



Scrutiny Committee

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MEMBERS: Councillor Ansell (Chairman); Councillor Shuttleworth (Deputy-Chairman); Councillors Belsey, Cooke, Murray, Thompson and Ungar

Agenda

- 1 Minutes of the meeting held on 8 December 2014.** (Pages 1 - 4)
- 2 Apologies for absence.**
- 3 Declarations of Disclosable Pecuniary Interests (DPIs) by members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct.**

4 Questions by members of the public.

On matters not already included on the agenda and for which prior written notice has been given (total time allowed 15 minutes).

5 Urgent items of business.

The Chairman to notify the Committee of any items of urgent business to be added to the agenda.

6 Right to address the meeting/order of business.

The Chairman to report any requests received to address the Committee from a member of the public or from a Councillor in respect of an item listed below and to invite the Committee to consider taking such items at the commencement of the meeting.

7 General Fund Revenue Budget 2015/16 and Capital Programme 2014/18. (Pages 5 - 26)

Report of the Deputy Chief Executive.

8 HRA Revenue Budget and Rent Setting 2015/16 and HRA Capital Programme 2014/17. (Pages 27 - 38)

Report of Senior Head of Community and Chief Finance Officer.

9 Corporate Performance - Quarter 3 2014/15. (Pages 39 - 86)

Report of the Deputy Chief Executive and Senior Head of Corporate Development and Governance.

Inspection of Background Papers – Please see contact details listed in each report.

Councillor Right of Address - Councillors wishing to address the meeting who are not members of the Committee must notify the Chairman in advance.

Public Right of Address – Requests by members of the public to speak on a matter which is listed in this agenda must be **received** in writing by no later than 12 Noon, 2 working days before the meeting e.g. if the meeting is on a Tuesday, received by 12 Noon on the preceding Friday). The request should be made to Local Democracy at the address listed below. The request may be made by letter, fax or e-mail. For further details on the rules about speaking at meetings please contact Local Democracy.

Disclosure of interests - Members should declare their interest in a matter at the beginning of the meeting, and again, at the point at which that agenda item is introduced.

Members must declare the existence and nature of any interest.

In the case of a DPI, if the interest is not registered (nor the subject of a pending notification) details of the nature of the interest must be reported to the meeting by the member and subsequently notified in writing to the Monitoring Officer within 28 days.

If a member has a DPI or other prejudicial interest he/she must leave the room when the matter is being considered (unless he/she has obtained a dispensation).

Further Information

Councillor contact details, committee membership lists and other related information is also available from Local Democracy.

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Monday, 8 December 2014
at 6.00 pm



Scrutiny Committee

Present:-

Members: Councillor Ansell (Chairman) Councillor Shuttleworth (Deputy-Chairman) Councillors Cooke, Murray, Thompson and Ungar

11 Minutes of the meeting held on 1 September 2014.

The minutes of the meeting held on 1 September 2014 were submitted and approved and the Chairman was authorised to sign them as an accurate record.

12 Apologies for absence.

An apology for absence was received from Councillor Belsey.

13 Declarations of Disclosable Pecuniary Interests (DPIs) by members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct.

There were none.

14 Corporate Performance - Quarter 2 2014/15.

Members considered the report of the Chief Finance Officer and Head of Corporate Development updating Members on the Council's performance against Corporate Plan Priority actions, indicators and milestones for Quarter 2 2014/15.

Due to operational improvements made to the Council's activity reporting procedures, changes had been made to one of the reported performance indicators. CS_012 "Calls Handled at First Point of Contact" had now been replaced with CS_012a "Telephone Calls handled at first point of contact." This new version of the indicator focused solely on phone scripts.

Appendix 1 to the report provided a detailed report on the 2014/15 activities and outturns of the performance indicators listed within the Corporate Plan. The first section of Appendix 1 listed all the Corporate Plan priority actions whose in-year milestones had already been fully completed this year. The second section of Appendix 1 listed the ongoing actions showing all milestones that were scheduled for completion within the first quarter of the 2014/5.

Of the 29 Key Performance Indicators reported in the Corporate Plan this quarter, 7 were currently showing as Red, 14 were showing as Green, 2 were showing as Amber and 6 are data only or contextual PIs. The off target PIs were

- DE_011 - Number of reported fly-tipping incidents
- CD_008 - Decent Homes programme
- CD_055 - Number of completed adaptations (Disabled Facilities Grants)
- CD_156- Number of households living in temporary accommodation
- ECSP_002 - Shoplifting rate compared to 2013/14
- ECSP_004 - Violent crime in a public place rate compared to 2013/14
- ECSP_016 - Serious Acquisitive Crime (robbery, car crime and burglary dwelling) rate compared to 2013/14

Members discussed the Business Rates review, Beach huts, the work of the Multiple Needs Panels, the low rate of sickness absence by Council staff, the Staff Survey and the introduction of Universal Credit and support for more vulnerable members of the community.

Members noted the position of the General Fund showed a variance of £77,000 on net expenditure which was a movement of £60,000 compared to the position reported at the end of the first quarter in June. Service expenditure has a variance of £113,000 mainly as a result of:

One-off Backdated rental income (£35k)
Development Control Legal and Consultants Fees £40k
Downs Water Supply new Contract £33k
Dotto Train £65k

An element of this service overspend is off set by the saving on the contingency fund

The committee was advised that quarter one monitoring report that there were a number of risks around the Revenues and Benefits area due to the implementation of a new system. Whilst the project was delivered broadly on time and on budget, the nature of the benefits regime required post implementation checking to be put in place to reduce errors. This checking was still ongoing and would continue to year end. At year end the new system and the audit would be complete and therefore the risk would be quantifiable.

The contingency fund currently stood at £161,050, and had been used to offset service expenditure. Therefore there was no further funding available for any future unforeseen one off areas of expenditure during the year. The projected outturn showed a variance of £49,000. This was within 0.28% of the net budget and was within an acceptable tolerance level. However management continued to manage this position to ensure that the final outturn position was maintained or improved.

HRA performance was currently above target due to a number of factors including underspending on council tax for void properties, new insurance contract and reduction in provision for bad debts required.

Rental income was down as a result of a reduced number of properties from Right to Buys and a delay in opening Winchester Court, which went live on the rents system on 27 October.

The detailed capital programme was shown at Appendix 4 to the report. Actual expenditure was low compared to the budget, due to delays in the start dates of housing major projects, sheltered accommodation remodelling projects and several general fund projects. Expenditure was expected to increase as schemes progress however the spending patterns would be reviewed at quarter three and re-profiled into 2015/16 year where appropriate.

The projected Collection fund for the year was highlighted within the report.

Council Tax was currently showing a £172,950 surplus, due to higher than budgeted number of chargeable properties and a reduction in the number of Single Person Discounts awarded.

The Business Rates deficit of £1,314,414 was as a result of a bigger than anticipated provision made in 13/14 for outstanding appeals, giving rise to a higher than budgeted for balance carried forward as at 1 April 2014. Currently there were 93 properties with appeals outstanding with a total rateable value £12m, a reduction of 13 properties with a rateable value of £6m since 1 April 2014. The valuation office was expecting to settle all claims within the next 12 months however the uncertainty of the potential value of successful appeals remained a major risk to the Collection Fund at this time. The deficit represented 3.98% of the total debit for the year.

NOTED.

The meeting closed at 6.45 pm

Councillor Ansell (Chairman)

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Body:	Scrutiny
Date:	2 February 2015
Subject:	General Fund Revenue Budget 2015/16 and Capital Programme 2014/18
Report Of:	Deputy Chief Executive
Ward(s)	All
Purpose	To note the detailed General Fund budget proposals for 2014/2015 and Capital Programme 2014/2018.
Decision Type:	Key Decisions requiring approval of Full Council
Recommendation:	Members are asked note the following proposals being considered by Cabinet on 4 th February for recommendation to Full Council: <ul style="list-style-type: none">(i) General Fund budget for 2014/15 (Revised) and 2015/16 (original) (Appendix 1) including growth and savings proposals for 2015/16 as set out in Appendix 2.(ii) No increase in the Council Tax for Eastbourne Borough Council resulting in an unaltered Band D charge of £224.19 for 2015/16.(iii) General Fund capital programme and financing 2014/18 as set out in Appendix 3.
Contact:	Alan Osborne, Deputy Chief Executive and Chief Finance Officer, Telephone 01323 415149 or internally on extension 5149. E-mail address: alan.osborne@eastbourne.gov.uk

1.0 Introduction

- 1.1 This report sets out the general fund revenue budget proposals for 2015/16 and a rolling three year capital programme 2014/18.
- 1.2 The Housing Revenue Account 2015/16 and associated capital programme, together with rent setting for 2015/16 is subject of a separate report elsewhere on this agenda.
- 1.3 The Council revised its medium term financial strategy (MTFS) in July 2014 and the Cabinet recommended a resulting draft 2015/16 budget proposal in December 2014 following the service and financial planning process in the

autumn.

1.4 The MTFS and the draft budget have been subject to consultation as reported to Cabinet and Scrutiny in December.

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

- The MTFS
- Asset Management Plans
- The Corporate Plan
- Workforce Strategy
- Treasury Management Strategy
- Service Plans
- HRA business plan
- DRIVE corporate transformation programme
- Sustainable Service Delivery Strategy

1.6 The Chief Finance Officer has a specific legal responsibility to give positive assurances on:

- The robustness of the estimates used in the budget
- The level of reserves

If the recommendations of this report are agreed then these assurances will prevail.

2.0 Summary of recommended budget proposals

2.1 The budget proposals include:

- No increase in the Council Tax in 2015/ 16
- Overall savings/new income totalling £1.5m (9% of the net budget)
- Efficiency savings of £1m (6% of the net budget)
- Inflation of £0.6m (4% of the net budget)
- Other recurring service growth of £0.4m
- Non recurring service investments £0.5m
- General Reserves averaging in excess of £4m (against a minimum recommended of £2m)
- Capital resources of £0.8m invested in new capital schemes

2.2 The budget represents continued management of financial risks by:

- Building on a favourable outturn position
- Balancing the base budget requirement without needing to use reserves for recurring expenditure
- Identifiable and deliverable savings with accountability and no general unidentified targets
- Reserves well above the minimum level
- Zero basing of minor reward grants
- Providing the funding required for the DRIVE change programme to

deliver the future savings required by the MTFS via the strategic change fund.

3.0 2015/16 Resources

3.1 Government Funding

3.2 The underlying methods of Local Government financing were changed significantly from 2013/14 and 2014/15 onwards the wrapping up of grants in the base "Start Up Funding" notably:

- The Localisation of council tax grant (previously £1.2m)
- The council tax freeze grants
- Some new burdens grants

3.4 For Eastbourne the Headline figures of the Government settlement are:

- A reduction in revenue support grant of £1.2m (30%)
- Partially offset by new homes bonus (additional £0.2m in 2015/16)

3.5 The NNDR business rate base has increased slightly (£0.2m) largely as a result of the inflationary increase which has been capped at 2%.

3.6 In addition to the formula grant the Government is financing the cost of a 1% increase in council tax (£86,000) which it has confirmed will be put in the base for 2016/17 and beyond.

3.7 The Government has announced that Eastbourne will receive £1.1m in total of new homes bonus due to the growth in housing in the area and the further reduction in empty properties.. The grant is paid in tranches for six years. The 2015/16 figure includes 5 tranches. The funding is not guaranteed beyond a 6 year horizon for each tranche. The projected award for 2016/17 is £1.3m. The Government is financing the additional NHB from reductions in RSG, therefore, whilst volatile, it is currently the preferred method of distribution of resources.

3.8 Council Tax

3.9 The proposal for no increase in council tax for 2015/16 results in an unchanged Band D rate of £224.19 for the Council.

3.10 The Council has to give an indication of likely future council tax rises, it is still expected that council tax will rise by no more than 2% per annum for each of the next three years. This is the Governments target for inflation and also the current ceiling on rises that would otherwise require a referendum in order to exceed.

3.11 Within this context, for 2015/16, the Council will raise £7.3m from its share of the council tax. This is determined by multiplying the council tax base of Band D equivalent dwellings by the Band D tax rate of £224.19. This is unchanged from the December tax base setting report.

3.12 In addition, there is a distribution of £24,000 payable by EBC to the collection fund due to a small collection fund surplus.

3.13 **Summary – 2014/15 Resources**

A summary of the resources available is shown below:

Source:	£'m
Government formula grant	(2.7)
Retained business rates	(4.0)
New Homes Bonus	(1.1)
Council tax freeze grant	(0.1)
Council tax	(7.3)
Total Resources Available (Rounded)	<u>(15.2)</u>

3.14 In order to achieve a balanced budget without using reserves, the Council needs to set a net expenditure budget for 2015/16 of £15.2m.

4.0 Specific Grants

4.1 In addition to the general grant distributed through the new formula grant system, which is given towards financing the Council's net expenditure, the Government also provides some specific grants. These specific grants will fund in part or in full, service costs.

Grant	2015/ 16 £'m
Housing Benefit Subsidy	(50)*
Housing Benefit Administration	(0.8)
* Approximate	

4.2 Housing Benefit Subsidy:

As part of a national scheme delivered locally, this grant is intended to reimburse the Council for the awards of benefit it makes to eligible tenants in both the private and public rented sector. Not only is this by far the largest single specific grant that the Council receives, but it is performance related. The Council has improved its performance in recent years.

A new system of universal credits was due to be completed in October 2017 which will see the caseload moved to the Department for Work and Pensions. Responsibility for council tax benefit has now devolved to a local level.

4.3 Housing Benefit/Council Tax reduction scheme Administration:

This is to fund the cost to Eastbourne of administering the national Housing

Benefit and local Council Tax Support schemes. This represents a reduction of around 15% from the 2013/14 funding.

