighton City Deal proposals can be found in Appendix 2 to Report No 33/14.

*(Note: In response to some issues raised by the Chair of the Audit and Standards Committee, Councillor Eiloart, in respect of the proposed Heads of Terms document, the Assistant Director of Corporate Services undertook to review the text thereof and, if necessary, to arrange for any appropriate*

*textual amendments to be made so as to remove any ambiguities).*

### **130 Lewes District Public Realm Framework**

The Cabinet considered Report No 34/14 relating to the final draft of the Lewes District Public Realm Framework.

The strategic objectives of the Framework were to:

Enhance civic pride by contributing to the quality of life of residents through enhancing the sense of place, identity and belonging; and

Attract visitors, investors and businesses to underpin job and business growth,

for which the Framework needed to achieve several targets, details of which were set out in paragraph 3.2 of the Report. The Framework was underpinned by several values, details of which were set out in paragraph 3.3 of the Report.

Each of the urban towns and rural parishes had its own character and cultural heritage with unique issues and challenges to be addressed. The high quality natural environment was emphasised by the high level of environmental protection in parts of the District.

The District had a rich built heritage, several sites of rich archaeological interest, four historic parks and one historic battlefield site.

Despite continual investment in the District, there was currently no strategic direction or lead on how the public realm was treated and developed. In some parts of the District, the public realm was uninspiring, the streetscape dated and in poor condition, which gave an impression of a tired District without a distinct identity. It did not have a strong identity with the South Downs National Park or have a consistent District-wide relationship to its rich and diverse heritage.

Improving the public realm was reflected in many strategic documents, further details of which were set out in paragraph 3.6 of the Report. Individual towns and parishes within the District included aspects of public realm within their strategies and plans, including within some emerging neighbourhood plans.

The Lewes District Regeneration Strategy expressed the Council's and its partner's ambition for improving public realm to create the conditions for investment and prosperity. The Framework would provide the mechanism for translating such ambition into reality.

Paragraph 4 of the Report set out the comments which had been received from the South Downs National Park Authority and paragraph 5 set out the

comments which had been received from East Sussex County Council.

Resolved:

**130.1** That a Planning Discussion Paper be produced to explore how the findings of the Lewes District Public Realm Framework will feed into the planning process. Key items for discussion to be :

DBSD

- (a) Possibility of drafting a Supplementary Planning Document/Planning Advice Note; and
- (b) How to secure links and integration into the planning policies that the District Council, National Park Authority and town and parish councils (as part of the neighbourhood planning process) are currently developing to ensure that the Public Realm Framework is embedded in decisions made on development proposals where public realm is an issue;

**130.2** That a Public Realm Working Group be put in place to consider and drive forward the implementation of the Framework; and

DBSD

**130.3** That delegated authority be granted to the Director of Business Strategy and Development in consultation with the Cabinet Member for Business, Economic Development and Tourism and the Cabinet Member for Planning, to agree the final version of the Framework and associated working arrangements on behalf of the Cabinet.

DBSD

Reasons for the Decisions:

The Lewes District Public Realm Framework has been produced as part of the process of translating the Lewes District Regeneration Strategy into action. This has involved working with strategic and local partners (through several meetings and workshops) to develop the current version as the basis for seeking formal approval from the Council.

The work to produce the Framework was undertaken by Chris Blandford Associates who were engaged as part of a joint commission (£24,750 value) between the Council, the South Downs National Park Authority and East Sussex County Council who contributed £13,000, £8,000 and £5,000 respectively. The work was undertaken between January and April 2013 and involved 6 workshops with a range of local stakeholders which were managed in consultation with town councils.

The Framework will help inform the development of spatial policy through the local plan process, as well as plans prepared by other organisations such as utility companies and infrastructure providers, and the production of operational policies with a key focus on a County Public Realm Guidance Note and Public Realm Plans as part of the Regeneration Delivery Framework process reported to Cabinet at its meeting in April 2013. The Framework will also influence public realm through the Council's use and development of its own assets; other partners will be encouraged to take

this leadership by example approach.

### **131 Local Enterprise Partnerships**

The Cabinet received Report No 35/14 which provided an update on progress with both Local Enterprise Partnerships (LEPs), and provided information on the key projects which were being put forward by the Council and partners for inclusion within the growth strategies of both LEPs.

Resolved:

**131.1** That Report No 35/14 relating to the progress being made by the South East Local Enterprise Partnership and the Coast 2 Capital Local Enterprise Partnership, be received and noted; and

**131.2** That the projects being put forward by the Council and partners for inclusion within the Local Enterprise Partnerships, be noted.

Reason for the Decisions:

The Council lies within two Local Enterprise Partnerships (LEPs) – South East Local Enterprise Partnership and Coast 2 Capital Local Enterprise Partnership. All LEPs have been asked by Government to develop multi-year strategic plans to cover 2015/16 to 2020/21 which set out robust plans for local growth.

### **132 Exclusion of the Public and Press**

Resolved:

**132.1** 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:

(a) Report No 36/14 entitled “Lewes Leisure Centre Roof Replacement”; and

(b) Report No 37/14 entitled “Office Cleaning Contract”;

as there is 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.

**133 Lewes Leisure Centre Roof Replacement**

The Cabinet considered Report No 36/14 relating to a proposal to replace the roof over the Sports Hall at Lewes Leisure Centre.

Resolved:

**133.1** That approval be granted to go out to tender and award the contract to replace the roof of the Sports Hall to Lewes Leisure Centre based on Option 1 (subject to planning permission), as set out in Report No 36/14, such work to be funded from the Leisure Trust Reserve; and

DSD

**133.2** That a new Building Condition Survey and Plant Condition Survey be undertaken for all leisure centres within the Wave Leisure Trust Funding and Management Agreement.

DSD

Reasons for the Decisions:

The dual-use sports hall roof at Lewes Leisure Centre began leaking during heavy rain in the winter of 2011/12.

Since the initial leak was reported, a number of investigations and remedial works have taken place, but BLB Surveyors are of the opinion that no further remedial work can be undertaken successfully and that the only viable option would be to replace the roof.

**134 Office Cleaning Contract**

The Cabinet considered Report No 37/14 relating to the preferred bidder for the Council's 2014 office cleaning services contract.

Resolved:

**134.1** That the office cleaning contract be awarded to the preferred bidder, as detailed in Report No 37/14, commencing 1 April 2014 for one year.

DCS

Reasons for the Decision:

The Office Cleaning Contract is due to expire on 31 March 2014.

The Contract has been competitively tendered, with tender submissions evaluated by a nominated team comprising the Cabinet Member and four of the Council's Officers, who unanimously agree with the results of the evaluation process and the recommendation of the preferred bidder.

The meeting ended at 3.53pm

J V S Page  
Chair