4.4 Homelessness:

This is intended to assist with prevention and to find alternative accommodation other than bed and breakfast. This grant has now been subsumed into the main grant system.

4.5. New Homes Bonus:

This began in 2011/12 (£187,000) and is guaranteed for six years. A further £190,000 was been awarded for 2012/13 and £180,000 in 2013/14 making a total payable of £557,000 in 2013/14. Further increases will take this source of funding to approximately £1.3m per annum by 2016/17. The Council's policy as outlined in the MTFS is to utilise surplus grant for economic regeneration initiatives. Therefore the proposed budget includes an increase in the capital financing budget to reflect.

5.0 **Budget movements 2014/15 to 2015/16**

5.1 The detailed budget proposals are set out in **(Appendix 1)** show in detail the movement from the 2014/15 budget to the 2015/16 proposed budget. The movements are summarised below:-

5.2	Movement from 2014/15	£m	£m
	Base Budget		
	Change in resources:		
	RSG and New Homes Bonus	0.8	
	Weekly refuse collection grant	1.3	
	Retained business rates	(0.5)	
	Council tax – increase in tax base	(0.1)	
	Cost increases:		
	Inflation	0.5	
	Other growth and changes in income	<u>0.4</u>	<u>2.4</u>
	Savings:		
	Efficiency savings	(1.0)	
	Increased Income/other changes	(0.5)	
	Reduced contributions to reserves	<u>(0.9)</u>	<u>(2.4)</u>

5.3 If Cabinet approves the proposals set out in the report it will be able to recommend to Council on 18th February a balanced budget in line with available resources without the need to use reserves.

5.4 The Council now follows a rolling three year financial planning cycle and the service and financial plans have been set out in detail for 2015/16. The next MTFS due in July will project forward a further three years and continue to provide the basis of service and financial planning for the medium term. It should be noted that at a significant level the savings required for the next MTFS have already been identified, further reports to Cabinet will detail the business plans under the transformation programme (DRIVE)

5.5 The Government has set out a revised four year programme of reductions in funding and the Council's current MTFS already takes account of this.

The change programmes in place such as Agile and the SSDS and the rest of the DRIVE programme are projected to deliver savings over and above the minimum in order to create headroom for investment in priority services.

6.0 Risks, Contingencies and Reserves

6.1 All budgets contain an element of financial risk. The Council sets an operational budget with careful consideration of known risks, but accepts that this cannot cover every eventuality. As a consequence the Council sets a contingency budget and holds a minimum level of general reserve as a hedge against additional and significant financial turbulence.

6.2. Principal Risks

The key areas of financial risk that the Council faces in the operation of its 2015/16 budget are:-

- Housing Benefit Performance
- Inflation on goods and services
- Income from services linked to customer choice (theatres, tourism; sports centres, car parking)
- Demand led services
- Legal challenges
- Savings being delayed

On an exception basis, information on each of the risk areas identified above, together with any new and significant risks that may emerge over the course of the year, will be included in each financial performance report to Cabinet and Scrutiny during 2015/16.

6.3 Contingencies

The 2015/16 budget includes a corporate contingency budget of £152,000 to allow for unbudgeted expenditure or reductions in income. This is in addition to the known inflation that has been built into the service budgets It represents 1% of the overall net budget requirement.

6.4 Reserves

Part 2 of the 2003 Local Government Act requires the Chief Finance Officer to report on the adequacy of the proposed financial reserves, and determine the minimum level required. There is no statutory minimum requirement, but reserves must be set at a prudent level given the activities of individual Councils and potential liabilities that they face or may face in the future i.e. a risk based approach. The Council's earmarked reserves are reviewed at least annually for adequacy. If at any time the adequacy is in doubt the Chief Finance Officer is required to report on the reasons, and the action, if any, that he considers appropriate.

The Council will always seek to contain any unforeseen additional costs

within allocated annual budgets, including the contingency budget. However, it is proposed that in addition the minimum level of general reserves be set at £2m based on the following:

6.5	Risk	£m
	Unexpected Events e.g. flooding, major storm in excess of Bellwin Scheme provision	0.5
	Significant financial overruns e.g. prior year negative Housing Benefits subsidy adjustments and costs of welfare reform	0.5
	Exceptional fluctuations in income that have a major corporate impact e.g. loss of major sponsor close to an event (2% of income)	0.3
	Cost of providing priority services during an incident or emergency in excess of insurance cover	0.3
	Exceptional fluctuations in costs or demand that have a major corporate impact e.g. fuel costs	0.2
	Cost of significant breach of legislation e.g. health and safety, human rights	0.2
	TOTAL	2.0

The overall proposed minimum level of £2 million is the same as the current year and in line with the risk assessment outlined above. It is the view of the Chief Finance Officer that this level of reserves remains adequate to meet the current commitments and proposals detailed within this report and any unforeseen expenditure that cannot be met by external resources.

Should the budget recommendations be followed, the level of general fund reserve is projected at £4m by March 2016 (**Appendix 1**). In addition to acting as a potential buffer against future risks, this should create further opportunities for one off investments in the future.

6.6 Earmarked Reserves:

The following revenue reserves have been set aside in addition to the general reserve in order to facilitate projects under the DRIVE programme. The available balances at 31.3.15 are projected to be (**Appendix 1**):

Reserve	Purpose	Amount £'m
Strategic Change	To fund internal transformation projects under DRIVE	0.6
Economic Regeneration	To promote economic growth	0.5

6.7 Other earmarked revenue reserves:

The Council has been following a process of consolidating its reserves into the corporate reserves above. This better facilitates corporate priority planning. The only further reserves that the Council holds have other obligations attached (e.g. Section 106/partnership contributions).

6.8 The Chief Finance Officer is satisfied that the integrated budget and corporate planning process provides a robust basis for identifying appropriate budget estimates and appropriate level of reserves.

7.0 **Capital Programme 2014-2018**

7.1 The principles for formulating the capital programme were set out in the draft budget report submitted to Cabinet on 10th December 2014. The proposed new schemes to be financed are shown in **bold** in at **(Appendix 3)**.

7.2 The Council has a policy of only using borrowing for schemes that are invest to save and can generate enough savings or additional income to service the financing costs.

7.3 In addition to schemes that qualify for borrowing the Council had a further £0.8m of capital resources to apply to the programme.

7.4 The Housing Revenue Account capital programme is set out in another report on the agenda and is financed entirely from HRA resources. Once approved it will be amalgamated with the general fund programme.

7.5 No uncertain future capital receipts have been factored into the available resource so there will be opportunities to supplement the programme as the three year period progresses. Potential disposals will be identified by the asset management plans.

8.0 **Consultation**

8.1 The Council's medium term financial strategy and the resulting draft budget proposal for 2015/16 as reported to Cabinet in December have been subject to wide and varied consultation. The Scrutiny Committee held a finance event in October and has been invited to comment on the budget proposals at its meeting in February.

9.0 **Implications**

9.1 **Financial**

The financial implications of all budget proposals are set out throughout the report and/or within its Appendices.

9.2 **Human Resources**

Implications have been discussed with Members through the detailed service

and financial planning process, and where appropriate with the local Branch of Unison. Specific staff briefings have taken place as necessary.

9.3 **Environmental**

Both capital and revenue budget proposals include improvements to the maintenance of Council buildings and open spaces across the town. These include a number of energy efficiency initiatives to reduce usage, cost and emissions. Consultation with residents demonstrates that these types of initiatives are well supported and are seen as high priority areas for new investment.

10.0 **Conclusions**

10.1 The Council is well placed financially to meet the demands on its services as well as the reductions in Government support over the medium term.

10.2 The new method of distributing Government funding for local government gives incentives for new development both domestic and business.

Alan Osborne
Deputy Chief Executive and Chief Finance Officer

Background Papers:

The Background Papers used in compiling this report were as follows:

Cabinet reports:

December 2013

- Council Tax Base for 2015/16
- Draft Budget Proposals 2015/16
- Consultations on Council priorities

July 2014 – Medium Term Financial Strategy

To inspect or obtain copies of background papers please refer to the contact officer listed above.

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General Fund Revenue Budget 2015/16

Appendix 1

	2014/15 Original Budget £'000	2014/15 Revised Budget £'000	2015/16 Budget £'000
Corporate Services			
Corporate Management	268	267	208
Corporate Services	1,875	1,790	1,386
Corporate Financial Services	1,772	1,930	1,984
Corporate Development	1,410	1,493	1,447
Corporate Infrastructure and Customer First	8,197	8,284	8,026
	13,522	13,764	13,051
Community Services			
Service Management	(38)	(38)	(75)
Direct Assistance	(309)	(47)	(315)
Community Activity	554	599	596
Strategic Performance	(210)	(210)	(207)
	(3)	304	(1)
Tourism & Leisure Services			
Service Management	98	98	104
Sport & Leisure	314	316	322
Theatres	720	739	740
Tourism	551	515	648
Events & Devonshire Park	491	540	586
Towner	681	732	685
	2,855	2,940	3,085
Net Service Expenditure	16,374	17,008	16,135
Contributions to/(from) Unearmarked Reserves	(209)	46	(890)
Contributions to/(from) Earmarked Reserves	NIL	(8)	NIL
Contributions to/(from) Strategic Change Fund	NIL	(144)	NIL
Contributions to/(from) Capital Programme Reserve	NIL	NIL	NIL
Contributions to/(from) Regeneration Reserve	500	365	NIL
Contributions to/(from) Revenue Grants	NIL	(4)	NIL
Eastbourne Borough Council Budget Requirement	16,665	17,263	15,245
Financed by			
Government Formula Grant	(3,735)	(3,919)	(2,677)
Localisation of Council Tax benefit support transition	NIL	(153)	(141)
Grant to support weekly collection of domestic waste	(1,300)	(1,300)	NIL
New Homes Bonus	(897)	(897)	(1,064)
Retained Business Rates	(3,464)	(3,725)	(3,953)
Council Tax Grant	(81)	(81)	(86)
Contribution to Council Tax Deficit/(Surplus)	14	14	(25)
Council Tax Collection Fund Precept	(7,202)	(7,202)	(7,299)
Total Financing	(16,665)	(17,263)	(15,245)

	2014/15 Original Budget £'000	2014/15 Revised Budget £'000	2015/16 Budget £'000
General Fund Reserve			
In hand at 1st April	(3,967)	(4,687)	(4,537)
Transfer to Regeneration Reserve	NIL	NIL	NIL
Transfer General Fund Surplus	NIL	NIL	NIL
Financing of Non Recurring Expenditure	471	486	487
Withdrawal/(Addition)	(262)	(532)	NIL
Allocated for Future Use	NIL	196	NIL
In hand at 31st March	<u>(3,758)</u>	<u>(4,537)</u>	<u>(4,050)</u>
Strategic Change Fund Balance			
In hand at 1st April	(700)	(1,212)	(639)
Transfer from General Earmarked Reserves	NIL	NIL	NIL
Withdrawal/(Addition)	NIL	144	NIL
Allocated For Future Use	NIL	429	500
In hand at 31st March	<u>(700)</u>	<u>(639)</u>	<u>(139)</u>
Capital Programme Reserve			
In hand at 1st April	(85)	(1,119)	(752)
Transfer from General Fund	NIL	NIL	NIL
Withdrawal/(Addition)	NIL	NIL	NIL
Allocated For Future Use	NIL	367	500
In hand at 31st March	<u>(85)</u>	<u>(752)</u>	<u>(252)</u>
Regeneration Reserve			
In hand at 1st April	(158)	(761)	(1,013)
Transfer from General Fund Reserve	NIL	NIL	NIL
Withdrawal/(Addition)	(500)	(365)	NIL
Allocated For Future Use	170	113	500
In hand at 31st March	<u>(488)</u>	<u>(1,013)</u>	<u>(513)</u>

Corporate Services Budget 2015/16

Appendix 1

	2014/15 Original Budget £'000	2014/15 Revised Budget £'000	2015/16 Budget £'000
Corporate Management	268	267	208
Capital Financing	1,697	1,677	1,834
Corporate Savings - Future Model			(600)
Contingencies - 1% of net budget	178	113	152
Corporate Services	1,875	1,790	1,386
Service Management	141	142	149
Performance and Risk Management	47	122	48
Civil Contingencies	26	27	29
Finance Management/Operational Costs	478	560	710
Corporate Finance Costs	382	381	317
Payroll and Information	90	90	92
Pensions	608	608	639
Corporate Financial Services	1,772	1,930	1,984
Service Management	234	234	243
Civic Services including Printing	446	448	460
Electoral and Local Land Charges	52	132	40
Strategic Performance	91	92	95
Legal Services	220	220	233
Human Resources Management and Admin	109	249	257
Employee Relations	64	19	20
Member Development	52	11	11
HR Resourcing and Development	142	88	88
Corporate Development	1,410	1,493	1,447
Service Management	86	86	90
IT & E-Government	1,710	1,769	1,651
Facilities Management	383	385	201
Customer First	6,456	6,491	6,620
Estates / Asset Management	(438)	(447)	(536)
Corporate Infrastructure and Customer First	8,197	8,284	8,026
Total Corporate Services	13,522	13,764	13,051

	2014/15 Original Budget £'000	2014/15 Revised Budget £'000	2015/16 Budget £'000
Service Management	91	91	54
Charges outside General Fund	(129)	(129)	(129)
Service Management	(38)	(38)	(75)
Housing Services Management	63	62	65
Revenues and Benefits	62	321	67
Housing Needs	156	156	168
Homelessness	167	169	160
Private Sector Housing	197	197	198
Bereavement	(954)	(952)	(973)
Direct Assistance	(309)	(47)	(315)
Community Development	110	113	106
Community Involvement	70	70	85
Community Grants	374	416	405
Community Activity	554	599	596
Housing / Homelessness Strategy	67	67	70
Solarbourne	(277)	(277)	(277)
Strategic Partnership	(210)	(210)	(207)
Total Community Services	(3)	304	(1)

Tourism & Leisure Services	2014/15 Original Budget £'000	2014/15 Revised Budget £'000	2015/16 Budget £'000
Service Management	98	98	104
Sport & Leisure	314	316	322
Theatres	720	739	740
Tourism	551	515	648
Events & Devonshire Park	491	540	586
Towner	681	732	685
Total Tourism & Leisure Services	2,855	2,940	3,085

Proposed Savings

Dept	Service	Proposal	2015/16 Dec Cabinet £'000	2015/16 Feb Cabinet £'000
Efficiency Savings				
CorpS	High Level Service	Future Model phase 2	(600)	(600)
CorpS	CMT	Shared CMT/EMT roles	(100)	(92)
CorpS	Financial Services	Reduced audit fee	(20)	(20)
CorpS	Financial Services	Bank contract savings	(10)	(10)
CorpS	IT and E Government	Decommission Northgate Revs and Bens system	(58)	(58)
CorpS	IT and E Government	Cease Northgate DBA support	(15)	(15)
CorpS	IT and E Government	Migration to The Link	(11)	(11)
CorpS	IT and E Government	Consolidate systems support costs	(6)	(6)
ComS	Bereavement Services	Gas savings	(13)	(13)
ComS	Revs & Bens	Capita telephone contract (part year)	(105)	(105)
CFirst	Specialist Advisory Team	Waste Contract final savings on contract procurement	(50)	(50)
TS	Events	Reduced postage	(2)	(2)
TS	Events	Walking festival partnership with Wealden	(2)	(2)
Efficiency Savings Total			(992)	(984)
Income Generation				
CorpS	High Level Service	Future Model Accommodation co location with EHL/ other partners	(170)	(170)
CorpS	Corporate Property	Letting space in Town Hall to SCDA	(25)	(25)
CorpS	Corporate Property	Lease management improvements	(79)	(79)
CorpS	Corporate Property	Rent review Bullockdown small holding	(2)	(2)
CorpS	Corporate Property	Water rate increase to let farms and recovery of maintenance costs	(3)	(3)
ComS	Bereavement Services	RPI on fees	(45)	(45)
ComS	Bereavement Services	Tribute screens	(7)	(7) *
ComS	Revs and Bens	Income target for Fraud team to replace reduced grant	(57)	(57) *
TS	Events	Increase income target	(8)	(8)
TS	Events	Introduce an off-road half marathon as part of Beachy Head Marathon	(15)	(15)
TS	Sports and Leisure	Increase income target	(20)	(20)
TS	Theatres	Additional show account income	(10)	(10)
TS	Theatres	Additional refreshment sales at Congress Theatre	(5)	(5)
TS	Theatres	Additional internet booking fees	(5)	(5)
TS	Tourism	Additional income from beach huts	(5)	(5)
TS	Tourism	Additional income from Airbourne exclusive seating	(5)	(5)
Income Generation Total			(461)	(461)
Other Changes				
CorpS	Financial Services	Reduction in unfunded pensions	(30)	(30)
TS	Sports and Leisure	Reduction in equipment budget	(9)	(9)
TS	Tourism	Improved programming at Bandstand	(10)	(10)
TS	Tourism	Reduction in equipment budget	(7)	(7)
Other Changes Total			(56)	(56)
TOTAL SAVINGS			(1,509)	(1,501)

* Linked savings & growth items

Recurring Growth

Dept	Service	Item	2015/16 Dec Cabinet £'000	2015/16 Feb Cabinet £'000
Corporate Inflation				
Corporate		Pay Award, contractual increments and pension auto enrolment	240	264
Corporate		Inflation on external contracts and other inflation	250	268
Corporate		Increase in minimum wage	25	25
Corporate		Capital Financing (Target £100,000 to be confirmed)	TBC	
Corporate Inflation Total			515	557
Changes in Income targets				
CorpS	Financial Services	Concessionary Fares income service transferred to ESCC	6	6
ComS	Revenues and Benefits	Bailiff income reduced due to government change in cost recovery	23	23
ComS	Revenues and Benefits	Reduction in DWP admin grant for fraud	57	57 *
ComS	Revenues and Benefits	Reduction in HB admin grant	32	32
ComS	Revenues and Benefits	Reduction in DCLG CTRS grant	7	
CFirst	Specialist Advisory Team	Roundabout sponsorship	9	9
TS	Tourism	Dotto train income target unachievable	65	65
TS	Tourism	Leisure travel marketing	25	25
Changes in Income Total			224	217
Other Growth				
CorpS	Civil Contingencies	East Susses resilience and emergency planning	3	3
CorpS	Financial Services	Cash Collection contract	23	23
CorpS	Human Resources	Recruitment 'lovelocaljobs' scheme	4	4
CorpS	IT and E Government	Mobile telephony increase in number of contracts as envisaged in Agile programme	11	11
CorpS	IT and E Government	Locata Housing system maintenance	10	10
CorpS	Corporate Property	Restructure for Corporate Landlord model	80	80
CorpS	Corporate Property	Water infrastructure new maintenance contract	23	23
CFirst	Specialist Advisory Team	Splash pad water usage greater then originally estimated	5	5
CFirst	Specialist Advisory Team	Eastbourne Park ditch maintenance	10	10
CFirst	Neighbourhood First	Supply of dog bags for dispensers	1	1 *
TS	Events	Permanently fund Proms Big screen event	7	7
TS	Events	Permanently fund Beer and Cider Festival	14	14
TS	Events	Permanently fund Cycling Festival	4	4
TS	Events	Devonshire Park Grounds to bring budget to current standards	8	8
TS	Sports and Leisure	Administration to tennis delivery partner	5	5
Other Growth Total			208	208
TOTAL PROPOSED RECURRING GROWTH			947	982

Non Recurring Service Investments

Group	Service	Proposal		
CorpS	Corporate Property	Specialist advice for the Asset Challenge programme	30	30
CorpS	Corporate Property	Downland Strategy review	20	20
ComS	Revenues & Benefits	Empty Homes review	20	20
ComS	Revenues & Benefits	SMS messaging for payment recovery	5	5
ComS	Revenues & Benefits	Single persons discount review	6	6
ComS	Community Involvement	Contribution to Local Dementia action plan	10	10
ComS	Community Involvement	Single Equality Scheme implementation	5	5
ComS	Community Development	Grants to voluntary organisation	23	23
ComS	Community Development	Langney Village Hall match funding for works	5	5
Coms	Bereavement	Books of Remembrance	8	8
Coms	Bereavement	Replace waiting room furniture	7	7
ComS	Bereavement	Installation of visual media in both Chapels	10	10
Coms	Bereavement	Installation of Webcasting	2	2 *
CFirst	Neighbourhood First	Supply one dog bag dispenser in each ward targeted at dog fouling hotspots	2	2
CFirst	Specialist Advisory Team	Supporting Eastbourne Jobs Hub	35	35
CFirst	Specialist Advisory Team	Allocation for priority parks and gardens maintenance schemes	100	100
CFirst	Specialist Advisory Team	Strategic Housing Market assessment	20	20
CFirst	Specialist Advisory Team	Employment Land Local Plan examination costs	15	15
CFirst	Specialist Advisory Team	Seafront Local Plan	15	15
CFirst	Specialist Advisory Team	Strategic Housing Land availability	10	10
CFirst	Specialist Advisory Team	Bollards and boulders at Fishermans Green	6	6
TS	Events	Aegon International Tennis	33	33
TS	Events	Aegon International Tennis Town Dressing	10	10
TS	Events	Devonshire Park Laser Line Marker	5	5
TS	Events	Summer Music Festival	25	25
TS	Events	Big Screen hire for sporting events such as Aegon Finals and Rugby World Cup	20	20
TS	Sport and Leisure	Tennis Court Refurbishment fund for future repairs part of grant conditions	32	32
TS	Tourism	Drinking Fountains on the Seafront	8	8

TOTAL NON RECURRING INVESTMENTS**487****487**

* Linked savings & growth items

TOTAL GROWTH**1,434****1,469**

Summary of Capital Programme 2015 to 2018

	Projected Outturn 2014/15	Total 2015/16	Total 2016/17	Total 2017/18
<u>Capital Programme</u>	£000	£000	£000	£000
Community Services	689	6,311	9,109	3,996
Customer First	1,046	2,989	410	-
Tourism & Leisure	807	720	-	20
Corporate & Core Services	2,471	5,399	3,070	255
Asset Management	2,381	1,129	500	-
Total Programme	7,394	16,548	13,089	4,271
<u>Financed By:-</u>				
Capital Receipts GF	1,094	1,912	250	195
Grants and Contributions	1,386	10,448	11,709	3,996
Major Repairs Reserve	-	-	-	-
Revenue Contribution to Capital Reserves	1,015	834	275	-
Section 106 Contributions	251	-	-	-
GF Borrowing	157	1,006	-	-
	3,491	2,348	855	80
Total Financing	7,394	16,548	13,089	4,271

Scheme	Total Scheme Approved	Original Budget Agreed 2014-15	Revised Budget 2014-15	2015-16	2016-17	2017-18
COMMUNITY SERVICES						
Memorial Safety Cems	40,000	34,000		34,000		
Digitalise Burial Records	10,000	10,000		10,000		
Crematorium - Main Chapel	21,000	21,000		21,000		
Ocklynge Cemetery Chapel	150,000	150,000	75,000	75,000		
Barbican Memorial Scheme	5,000	5,000	5,000			
Main Chapel Refurb - Phase 2	26,000	26,000	13,000	13,000		
Disabled Facilities Grants (external funding)	Ongoing	677,800	527,800	813,000		
BEST Grant (housing initiatives)	Ongoing	197,450	47,450	110,000	109,000	109,000
Social Housing Enabling						
Housing Regeneration	7,887,024				4,000,000	3,887,024
Acquisition of Land & Property	10,000,000			5,000,000	5,000,000	
New Beach Huts (25 Traditional & 5 Iconic)	235,240	235,240	20,240	215,000		
Willingdon Trees Multi Gym	20,000	20,000		20,000		
Total Community Services		1,376,490	688,490	6,311,000	9,109,000	3,996,024
CUSTOMER FIRST						
Contaminated Land	185,000	102,000		102,000		
Coast Defences Beach Management Strategy	Ongoing	540,850	540,850	300,000	300,000	
Cycling Strategy	45,000	40,600		40,600		
Park & Ride	50,000	50,000				
Princes Park (schemes to be decided)	210,000	183,000	4,500	178,500		
Play Area Sovereign Harbour	27,000	27,000		27,000		
Allotment Upgrade	114,000	14,100	14,100			
Hampden Park Skate Park	170,000	165,350	165,350			
Five Acre Field - Improvements	55,000	11,550	11,550			
Upperton - Play Equipment	60,000	20,500	20,500			
Churchdale Road Allotments	38,000	25,250	25,250			
Play Equipment - Bodiam Cres	80,000	80,000	80,000			
Sovereign Harbour - Legal Advice	20,000	20,000	20,000			
Terminus Road Improvements	500,000	500,000		500,000		
Christmas Lights	25,000	25,000	25,000			
CIL - Software	14,000	14,000	14,000			
Five Acre Field - Railings	20,000	20,000	20,000			
Hampden Park WCs	40,000	40,000	40,000			
Sov Harbour Community Centre	1,600,000			1,600,000		
Highfield Allotments	25,000	25,000	25,000			
Hyde Gardens WC	40,000	40,000	40,000			
Cross Levels Way BMX Track	46,000			46,000		
Hampden Park Path	25,000			25,000		
Bodiam Cres Play Area Path	20,000			20,000		
Gildredge Park - Toddler Equipment	22,000			22,000		
Shinewater Skate Park	50,000				50,000	
Seaside rec - Play Equipment	60,000				60,000	
Princes Park - Bowls Club Roof	28,000			28,000		
Hampden Park - Multi Play Unit	50,000			50,000		
Motcombe Pond	50,000			50,000		
Total Customer First		1,944,200	1,046,100	2,989,100	410,000	0
TOURISM & LEISURE						
Volleyball Court	25,000	25,000	2,000	23,000		
Signage	40,000	16,100		16,100		
Sports Park Flood Lights	30,000	30,000		30,000		
Re-surface Tennis Courts	265,000	265,000	265,000			
Wish Tower - Catering Outlet	40,000	4,000	4,000			

Scheme	Total Scheme Approved	Original Budget Agreed 2014-15	Revised Budget 2014-15	2015-16	2016-17	2017-18
Bandstand Seating	15,000	15,000	15,000			
Serco Contract	Ongoing	312,430	312,430	7,230		
ILTC - Air Conditioning	60,000	60,000	60,000			
ILTC - Public Address System	40,000	20,000	20,000	20,000		
ILTC - Electrical System	10,000	10,000	10,000			
ILTC - Fire Alarm	10,000	10,000	10,000			
ILTC - Replacement Seating	100,000	100,000	83,600			
ILTC - Replacement Showers	25,000	25,000	25,000			
Sports Park Railings	11,000			11,000		
Redoubt - Stair Climber	20,000			20,000		
Colonnade Removal	500,000			500,000		
Redoubt - Asphalt Gun Platform	50,000			50,000		
HPSC - Changing Rooms	20,000					20,000
Devonshire Park - Roller	14,000			14,000		
Devonshire Park - Verti Drain Aerator	14,000			14,000		
Devonshire Park - Hollow Corer	15,000			15,000		
Total Tourism & Leisure		892,530	807,030	720,330	0	20,000
CORPORATE SERVICES						
Carbon Reduction Works	467,500	467,500	233,500	234,000		
Agile phase 2	555,000	107,700	27,700	80,000		
Invest to Save	80,000	80,000	80,000	80,000	80,000	80,000
Redesign of CCC at 1 Grove Road	370,000	409,100	409,100			
IT Replacement	42,500	9,200	9,200			
Future Model Phase 2	2,990,000	818,500	1,311,500	547,000	550,000	
Investment Capital	5,750,000	3,000,000		2,300,000	2,300,000	
Sovereign Harbour Innovation Mall	1,400,000			1,400,000		
Solar Panels (2nd Programme)	500,000	500,000	250,000	250,000		
IT - Block Allocation	Ongoing	307,500	150,000	507,500	140,000	175,000
Total Corporate Services		5,699,500	2,471,000	5,398,500	3,070,000	255,000
Asset Management						
Devonshire Park Review	950,000	950,000	900,000	50,000		
Congress Theatre redesign & restoration	1,950,000	1,908,250	1,300,250	608,000		
Bandstand Restoration	245,000	34,500	34,500			
Royal Hippodrome Theatre (Phase 1)	15,000	19,700	19,700			
Downland Pumps Replacement	24,900	24,900	24,900			
Hampden Park Hall Improvements	34,700	30,000	30,000			
Thatched Shelters - re-roofing	40,000			40,000		
Brick Shelter? Depends on survey	65,000	15,000	15,000	50,000		
Devonshire Park Theatre - rendering	105,000			105,000		
Archery PCs/Bike Store	50,000			50,000		
Motcombe Dovecot	17,000	17,000	17,000			
Hyde Gardens WC - external works	25,000	25,000	25,000			
Hampden Park WCs - external works	15,000	15,000	15,000			
Downland Pipe replacement	70,000			70,000		
Asset Management - Block Allocation	2,243,000	290,200		156,200	500,000	
Total Asset Management		3,329,550	2,381,350	1,129,200	500,000	0
GENERAL FUND TOTAL		13,242,270	7,393,970	16,548,130	13,089,000	4,271,024

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Agenda Item 8

- BODY:** SCRUTINY
- DATE:** 2 February 2015
- SUBJECT:** HRA Revenue Budget and Rent Setting 2015/16 and HRA Capital Programme 2014/17
- REPORT OF:** Senior Head of Community and Chief Finance Officer
- Ward(s):** All
- Purpose:** To agree the detailed HRA budget proposals, rent levels, service charges and heating costs for 2015/16, and the HRA Capital Programme 2014/17.
- Contact:** Pauline Adams, Financial Services Manager
Tel 01323 415979 or internally on ext 5979
- Recommendations:** Members are asked to note the following proposals that are being considered by Cabinet on 4th February 2015.
- i) The HRA budget for 2015/16 and revised 2014/15 as set out in **Appendix 1**.
 - ii) That rents are set in line with the rent convergence target of 2016 set by Government resulting in an average increase of 2.28%.
 - iii) That service charges for general needs properties are increased by 2.31%,
 - iv) That the service charges for the Older Persons Sheltered Accommodation currently available for let are increased by 2.57%.
 - v) That heating costs are set at a level designed to recover the estimated actual cost.
 - vi) That water charges are set at a level designed to recover the estimated cost of metered consumption.
 - vii) That garage rents are set to increase by 2.28% in line with the average increase in housing rent.
 - viii) To give delegated authority to the Chief Executive, in consultation with the Cabinet Portfolio holders for Community Services and Financial Services and the Financial Services Manager to finalise Eastbourne Homes' Management Fee and Delivery Plan.
 - ix) The HRA Capital Programme as set out in **Appendix 3**.

1.0 Introduction

- 1.1 As from the 1 April 2012 the way that council social housing is financed was changed and the HRA became self financing. This means that expenditure

has to be entirely supported from rental and other income. The main tool for the future financial management of the HRA is the 30 year Business Plan which was approved by Cabinet on 8 February 2012.

- 1.2 The introduction of HRA self financing does not end the requirement to maintain a statutory ring fenced HRA and the council is still required to maintain a separate account for the income and expenditure on council housing.
- 1.3 This report reflects the recommendations made by Eastbourne Homes in relation to the increases in rent levels, service and other charges.

2.0 2015/16 HRA Revenue Budget

- 2.1 The 2015/16 budget has been prepared following the principles adopted within the HRA 30 year Business Plan and is attached at **Appendix 1**.
- 2.2 The 2015/16 budget is showing a surplus of (£296,130) which is due to a number of favourable factors as listed below.
- 2.3 The major changes between the 2014/15 and the 2015/16 budgets are:

Income increases and expenditure reductions:

- Effect of rent and service charge review -£390,000
- Change in requirement for Revenue Contribution to Capital -£393,300
- Reduction in contribution towards HEDP team - £50,000
- Effect of borrowing at lower than anticipated interest rates - £60,350

Increase in Expenditure and income reductions:

- Additional funding to met pressure on revenue repairs and voids budget - £520,000
- Depreciation, in line with Business Plan to cover the future requirements of the Asset Management Plan £104,300
- Contribution to Housing Regeneration Reserve £284,000

- 2.4 The HRA budget is performing better than expected in the 30 year business plan due to various initiatives to control expenditure, including a reduction in the management fee payable to EHL since the start of the plan and a lower than anticipated interest rates. At the same time income earnings from rents and service charges have remind on target. This allows some scope for some spending to be realigned, as set out in the paragraphs below.
- 2.5 EHL is currently experiencing pressure on the maintenance budget requirement for revenue repairs and void properties and it therefore proposed to increase the Management Fee by £520,000 to deal with this and help met customers' expectations.
- 2.5 The 30 year business plan forecast a budget surplus of £784,000 for 2015/16 which was to be set aside in reserves to met future major works demands. It is proposed to transfer this sum into the Housing Regeneration Reserve.

- 2.5 The Business Plan allowed for a revenue contribution to support capital expenditure for the three years 2013/14 to 2015/16 based on the asset management spending requirement peaking over these years in excess of the balance on the Major Repairs Reserve (MRR), until decreasing again by year five of the business plan. After this time surpluses begin to accumulate in the MRR as the cash backed depreciation allowance of £4m per year should start to exceed the capital spending requirements.
- 2.6 The HRA debt outstanding at 31.3.14 was £37.5m rising to £43.4m by 31.3.17 the majority of which will be external debt and at fixed interest rates. The increase in borrowing of £5.9m is expected to be undertaken to support the HEDP programme. The additional interest payable from this borrowing will be funded from the additional rental as the properties are let. The Council's treasury management advisors are predicting that the currently low levels of interest rates will continue into 2015/16 and the interest budget has been prepared on this basis.
- 2.7 Under the self financing settlement the government set a cap on total HRA borrowing of £42.96m .The 30year Business Plan assumes from 16/17 to 28/29 that an average debt repayment of £2.8m per annum is funded from the HRA Revenue Account. This will either be used to fund the repayment of debt or be used to reinvest in housing properties in lieu of new borrowing.
- 2.8 The HRA outturn for 2014/15 is expected to deliver a (£411,800) surplus, a positive variance of (£104,100) over the original budget (0.69% of gross expenditure). This is mainly as a result of the decrease in the amount required to be paid in council tax on void properties (£87k) and saving on the new insurance contract (21K).
- 2.9 The HRA Business Plan is based on a policy for a minimum level of HRA balance of £1m to maintain a prudent level of reserve to ensure that the HRA remains sustainable in the longer term and is able to deal with any risks posed by the current economic climate.

The Balances on the HRA and Reserves are as follows:

	HRA £'000	MRR £'000	Housing Regeneratio n & Investment Reserve £'000
Balance at 1.4.14	2,704	305	830
Surplus/(Deficit)	412		
Revenue Contribution			500
Depreciation		4,106	
Major Works expenditure		-4,411	-1,330
Estimated Balance 31.3.15	3,116	0	0
Surplus/(Deficit)	296		
Revenue Contribution			784
Depreciation		4,211	

Major Works expenditure		-4,211	
Estimated Balance 31.3.16	3,412	0	784

These are within the HRA strategy and policy expectation of the Business Plan.

3.0 Rent Levels for 2014/15

- 3.1 The Council has been following the Government's guidance for rents for social housing since December 2001. Under the HRA self-financing settlement the government has assumed that rent convergence is achieved in 2015/16.
- 3.2 In May 2014, the Government issued new guidance setting out its policy on rents for social housing from April 2015.
- 3.3 The new guidance simplifies the approach to setting the rent for each property. The Government recognises that some properties will not have reached their formula rent by April 2015 and recommends that rent only moves up to formula rent where the property is re-let following vacancy. Although most of our properties have reached convergence, the number of properties that still need to reach convergence will reach convergence at a slower rate.
- 3.4 Although, the Government expects authorities to comply with the new guidance, it is not compulsory. Previously, setting rents above government convergence limits was discouraged by the 'rent rebate subsidy limitation' rule which made the HRA liable for the additional Housing Benefit payments generated by excess rents. Following the move to self financing, the 'limits' rule is no longer relevant to local authorities.
- 3.5 The key element of the new Government guidance is index linking of rent increase:
- Current approach: September RPI + 0.5% For 2015/16 this is 2.80%
New guidance: September CPI + 1.0% For 2015/16 this is 2.20%
- In order to reduce the number of properties trying to reach their formula rent, members are asked to recommend that council rents are set at a higher level with an average increase of 2.28%.
- 3.6 This is slightly higher than the rent increase would be if it purely followed the Government guidance for social housing rents but this higher increase would mean that convergence to formula rent is greatly increased this year leaving 5.87% of housing rents outstanding to converge.
- 3.7 This also means that due to the high increases in rent over the past few years (following the RPI plus 0.5% formula set by government), tenants will be expecting an average increase of around 4-5% and not an increase of lower than 3%.

3.8 Although the accelerated convergence proposed shows more of a weekly increase to 896 tenants, it does not suggest an increase over £3.00 per week to any of our tenants keeping the increase at an affordable level as shown in the profiling tables at **Appendix 2**

3.9 The proposed increase being recommended by neighbouring authorities are as follows:

Neighbouring Authority	Rent Increase
Eastbourne	2.28%
Wealden District Council	3.70%
Lewes District Council	
Brighton & Hove City Council	2.20%

4.0 Service Charges

4.1 For properties in shared blocks these charges cover common services such as communal heating, lighting, equipment maintenance contracts, cleaning and grounds maintenance. In Older Persons Sheltered Accommodation the charges additionally include On-Site Co-ordinators, Lifeline services, lift maintenance contracts, communal furniture and carpets maintenance and internal re-decorations. These costs should be charged separately from the rent in those properties to which they apply.

4.2 The HRA Business Plan assumes that service costs are fully recovered through service charges and are not included in rents. This principle has been applied for 2015/16.

4.3 For general needs properties in blocks the average service charge increase is 2.31%. For Older Persons Sheltered Accommodation the average service charge increase is 2.57%. This is lower than the increase last year because of the savings realised on the non-renewal of the Invicta alarms contract and lower increases for gas and electricity.

5.0 Heating costs - Older Persons Sheltered Accommodation

5.1 These charges are set in line with known price increases experienced in 2014 and predicted future costs. For 2015/16, it is recommended that the average charge increase is 1.92%. This is an average increase of 13p per week for tenants that pay these charges.

6.0 Water Charges

6.1 These charges are set in line with meters being fitted to all of the retirement courts. For 2015/16, it is recommended that the average charge increase is 0.93%. This is an average increase of 27p per week for tenants that pay these charges.

7.0 Garage Rents

- 7.1 Following the previous year's rent increases, garage void debt has decreased, garage void repair times have decreased and the number of hard to let garages has decreased from the start of the 2014/15 year.
- 7.2 There are still a minority of garages that require major works and the recommended increase will enable the future funding of works that are still required.
- 7.3 It is therefore recommended that Garage rents are increased in line with the average increase in housing rents of 2.28%. This will provide EBC with a budget for further major repairs (should they be needed) but limit the increase in rent for garage tenants.

8.0 HRA Capital Programme 2015/16 to 2017/18

- 8.1 The Capital Programme as set out in **Appendix 3** has been prepared to meet the Council's strategies, as adjusted to reflect the availability of resources. Total budgeted expenditure for 2015/16 is £9,668,512.
- 8.2 The major works element of the programme is in line with the asset management plan and the self financing business plan model. Funding is from the Major Repairs Reserve.
- 8.4 Cabinet has agreed a total budget of £12.1m for the Housing and Economic Development Programme out of the total allowance of £20m This has now been profiled to reflect the expected spending timetable and will be funded from borrowing and HCA grant.

9.0 Eastbourne Homes Management Fee

- 9.1 The Management Fee covers both Operational and Administration costs as well as cyclical maintenance.
- 9.2 The proposed Base Management Fee is recommended to remain at the 14/15 level of £6,714,000, however an additional £520,000 has been proposed (as per para 2.5) to meet the current pressure on the maintenance budget.

The fee of £140,000 to support the work of the HEDP team has also been amalgamated into the Management Fee. This was previously shown within the budget under Supervision and Management and has been reduced by £50,000 from 2014/15.

The total proposed fee for 2015/16 is £7,375,000.

- 9.3 To formally agree the management fee Members are asked to delegate this responsibility to the Chief Executive, in consultation with the Cabinet Portfolio Holders for Community Services and Financial Services and the Financial Services Manager.

10.0 Consultation

- 10.1 Rent increases are subject to the new government guidance on rent convergence. In May 2014, the Council adopted a policy of achieving convergence by 2025. Additional consultation was carried out through a meeting of the Eastbourne Homes' Residents Scrutiny Panel.
- 10.2 The Council is obliged to ensure that all tenants are given 28 days notice of any changes to their tenancy including changes to the rent they pay.

11.0 Implications

11.1 Financial and Human Resources

The council has taken a pro-active approach to the implementation of the rent convergence policy. There are no staffing implications arising out of this report.

11.2 Environmental

Eastbourne Homes is committed to delivering energy efficiency improvements in its maintenance and modernisation programme to help reduce heating costs in all homes.

11.3 Economic

Eastbourne Homes will make every effort to identify tenants who may face additional financial hardship as a result of rent or service charge increases in order to offer appropriate support and advice.

Anti-poverty activity by Eastbourne Homes takes place routinely throughout the year to maximise household income. This includes advice on benefits and arrears management. This targeted use of resources assists greatly in ensuring housing remains affordable.

12.0 Conclusions

- 12.1 The HRA Revenue Budget has been produced based on the policies set out in the HRA 30 year Business Plan and is showing an overall surplus of £296k for 2015/16. This is mainly due to a number of favourable factors including the rent and service charge review, savings from Treasury Management activities on borrowing, and changes to capital financing requirement which has allowed for additional funding to be included for revenue repairs and maintenance.
- 12.2 The rent levels have been prepared in accordance with the council's rent convergence policy and the self financing business plan assumptions. The average increase is 2.8%.
- 12.3 Service charges, heating and water charges are fixed weekly amounts set at a level to recover the expected actual cost to be incurred for the respective properties in the forthcoming year.

- 12.6 Garage rents are recommended to increase in line with the average increase in housing rents 2.8%.
- 12.6 Total budgeted expenditure on the HRA Capital Programme is planned at £9,668,512 for 2015/16, £5,735,714 for 2016/17 and £4,400,000 for 2017/18. The major works element of the programme is in line with the asset management plan and the HRA business plan model.

Pauline Adams
Financial Services Manager

Background Papers:

The Background Papers used in compiling this report were as follows:

HRA 2015/16 Budget working papers held by Eastbourne Council and Eastbourne Homes Ltd.

HRA Self Financing 30 year Business Plan.

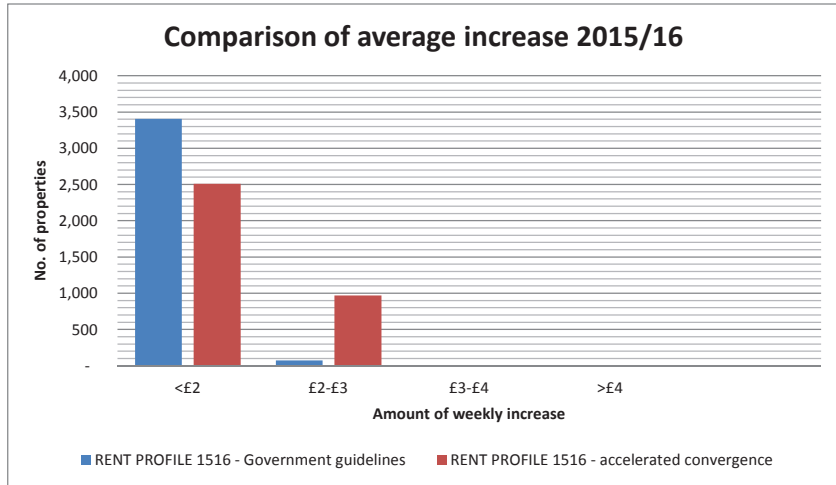
To inspect or obtain copies of background papers please refer to the contact officer listed above.

HOUSING REVENUE ACCOUNT

2014-15 Original Budget £' 000	2014-15 Revised Budget £'000		2015-16 BUDGET £' 000
		INCOME	
(14,439)	(14,324)	Gross Rents	(14,710)
(918)	(997)	Charges for Services	(1,037)
(15,357)	(15,321)	GROSS INCOME	(15,747)
		EXPENDITURE	
6,714	7,094	Management Fee	7,375
1,255	735	Supervision and Management	1,060
126	126	Provision for Doubtful Debts	126
4,107	4,107	Depreciation and Impairment of Fixed Assets	4,212
393	393	Revenue Contributions to Capital Outlay	0
12,595	12,455	GROSS EXPENDITURE	12,773
(2,762)	(2,866)	NET COST OF SERVICES	(2,974)
1,956	1,956	Loan Charges - Interest	1,896
(2)	(2)	Interest Receivable	(2)
(808)	(912)	NET OPERATING SURPLUS	(1,080)
500	500	Transfer to Reserves	784
(308)	(412)	HOUSING REVENUE ACCOUNT (SURPLUS) / DEFICIT	(296)
		HOUSING REVENUE ACCOUNT WORKING BALANCE	
(2,507)	(2,704)	In Hand at 1st April	(3,116)
(308)	(412)	Transfer (To)/ From Working Balance	(296)
(2,815)	(3,116)	In Hand at 31st March	(3,412)

RENT PROFILE 1516 - Government guidelines						
Number of properties included in the Rent Increase 2015/16						
3,477						
Average Rent Increase		Percentage	Amount			
		2.16%	£1.68			
Breakdown of Average Rent Increase						
Percentage of Average Rent Increase	No. of properties	Percentage of properties receiving this increase	Amount of increase	No. of properties	Percentage of properties receiving this increase	
up to 3%	3,477	100%	<£2	3,405	98%	
between 3%-5%	-	0.0%	£2-£3	72	2.1%	
between 5%-7%	-	0.0%	£3-£4	-	0%	
Above 7%	-	0.0%	>£4	-	0%	
Total	3,477	100.0%	Total	3,477	100%	

RENT PROFILE 1516 - accelerated convergence						
Number of properties included in the Rent Increase 2015/16						
3,477						
Average Rent Increase		Percentage	Amount			
		2.28%	£1.77			
Breakdown of Average Rent Increase						
Percentage of Average Rent Increase	No. of properties	Percentage of properties receiving this increase	Amount of increase	No. of properties	Percentage of properties receiving this increase	
up to 3%	3,445	99.1%	<£2	2,509	72%	
between 3%-5%	32	0.9%	£2-£3	968	27.8%	
between 5%-7%	-	0.0%	£3-£4	-	0%	
Above 7%	-	0.0%	>£4	-	0%	
Total	3,477	100.0%	Total	3,477	100%	



HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2014/15 - 2017/18					
Scheme	Approved Budget 2014/15	Revised Budget 2014/15	2015/16	2016/17	2017/18
Managed By Eastbourne Homes					
Decent Homes Works	-	-	-	-	-
Sheltered Remodelling	1,782,000	1,866,000	-	-	-
Major Works	3,183,000	3,915,100	3,766,000	3,703,000	4,320,000
Adaptations	412,000	412,000	412,000	412,000	-
Environmental Improvements	80,000	96,900	80,000	80,000	80,000
	5,457,000	6,290,000	4,258,000	4,195,000	4,400,000
LA New Build 2013-15	2,930,000	-	-	-	-
Supporting Housing & Economic Progress Initiative (SHEP)	1,109,000	-	-	-	-
46 Upperton Gardens	200,000	20,000	-	-	-
Homelessness Change Programme	75,000	-	-	-	-
House Rescue Emergency Fund	-	-	200,000	-	-
Willowfield Sq	-	-	-	-	-
Empty Homes Programme Ph1					
67-69 Seaside Road	-	344,549	-	-	-
51-53 Seaside	-	67,740	-	-	-
19a Dallington Road	-	11,510	-	-	-
67 Langney Road	-	130,515	-	-	-
1 Glynde Avenue	-	670,308	-	-	-
1-4 Arch Mews	-	601,150	-	-	-
New Build					
Coventry Court	-	2,266,485	873,704	-	-
Belmore & Longstone Road	-	520,252	692,683	-	-
Tenterden Close	-	155,751	346,342	-	-
NAHP Programme					
Sumach Close	-	-	400,000	1,075,253	-
Glynde	-	-	472,000	-	-
Glynde Ave Bungalow	-	-	98,988	-	-
Rodmill	-	-	100,000	465,461	-
Fort Lane	-	66,155	362,095	-	-
Swan Laundry	-	-	320,000	-	-
Empty Homes Programme Ph2					
1-5 Seaside	-	-	1,544,700	-	-
3 St Aubyns Road	-	357,500	-	-	-
41 Kirksdale Close	-	90,000	-	-	-
62a Tidswell Road	-	145,000	-	-	-
Total HRA Capital Programme	9,771,000	11,736,915	9,668,512	5,735,714	4,400,000
Funded by:					
Borrowing	1,109,000	3,058,458	2,403,359	465,461	-
Government Grant	-	588,112	600,600	207,500	-
Capital Receipts inc. RTB	2,406,770	1,003,461	2,406,553	867,753	-
Major Repairs Reserve	3,633,320	4,466,320	4,106,970	4,195,000	4,400,000
S106 Contributions	798,230	796,884	-	-	-
Revenue contributions from HRA	393,280	393,280	-	-	-
Reserves	1,430,400	1,430,400	151,030	-	-
Total Financing	9,771,000	11,736,915	9,668,512	5,735,714	4,400,000

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- BODY:** **SCRUTINY**
- DATE:** **2 February 2015**
- SUBJECT:** **Corporate Performance - Quarter 3 2014/15**
- REPORT OF:** **Chief Finance Officer and Head of Corporate Development**
- Ward(s):** All
- Purpose:** To update Members on the Council's performance against Corporate Plan priority actions, performance indicators and targets for Quarter 3 2014/15.
- To inform Cabinet of the Council's financial outturn for Quarter 3 2014/15.
- Contact:** William Tompsett, Strategic Performance Manager
Tel 01323 415418 or internally on ext 5418
- Pauline Adams, Financial Services Manager
Tel 01323 415979 or internally on ext 5979.
- Recommendations:** Members are asked to:
- i) Note the performance against national and local Performance Indicators and Actions from the 2010/15 Corporate Plan (2014 refresh).
 - ii) Note the General Fund, HRA and Collection Fund financial performance for the quarter ended December 2014, as set out in sections 3, 4, 5 & 6.
 - iii) Note the transfers from reserves as set out in Appendix 3
 - iv) Note the amended capital programme as set out in Appendix 4.
 - v) Note the Treasury Management Performance as set out in section 7.

1.0 Introduction

- 1.1 The 2010/15 Corporate Plan was refreshed for 2014 and sets out a number of key actions and indicators to deliver and measure progress against key priorities. Throughout the year, performance against these key indicators and milestones is reported to Cabinet and Scrutiny committees on a quarterly basis and to Scrutiny monthly.
- 1.2 The information in these performance reports is collected and managed using the Covalent performance management system. Further detail behind the report and evidence providing a full and robust audit trail for the

performance information presented is available to view within the online system. Members are invited to contact the Strategic Performance Team at any time to arrange individual training support on using the system if required.

- 1.3 In the absence of a National Performance Framework it is important that the authority continues to strengthen its own performance management procedures particularly in relation to the use of robust local indicators and meaningful reporting against actions and activities. The actions, milestones and performance indicators in the Corporate Plan refresh 2014 have been chosen to reflect this year's priority activities and objectives with a view to realising the longer term vision set out in the Corporate Plan.
- 1.4 Due to operational improvements made to our activity reporting procedures, we have made a change to one of the reported performance indicators. CS_012 "Calls Handled at First Point of Contact" has now been replaced with CS_012a "Telephone Calls handled at first point of contact." This new version of the indicator focuses solely on phone scripts.
- 1.5 Following changes to crime reporting procedures, it has been decided to change the crime related PIs from targeted to data only as the previous targets are no longer relevant to the data being reported. These PIs will be revised for the next iteration of the Corporate Plan.

2.0 Performance Overview

- 2.1 **Appendix 1** is a detailed report on the 2014/15 activities and outturns of the performance indicators listed within the Corporate Plan. This report shows the latest available outturns for the local performance indicators featured in the 2010/15 Corporate Plan broken down into themed areas.
- 2.2 Each project has been allocated a number of in-year actions and milestones to be completed in order to progress the project efficiently. Some projects may be fully completed within the year whereas larger scale priorities will be delivered over a longer period. **The first section of Appendix 1 lists all the Corporate Plan priority actions whose in-year milestones have already been fully completed this year.** Full details of the specific milestones and commentary for these actions is available on request or directly via the Covalent Performance Management System.
- 2.3 The second section of Appendix 1 lists the ongoing actions showing all milestones that were scheduled for completion within the first three quarters of the 2014/5 year along with commentary to explain the context behind them.
- 2.4 Chapter summary text has been supplied by the relevant Heads of Service to provide added context for the performance reported in each section. This commentary highlights important achievements and challenges for the reporting period and can be found at the start of each chapter.
- 2.5 The PI tables show which indicators related to the priority projects are performing on target (green tick icon), failing to reach target (red octagonal

icon) or are near misses (amber triangle icon). Relative performance is based on quarterly targets as set by the managers of each area using past performance, available benchmarking and planned service developments.

- 2.6 The current outturn for each PI is shown on the performance gauges in column 4 – Year to date. The gauges show visually how the level of performance compares to targets (green zones) and near miss levels (amber zones). Amber zones have been reviewed to reflect appropriate levels of performance expectation and any national targets which are lower than our own local aspirations.
- 2.7 The bar charts in column 6 show comparative performance against previous quarters/years as appropriate. This enables an at a glance indication of whether performance is improving or not and will help identify potential trends and seasonality of performance.
- 2.8 Commentary has been included in the action and indicator outturn tables where supplied. This provides some contextual background to the performance and this function and is backed up by the online evidence collation facility of the Covalent system.
- 2.9 Of the 25 Key Performance Indicators reported in the Corporate Plan this quarter, 4 are currently showing as Red, 12 are showing as Green, 3 are showing as Amber and 6 are data only or contextual PIs. The off target PIs are...
 - DE_011 - Number of reported fly-tipping incidents
 - CD_008 - Decent Homes programme
 - CD_055 – Number of completed adaptations (Disabled Facilities Grants)
 - CD_181 – Time taken to process Housing Benefit/Council Tax Benefit new claims and change events
- 2.10 We have the capability within Covalent to analyse performance data via dashboard reporting. This allows us to look beyond green – amber – red performance reporting and drill down more into the data and what it is telling us. The following PIs are showing as the relatively best performing according to the latest confirmed data available:

Best Performing (PIs)	Value	Target	Gauge
TL_005 Marketing campaign value for money	£0.60	£0.88	
CS_011 Telephone call abandonment rate	2.99%	6%	
TL_017a Redoubt visitors - paying visitors	14,039	7,800	
TL_008 Conference delegates	14,800	13,000	
CD_051 Number of difficult problem properties reme...	35	22	
CD_056 Median average number of days for assistan...	84 days	100 days	
CD_050 Empty privately owned homes returned to oc...	118	90	
CS_003 Sickness absence - average days lost per emp...	3.98 da...	4.35 da...	
DE_194 Missed collections	3,531	3,850	
DE_192 Percentage of household waste sent for reus...	36.87%	35.00%	
DE_007 EBC Carbon Footprint - Vehicles	28 ton...	30 ton...	

**The data in this table is based on the latest reported out-turns including annually reported indicators so may include PIs where data is from the 2013/14 out-turn.*

3.0 Financial Performance – General Fund

3.1 General Fund performance for the year to 31 December 2014 is shown in the table below:

Department	Full Year Budget £'000	Profiled Budget £'000	Actual to 31 Dec 14 £'000	Variance to date £'000	Projected Outturn £'000
SUMMARY					
Corporate Services	11,952	8,880	8,723	(157)	(137)
Community Services	304	37,230	37,266	36	(16)
Tourism & Leisure Services	2,940	2,509	2,586	77	39
Total Service Expenditure	15,196	48,619	48,575	(44)	(114)
Contingencies etc.	113	85	30	(55)	(73)
Capital Financing and Interest	1,699	1,076	1,076	-	-
Contributions to/(from) Reserves	255	(283)	(283)	-	-
Net Expenditure	17,263	49,497	49,398	(99)	(187)

Service Details are shown at **Appendix 2**

3.2 The position to the end of December is a positive variance of (£99,000) on net expenditure which is a movement of (£176,000) compared to the position at the end of the second quarter in September. Service expenditure shows a variance of (£44,000) mainly as a result of:

- Additional corporate income (£77k)
- Refuse Collection contract savings (£71k)
- One off backdated rental income (£35k)
- Rental income from 1 Grove Road and Town Hall (£31k)
- Dotto Train £65k
- Summons Income reduction £50k
- Development Control Legal and Consultants fees £41k
- Downs Water Supply new contract £39K

3.3 The projected outturn shows a favourable variance of (£187,000). This is within 1.1% of the net budget and is within an acceptable tolerance level. However management continues to manage this position to ensure that this is achieved.

3.4 The contingency allowance currently stands at £112,950 an amount of £40,000 has been earmarked for use; therefore a balance of £72,950 is available for funding any future unforeseen one off areas of expenditure during the remainder of the year.

3.5 Cabinet on 4th February 1015 is being asked to approve all the transfer from reserves as set out in **Appendix 3**. These transfers are in line with the approved financial strategy.

4.0 Financial Performance - HRA

4.1 HRA performance for the year to 31 December 2014 is as follows:

	Current Budget	Profiled Budget	Actual to 31 Dec 14	Variance to date	Projected Outturn
	£'000	£'000	£'000	£'000	£'000
HRA					
Income	(15,413)	(11,610)	(11,612)	(2)	14
Expenditure	8,237	5,762	5,676	(86)	(118)
Capital Financing & Interest	6,369	-	-	-	-
Contribution to Reserves	500	-	-	-	-
Total HRA	(307)	(5,848)	(5,936)	(88)	(104)

4.2 HRA performance is currently above target due to a number of factors including underspending on council tax for void properties and the new insurance contract.

Rental income is down as a result of a reduced number of properties from Right to Buys and a delay in opening Winchester Court sheltered accommodation following refurbishment; this is offset by an increase in service charge income following the 13/14 year end reconciliation.

4.3 The projected outturn is showing a surplus of £104,000 due to the full year effect of the issues highlighted in the above paragraph.

5.0 Financial Performance – Capital Expenditure

5.1 The detailed capital programme is shown at **Appendix 4**. Actual expenditure at 47% of the budget is lower than expected as a number of schemes have been delayed in starting or have not yet started in particular in the following areas, but expenditure is expected in the next quarter:

- Housing Major Works schemes
- Support Housing in Eastbourne Programme
- Coastal Defence Works
- Resurfacing Tennis Courts
- Carbon Reduction Programme
- Customer Contract Centre
- Devonshire Park
- Congress Theatre.

Comments are included in the Appendix on the progress of each of these schemes.

5.2 The 2014/15 programme will be re-profiled to reflect start dates and planned works.

6.0 Financial Performance – Collection Fund

6.1 The Collection Fund records all the income from Council Tax and National Non-Domestic Rates and its distribution to the major precepting authorities. With the introduction of the new system for the local retention of business rates, the performance of the Collection Fund is now included as part of the performance monitoring and the results shared with the major preceptors.

6.2 The projected Collection Fund for the year is as follows:

	Council Tax £'000	Business Rates £'000
Balance B/fwd 1.4.14	79	3,048
Deficit recovery	(100)	(2,065)
Debit due for year	(53,531)	(32,672)
Payments to preceptors	52,355	33,155
Transitional Relief	-	18
Allowance for cost of collection	-	127
Allowance for appeals	-	(896)
Write offs and provision for bad debts	1,017	580
Estimated balance 31.3.15	(180)	1,295
Allocated to:		
CLG	-	647
East Sussex County Council	(130)	117
Eastbourne Borough Council	(25)	518
Sussex Police	(16)	-
East Sussex Fire & Rescue	(9)	13
	(180)	1,295

These figures show an improvement over the forecast over Qtr2 of £7k and £19k respectively.

6.3 The allocations to preceptors reflect the operation of the Collection Fund for Council Tax and retained Business Rates which are distributed on different bases under regulation. The distribution of the estimated balance at quarter 3 will be made in 2015/16. Any changes after that date will be made in 2016/17.

6.4 Council Tax surplus of £180,000 is due to higher than budgeted number of chargeable properties and a reduction in the number of Single Person Discounts awarded.

The surplus represents 0.34% of the total debit due.

6.5 The Business Rates deficit of £1,295,000 is as a result of a bigger than anticipated provision made in 2013/14 for outstanding appeals, giving rise to a higher than budgeted for balance carried forward as at 1/4/2014.

Since January 2014 a total of 64 properties have had successful appeals with a total reduction of £1,083,100 in rateable value which represents 1.3% of the total rateable value of the authority. Currently there are 87 properties

with appeals outstanding with a total rateable value £6.8m.

The Valuation Office is expecting to settle all these claims within the next 12 months however the uncertainty of the potential value of successful appeals remains a major risk to the Collection Fund at this time.

The deficit represents 3.96% of the total debit for the year.

6.6 Collection performance is as follows:

Cash Collection Rates	Council Tax	Business Rates
Q3 Actual	85.40%	82.28%
Q3 Target	83.88%	80.17%

7.0 Financial Performance – Treasury Management

7.1 The Annual Treasury Management and Prudential Indicators 2015-16 are being considered by Cabinet at its meeting on 4th February 21015 , together with a summary of the current economic background and interest rate forecasts.

7.2 Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2014/15, which includes the Annual Investment Strategy, was approved by the Council on 15 February 2014. It sets out the Council’s investment priorities as being:

- Security of Capital;
- Liquidity;
- Yield

A full list of investment held as at 31 December 2014 is shown in the table below:

Counterparty	Amount £	Interest Rate %	Maturity
Santander	4,000,000	0.80	Call
Lloyds	880,000	0.40	Call
Royal Bank of Scotland	100,000	0.80	90 day Account
	4,980,000		

In addition a sum of £1m is invested with Lloyds Bank at a rate of 3.03% maturing on 23.1.19. This investment is held as part of the LAMS scheme and all interest earned will be transferred into a reserve set up to mitigate any financial risks arising from that scheme.

No approved limits within the Annual Investment Strategy were breached during the quarter end 31 December 2014.

Investment rates available in the market have continued at historically low

levels. Funds are available on temporary basis for investment and arise mainly from the timing of the precept payments, receipts of grants and progress on the capital programme

7.3 Investment Performance

Investment performance for the quarter ending 31 December 2014 is as follows:

Benchmark	Benchmark Return	Council Performance	Interest Earning
7 day	0.35%	0.65%	£29,006

As Illustrated, the authority outperformed the benchmark by 0.30%. The Council's budgeted investment return for 2014/15 is £50,000, current performance is below this target due to the continuous use of internal balances during the first 9 months thus keeping interest paid lower whilst borrowing rates are higher than investments

7.4 Borrowing

Two long term loans of £2m each were taken from the Public Works Loan Board firstly on 10 October for 47 years at 3.70% and then on 20 October for 41.5years at 3.54%.

Cash flow predictions indicated that further borrowing will be required later in the year. The exact timing and nature of this borrowing will be consider at that time, however to maintain a sustainable maturity profile and interest payments it is anticipated that whilst longer term borrowing remains low the new borrowing will be at maturity dates of between 40 and 50 years. .

7.5 Compliance with Treasury and Prudential Limits

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved TMSS.

During the quarter to 31 December 2014 the Council has operated within all the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

8.0 Consultation

8.1 Not applicable

9.0 Implications

9.1 There are no significant implications of this report.

10.0 Conclusions

10.1 This report provides an overview of performance against the authority's

priority actions and indicators as at Quarter 3 2014/15. Progress against the key projects and indicators is updated on the online Covalent system on a regular basis and provides a "live" view of the Council's performance accessible at any time.

- 10.2 The variances within both the General Fund and HRA budget are well within tolerance levels, however risks within the budget will continue to be carefully monitored.
- 10.3 Capital expenditure is low compared to the budget but this is expected as some major schemes have yet to commence
- 10.4 The Collection Fund forecast for Council Tax is indicating a surplus of £180,000 and a deficit for Business Rates of £1,295,000. These balances represent 0.34% and 3.96% of the gross debits due and will be allocated to or collected from preceptors during 2015/16.
- 10.5 Treasury Management performance is on target and all activities were within the approved Treasury and Prudential Limits.

William Tompsett
Strategic Performance Manager

Pauline Adams
Financial Services Manager

Background Papers:




The Background Papers used in compiling this report were as follows:

Corporate Plan 2010/15 (2014 refresh)
Covalent performance management system reports
Quarter 3 2014/15 Budget monitoring working papers

To inspect or obtain copies of background papers please refer to the contact officer listed above.

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Completed CP Actions - 2014 Q3

Priority Theme	Project	Status
Priority Theme 2 Quality Environment	CP14_2_01 Managing Waste Responsibly	
Priority Theme 3 Thriving Communities	CP14_3_05(a) Enable the transfer of Towner to independent governance	
Priority Theme 3 Thriving Communities	CP14_3_05(b) Progress work with English Heritage to secure funding for the development of the Redoubt as an accessible, living museum	

Corporate Plan Milestones Quarter 3 2014/15



Parent Action	Action	Description	Due Date	Note	Completed
CP14_1_01 Tourism Marketing and Brand Development	CP14_1_01a New Tourism and Economic Development strategy	Complete draft strategy for CMT discussion	31-May-2014	The Tourism part of the strategy has been completed. The economic development section is currently being drafted and once this has been completed will be taken to CMT for approval.	Yes
CP14_1_01 Tourism Marketing and Brand Development	CP14_1_01b New brand development and marketing campaign	Present a brief to CMT/Cabinet to secure funding to identify companies that can present branding options	31-May-2014	The brand development brief will be discussed at Cabinet on July 17th. Once the funding has been secured the brief will be sent out to the agreed agencies.	Yes
		Advertise and appoint a brand consultancy agency	31-Jul-2014	We have written a brief and have advertised and interviewed a number of agencies who submitted interest in the brand development project.	Yes
		Work with the agency to create a brand theme for consultation	30-Sep-2014	We have agreed an approach to how the consultation will be themed. However we have taken a short paper to CMT which has suggested a delay in the start time of the consultation and the project. this will now commence after Christmas	Yes
		Consultation on brand options	31-Dec-2014	The work has commenced on agreeing the priorities for the brand development and key stakeholders have been identified	Yes
CP14_1_02 Employment - Town Centre	CP14_1_02b Assist with land assembly	Authorise CPO procedure	31-Oct-2014	The CPO timetable is governed by the developer. There is one outstanding issue to be resolved before making the CPO and this is likely to be resolved during January 2015.	No
CP14_1_02 Employment - Town Centre	CP14_1_02e Review existing ring road	Work in partnership with ESCC to finalise scope of project	30-Sep-2014	Project Initiation Document prepared and presented to the Project Board on 5 June.	Yes
CP14_1_03 Business Support Scheme	CP14_1_03a Use of technology to promote local services including procurement	In partnership with Town Team, TechResort, Eastbourne UnLtd Chamber of Commerce and Sunshine Coast Limited to create a dedicated website and app.	31-Oct-2014	Discussions ongoing regarding the data sharing agreement. Website delivered.	Yes
CP14_1_03 Business Support Scheme	CP14_1_03b Maximise Business Rate Relief giving £800k back to small businesses	Draft local Rate Relief Policy	14-May-2014	Draft local Rate Relief policy has been formulated.	Yes
		Complete consultation with stakeholders	30-Jun-2014	Consultation completed	Yes
		Report to Cabinet to adopt local policy.	31-Jul-2014	Local policy agreed by Cabinet on 16 July 2014.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
CP14_1_04 Employment - Sovereign Harbour	CP14_1_04b Progress the provision of the Community Centre	Secure agreement for the site from the land owner.	30-Apr-2014	Site was acquired on 15th April.	Yes
		Procure development partner to deliver the community centre	31-Jul-2014	Commissioned Sea Change Sussex to deliver the community centre.	Yes
CP14_2_02 Improving the Cleanliness of the Street and Public Areas	CP14_2_02a Prevention campaigns to reduce environmental crime	Complete litter campaigns all zones	30-Sep-2014	Design of litter campaign in progress, with a competition for children to design an anti litter poster. The poster will not be ready until 31st Jan 2015	No
		Complete fly tipping campaigns all zones	31-Oct-2014	'Neighbourhood First' are aware stickers have been designed to use when the team report and investigate fly tipping. The team had a stand at 999 weekend (5 / 6 July) promoting the work we do and discussing fly tipping issues. Engagement is starting with key sectors of the community to try to tackle underlying causes of fly tipping.	Yes
CP14_2_02 Improving the Cleanliness of the Street and Public Areas	CP14_2_02b Renovation of public conveniences	Specify internal fixture and fittings and decorations	31-Jul-2014	Specification in development. Three site visits undertaken to view modular systems in other WC. Project group formed including Friends of Hampden Park.	Yes
		Specify schedule of works	31-Jul-2014	Specification in development. Three site visits undertaken to view modular systems in other WC. Project group formed including Friends of Hampden Park.	Yes
		Put works out to tender and receive returns	31-Aug-2014	Works have been tendered and contract awarded.	Yes
CP14_2_03 Allotment Provision	CP14_2_03a Continue to build extra allotment spaces in phases throughout the year	Churchdale Road planning permission	30-Apr-2014	Planning Committee considered application on 15 April . Permission granted with conditions.	Yes
		Reptile mitigation completed	31-Oct-2014	Consultants advised 17 October 2014 that active reptiles are still being captured and have advised a revised start date of the 27 October 2014 for a destructive reptile search	Yes
CP14_2_ENV Priority Theme 2 Quality Environment	CP14_2_03 Allotment Provision	Specify and secure quotations to create allotments	30-Sep-2014	Quotations received.	Yes
		Reptile Mitigation	17-Oct-2014	The unseasonal high temperatures extended the reptile mitigation to the 31 October 2014	Yes
CP14_2_03 Allotment Provision	CP14_2_03b Bring Highfield allotments back into use	Reptile Mitigation	30-Oct-2014	The wildlife and reptile mitigation survey for Highfield Allotments (Bodiam Crescent) was completed in June 2014 and this has identified a high reptile population on this site and we are investigating the possibility of	Yes

Parent Action	Action	Description	Due Date	Note	Completed
				reducing plot numbers slightly on this site to leave an area fallow for reptiles. This was originally designed to create an additional 47 plots. The reptile mitigation was originally scheduled for completion by the 30 October 2014 but the unseasonal high temperatures resulted in the trapping and capture extending into October.	
		Initial clearance and cultivation of site	28-Nov-2014		Yes
CP14_2_04 Towards a Low Carbon Town	CP14_2_04a Implement actions to reduce the carbon use of the Council's own buildings (a)	Complete feasibility study for the creation of a smart grid	30-Nov-2014	This was connected to funding application from DECC (see second note below). Expected completion now to be 30 June 2015.	No
CP14_2_04 Towards a Low Carbon Town	CP14_2_04b Implement actions to reduce the carbon use of the Council's own buildings (b)	Complete feasibility study for alternative heating and lighting solutions for the Eastbourne Sports Park	30-Sep-2014	Had been awaiting potential solutions from Carillion. As they did not materialise moved to different framework contract with Kier, awaiting solutions.	No
		Publish feedback on consultation on priority cycle routes	30-Apr-2014	- Feedback published as part of the report to Cabinet on 19th March.	Yes
CP14_2_05 Transport - Cycling Provision	CP14_2_05a Implement Cycle Strategy	In partnership with ESCC complete detailed design of 5 new cycle routes	30-Nov-2014	Detailed designs have been completed for three routes; Meads to town centre and seafront, town centre to seafront via Devonshire Place and Horsey Phase 1. The Horsey Phase 3 route is to be constructed on floodplain and therefore the detailed design and associated planning is extensive. Construction of the route is not expected until the Summer of 2016. The provision of the seafront cycle route has been delayed due to ongoing discussion with DCLG regarding the amendment to the byelaw. These delays are outside EBC's control as they involve external partners/stakeholders.	No
CP14_2_06 Eastbourne Park	CP14_2_06a Form a land owners group and stakeholders group to implement action plan for the Park	Agree branding and publicity material to increase awareness and use of the Park	30-Sep-2014	No disagreement to proposals from landowners group, so new branding to be adopted.	Yes
CP14_2_06 Eastbourne Park	CP14_2_06b Carry out feasibility work for the new flood mitigation measures	Complete scope of the flood scheme	30-Nov-2014	The scoping works have been completed. A meeting has been arranged to finalise procurement procedures.	Yes
CP14_2_07 Pride in Our Parks	CP14_2_07b Biodiversity	Appoint Consultants	30-Apr-2014	First site meeting on 26 March 2014.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
	Report on Hampden Park Lake	Interim appraisal of report	31-Aug-2014	The report will be developed throughout the year, but progress is being monitored regularly. There are 4 reports being created throughout the full year and those completed to date have been appraised.	Yes
CP14_2_07 Pride in Our Parks	CP14_2_07c Hampden Park Management Plan	Tender project	31-May-2014	This project is a little behind schedule. A consultants' brief has been prepared and a request to return quotations has been sent out for return by the 31-July-14.	Yes
		Appoint consultants	07-Jun-2014	Consultants have now been appointed to work on the management plan.	Yes
CP14_2_07 Pride in Our Parks	CP14_2_07d Old Town Recreation Ground Management Plan	Tender project	31-May-2014	This project is a little behind schedule. A consultants' brief has been prepared and a request to return quotations has been sent out for return by the 31-July-14.	Yes
		Appoint consultants	07-Jun-2014	Consultants have now been appointed to work on the management plan.	Yes
CP14_2_07 Pride in Our Parks	CP14_2_07e Deliver key elements of the Princes Park Development Plan	Prioritise and commence process to procure consultancy works to deliver the plan	31-May-2014	The key elements of the Princes Park Development Plan have been included within the Coastal Communities Grant and we have been successfully in passing Stage One of the funding application for more than £800,000. More detailed work is now required to work up the scheme to planning application stage. The bid is to deliver improvements to the cafe and also creating a new entrance from the seafront into Princes Park. Other parts of the development plan are ongoing and improvements to the infrastructure have been made (main path from Wartling Road to mini roundabout) and the modernisation of planted displays.	Yes
		Planning Permission/ Building Control required for proposed improvements – Princes Park café and public realm improvements i.e. access from the promenade through car park	30-Sep-2014	Planning permission obtained. We now await the result of the second round CCF bid.	Yes
		Submit stage 2 of Coastal Communities Fund bid	15-Oct-2014	Stage 2 of the CCF bid was submitted by the deadline.	Yes
CP14_3_01 Develop Youth Services and Activities	CP14_3_01a Deliver new Youth Strategy to be implemented in 2015	Agree scope of Strategy with Youth Partnership	30-Sep-2014	Initial outline discussed with Youth Partnership and Youth Forum. Data is being collected and surveys of young people, parents and agencies have been carried out and analysed to confirm priorities.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
		Produce consultation draft	31-Dec-2014	Consultation draft completed 23 Dec 2014 - available to download	Yes
CP14_3_02 Improving Neighbourhood Delivery	CP14_3_02c Deliver grants to Community and Voluntary organisations	Revise policy and procedures to increase transparency and fairness	31-Jul-2014	Revisions to the policy and procedures were presented to Cabinet on 16 July 2014 and approved. These will be publicised during August and expressions of interest invited for Community Grant funding in 2015/16	Yes
		Launch programme for 2015/16 grants	31-Aug-2014	The programme was launched through the Herald, local VCS newsletters and a meeting in August. Organisations were invited to submit initial Expressions of Interest. Those organisations eligible to apply for grants have now been invited to apply in full and to attend training sessions on 20th and 30th October.	Yes
		Monitor 2013/14 small grants	30-Sep-2014	Monitoring returns have been received from 15 the 16 groups which were awarded grants in 2013 to 14. An email has been sent to the remaining organisation reminding them of the need to return these.	Yes
		Assess applications received	31-Dec-2014	Applications assessed and will be presented to Grants Task Group January 2015 before recommendations are made to Cabinet February 2015	Yes
CP14_3_02 Improving Neighbourhood Delivery	CP14_3_02d Monitoring and Analysis of Ward Walks	First Ward Walk event held	30-Sep-2014	Two ward walks locations have now been agreed for Langney and Upperton. Planning is underway for delivery by 30 December 2014.	No
		Second Ward Walk event held	30-Sep-2014	Two ward walks locations have now been agreed for Langney and Upperton. Planning is underway for delivery by 30 December 2014.	No
		Feedback collated and analysed	30-Nov-2014	Formal events deferred to Spring. Informal arrangements continue for both wards to ensure regular resident engagement.	No
CP14_3_02 Improving Neighbourhood Delivery	CP14_3_02e ECSP Programme Delivery Plan	Quarter 1 Update	30-Jun-2014	The ECSP has been refreshed and updated for 2014/2017 with additional focus on domestic violence, road safety, street community and child exploitation. Of the 41 actions contained in the plan 32 are currently on track, green, with none showing red. It is contended that effective implementation of the plan over the next three years will assist partners continue to drive community safety improvements, as documented in previous years.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
		Quarter 2 Update	30-Sep-2014	The ECSP has been refreshed and updated for 2014/2017 with additional focus on domestic violence, road safety, street community and child exploitation. Of the 41 actions contained in the plan 32 are currently on track, green, with none showing red. It is contended that effective implementation of the plan over the next three years will assist partners continue to drive community safety improvements, as documented in previous years.	Yes
		Quarter 3 Update	31-Dec-2014	The ECSP has been refreshed and updated for 2014/2017 with additional focus on domestic violence, road safety, street community and child exploitation. Of the 41 actions contained in the plan 32 are currently on track, green, with none showing red. It is contended that effective implementation of the plan over the next three years will assist partners continue to drive community safety improvements, as documented in previous years.	Yes
CP14_3_03 Best Use of Housing Resources	CP14_3_03a Housing Futures - Agree new approach to housing management of municipal housing stock	Recommended approach reported to Cabinet	31-Jul-2014	Cabinet Reported has been presented and was approved for 'EHL in Partnership'.	Yes
		Structure of approved approach agreed with all relevant parties	31-Dec-2014	EBC/EHL in 'partnership working' approved by EBC cabinet 10/12/14 and EHL Board 11/12/14. Joint EHL/EBC consultation launched 12/12/14.	Yes
CP14_3_03 Best Use of Housing Resources	CP14_3_03b Housing Repairs and Maintenance	Strategic review completed	31-Jul-2014	Strategic review field work, stakeholder workshops and options appraisals were concluded on 14th of July. Initial report and findings were presented to EHL Board by procurement consultants PML on 29th of July. Final report and recommendations for preferred delivery model will go before EHL Board for decision on 25th of September	Yes
		Report on preferred delivery model for new contract circulated	29-Aug-2014	Initial report and findings were presented to EHL Board by procurement consultants PML on 29th of July. Final report and recommendations for preferred delivery model will go before EHL Board for decision on 25th of September	Yes
		Approval of preferred delivery model by EHL and EBC	30-Sep-2014	On 25th September 2014 EHL Board considered the options presented for re-procuring repair services and approved the recommended option (bundled contracts by work stream) as the preferred delivery model.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
CP14_3_03 Best Use of Housing Resources	CP14_3_03c Housing and Economic Development	Support submission of funding bid for improvements to be made to the market rented sector (in partnership with the Coastal Communities Group of the LEP)	30-Jul-2014	The funding submission bid, as part of the proposal Coastal Communities Group housing initiative, has been submitted, for a programme of a total circa £21,000,000. It should be noted that funding for the programme as a whole has not yet been confirmed by the SELEP.	Yes
CP14_3_03 Best Use of Housing Resources	CP14_3_03e Upperton Gardens	Quarter 1 update	30-Jun-2014	Following a review of how to realise the most positive financial contribution from this property, the original proposal to refurbish and sell as four flats is no longer being taken forward. The property is to be sold as is, with planning consent to secure a profitable sale.	Yes
		Quarter 2 update	30-Sep-2014	Works to communal areas due to start on 29th September 2014. The property is now being actively marketed for sale as three units with new 125 year leases. Council to retain the tenanted flat and freehold.	Yes
		Quarter 3 update	31-Dec-2014	Following a local marketing campaign 46 Upperton Gardens has been sold (subject to contract) with a exchange and completion due early in the New Year.	Yes
CP14_3_03 Best Use of Housing Resources	CP14_3_03f Supporting Housing and Economic Progress (SHEP)	All properties for conversions purchased	30-Jun-2014	The Empty Homes Programme is on track in terms of all of the required properties having now been purchased and a programme for specification and tenders being followed through.	Yes
CP14_3_06 Tennis Development	CP14_3_06a Refurbish Courts at Hampden Park and Old Town Rec with new membership scheme launched	Prepare a 'Tennis Development Plan'	30-May-2014	Parks Tennis Development Strategy completed and submitted with relevant bids.	Yes
		Prepare and submit funding bid to Sport England	06-Jun-2014	Funding bid for £50,000 submitted.	Yes
		Prepare and submit funding bid to Lawn Tennis Association	31-Jul-2014	Funding bid for £80,000 submitted.	Yes
		Procurement for works	30-Oct-2014	The tenders for the refurbishment of the courts have been received. The funding bid to Sport England was not successful, however the funding bid to the LTA (£80k) was successful.	Yes
CP14_3_07 Active Eastbourne	CP14_3_07a Complete and implement the first priorities of the Active Eastbourne strategy	Develop a Sport and Physical Activity Forum	30-Jun-2014	Although we have identified potential members of a sport and physical activity forum we have not yet managed to set a date to meet. A revised timescale for an initial meeting is by 31/08/14 where the group will start to develop an action plan along with setting short term priorities. The forum is now in existence,	Yes

Parent Action	Action	Description	Due Date	Note	Completed
				albeit only as a virtual group at present. Further work is being carried out on the strategy document prior to getting the group together to develop an action plan and set our priorities.	
		Forum to develop and action Plan and prioritise	31-Aug-2014	Following discussions with internal stakeholders and the CEO of Active Sussex it has been agreed that the Sport & Physical Activity Strategy needs to be refreshed prior to the development of an action plan and setting of priorities. The draft strategy was written back in 2012 and presented to CMT at that time. A refreshed document will be finalised by 31st Dec 2014 and an action plan in place for April 2015.	No
		Commence work on action plan	30-Sep-2014	Following discussions with internal stakeholders and the CEO of Active Sussex it has been agreed that the Sport & Physical Activity Strategy needs to be refreshed prior to the development of an action plan and setting of priorities. The draft strategy was written back in 2012 and presented to CMT at that time. A refreshed document will be finalised by 31st Dec 2014 and an action plan in place for April 2015.	No
		Monitor progress on actions through quarterly forum meetings	31-Dec-2014		No
CP14_3_08 Devonshire Park	CP14_3_08c Complete new façade to Congress Theatre	Commence works to façade	31-Aug-2014	Works started.	Yes
CP14_4_02 Sustainable Service Delivery Strategy (SSDS)	CP14_4_02a Implementation of Future Model Phase 2	Programme plan reviewed and re-published	30-Jun-2014	The new programme plan has been agreed and reported to DRIVE Board, staff and Cabinet. Covalent milestones have been updated accordingly.	Yes
		Consultation on target operating model started	15-Dec-2014	Consultation started on time, with four staff briefings and all consultation material published on the intranet.	Yes
CP14_4_02 Sustainable Service Delivery Strategy (SSDS)	CP14_4_02b Exploring a range of partnerships to achieve further efficiencies	Commission iESE review of shared Corporate Services with Lewes District Council/other organisations	30-Apr-2014	Review commissioned and initial findings have been reported to both Lewes and Eastbourne Cabinets. IESE are now looking to work up the detailed business case and implementation plan.	Yes
		Consult on outcome/recommendations of iESE review	31-Jul-2014	All corporate services teams have been consulted about the changes.	Yes
		Report to Cabinet with recommendations on the sharing of corporate services with Lewes District Council/other organisations	10-Sep-2014	Report to Cabinet on 22 October 2014.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
		Where applicable/approved begin implementation programme for shared corporate services with Lewes District Council/other organisations	31-Oct-2014	Implementation programme started. Human Resources and Legal Services will be the first two shared services commencing in April 2015. Work is ongoing on the roadmaps for Finance, Property and IT.	Yes

Overarching commentary : Prosperous Economy – Q3



This third quarter sees more progress on the main long term corporate projects for the economic regeneration of the town. Work continues with the land assembly for the Arndale extension and L&G continue to purchase property by private treaty. The Compulsory Purchase Order has been completed and awaiting confirmation that L&G are ready for the Council to progress the Order to the next stage.

The plans for the improvement to Terminus Road are in the final design phase and they have been shared with key stakeholders for feedback. The programme for the improvement works is to coincide with the Phase 1 opening of the new Arndale extension. This means work on the improvements is programmed to begin during 2015.




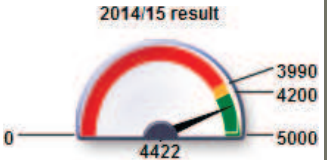
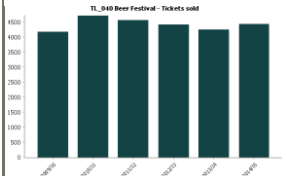
The construction of the Innovation Mall at Sovereign Harbour is progressing well and expected to be completed this year. The Innovation Mall provides 3,000 square metres of floorspace and will provide up to 300 jobs.

A significant piece of work has been undertaken to minimize the impact of the Pier fire on the tourist season. At the time of the fire last summer the government pledged a £2m grant to assist with the mitigation of the fire and a business case has been submitted to DCLG to unlock the monies for future tourist based projects.

Prosperous Economy PIs 2014/15 Q3

Rows are sorted by Code

Traffic Light	
Green	1
Data Only	1

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	DE_004 Town centre vacant business space	Latest result for 2014/15 as of December 2014 8.65%	8.65%		The town centre vacancy rate of 8.65% compares with a national vacancy rate of 10.3%. The latest audit was carried out after Christmas which slightly affected the vacant % due to temporary Christmas shops closing.	Jeff Collard
	TL_040 Beer Festival - Tickets sold	<p>2014/15 result</p> 	Not measured for Quarters		The Ticket sales for the 2014 Eastbourne Beer Festival were 4422 over the 4 sessions, generating a gross income of £28,491, net of VAT £23,743	Rob Cottrill

Overarching commentary : Quality Environment – Q3



Hampden Park Skate Park has been fully completed, including the access route. The Park Management Plans are nearing completion. Work on developing the new allotments plots has been slowed by adverse weather but the target for new plots will be met.

The renovation of Hyde Gardens and Hampden Park public conveniences will commence in Jan/Feb and be completed by the end of the quarter.

Waste contract performance is steady. The rollout of new recycling schemes to the flats has been completed. The Joint Waste Partnership is working on an action plan to increase recycling further which will be the subject of a report to Joint Waste Committee in March.



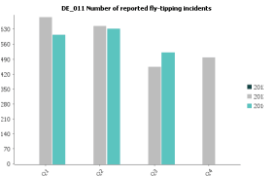


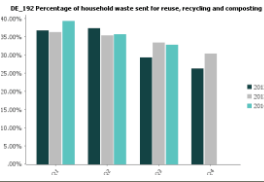


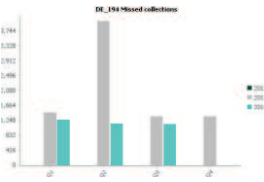
With the signing of the section 106 agreement on the Sovereign Harbour planning application, the work on delivering the community centre at Sovereign Harbour has been a priority during the last quarter. An architect, project manager, structural engineer and specialists in community centre business planning have been appointed and work on initial designs is currently taking place with a view to finalising the designs by March 2015.

The design of three cycle routes planned to be completed by 1 April have been finalised and are being constructed. A discussion with DCLG continues about creating more flexibility in the existing byelaw so that a seafront route can be designed in detail.

Quality Environment PIs 2014/15 Q3

Rows are sorted by Code

Traffic Light	
Red	1
Green	2

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	DE_011 Number of reported fly-tipping incidents	Cumulative result for 2014/15 as of December 2014 	519		In Q3 2013 there were 658 reported fly tips across the town. In Q3 2014 there were 517, with 199 made by advisors with the Report it app as they actively address issues, especially in Devonshire and Meads wards. It would be expected to achieve the 5% reduction by the end of Q4.	Henry Branson
	DE_192 Percentage of household waste sent for reuse, recycling and composting	Cumulative result for 2014/15 as of October 2014 	32.81%		The Q3 data is not due from ESCC until 5 weeks after the end of December. However the data for October has been received and we are on target to achieve the annual target of 35%.	Henry Branson
	DE_194 Missed collections	Cumulative result for 2014/15 as of December 2014 	1,130		Missed Collections for Q3 were in line with the target figures with small increase seen in November following round balancing activity at the end of October. This involved changing the collection days and therefore collection crews for around 2000 properties in the town to ensure the number of properties collected from each day is more evenly spread, enabling	Henry Branson

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
					collection. We are on track to meet the annual target.	



Overarching commentary : Thriving Communities – Q3

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The work to reach RIBA Stage 2 on the Devonshire Park Project is now in its final phase and on track for a Cabinet decision in March to agree the concept design and programme for the development. The work has been guided by a cross party project board, while a Partnership Group of stakeholders has been kept informed of the project and had input into the designs as it has progressed. Meanwhile contractors, Triton Building Renovation, have been progressing with the replacement of the Congress Theatre facade. Having completed the demolition of the failing facade, the work has now turned to constructing the new facade with improved performance for a long life with minimum maintenance. Work is due to be completed in April.

The 2014 Youth Fair was successfully delivered and this year by EBC Community staff with funding contributions from East Sussex County Council TYS service; Amicus Horizon; Places for People; and Active Sussex and costs have been fully covered. The average age of young people attending and taking part has reduced each year since the first event in 2012 and Post Fair Consultation identified that the Fair was drawing in much younger children and their parents, rather than teenagers, who are the target age group. The Youth Strategy Action Plan was implemented in November 2014 and is available upon request.

The Small Grants Programmed for community and voluntary organisations ran utilising a two stage process this year. 52 Expressions of Interest were registered with the Council and after eligibility assessments were undertaken, 33 organisations were invited to submit a full application. 28 full applications were received and assessed and the scores were presented to the Grants Task Group in January 2015. Recommendations will be made to Cabinet during February 2015.

The Eastbourne Community Safety Plan, (ECSP) has been refreshed and updated for 2014-2017, with additional focus on: domestic violence; road safety; street community; and child exploitation. Of the 41 actions contained in the plan, 32 are currently on track, green, with none showing red. It is contended that effective implementation of the plan over the next three years will assist partners to continue to drive community safety improvements, as documented in previous years.

The next step of Housing Futures, the new approach to housing management of the housing stock, has been agreed. EBC/EHL in 'partnership working' was approved by EBC cabinet on the 10th December 2014 and was approved by EHL Board on the 11th December 2014. Joint EHL/EBC consultation was launched on 12th December 2014. The next step will be to ensure new management arrangements are in place, with all relevant contracts signed.

With regard to the development of new homes on Council land, the planning application (140990) for the sites of 164 Longstone Road and 25a Belmore Road, that was submitted on 23rd July 2014, was approved conditionally on 1st October 2014 for the development of 8 two bedroom residential units and 10 parking spaces. Demolition work for the site of Belmore Road / Longstone Road started on 27th October 2014, and the building work started on 27th November 2014. With regard to the site where Coventry Court used to be, following permission being granted of planning application (140770), works started on 13th October 2014, for the development of 23 residential units and 31 parking spaces, comprising of 13 terraced houses (8no x 3 bed and 5no x 2 bed), and 10 flats in two blocks (8no x 2 bed and 2no x 1 bed).



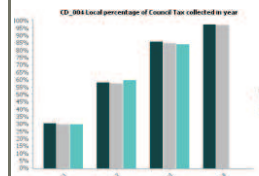

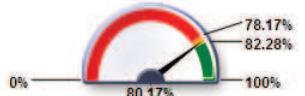
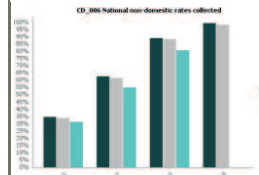
EBC Housing Team completed their annual rough sleepers count overnight on 15th October 2014, which was the National co-ordinated allocated date. This year eleven individuals sleeping rough were identified and offers of support given to all individuals.



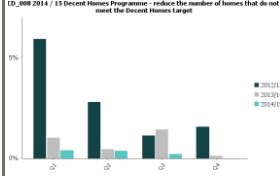

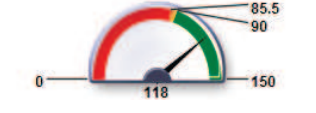



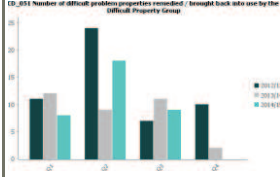
Thriving Communities PIs 2014/15 Q3


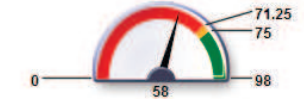
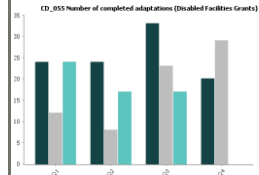


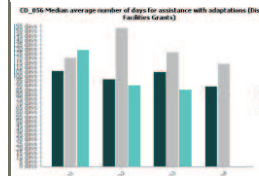


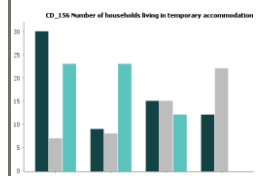



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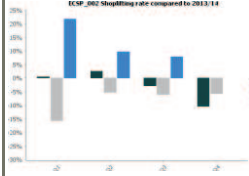


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Amber	2
Green	7
Data Only	4


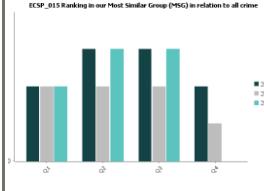

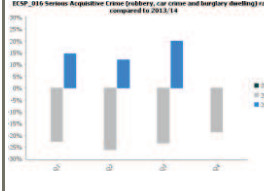


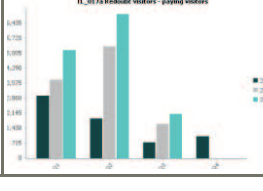
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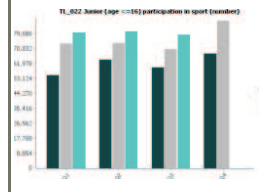

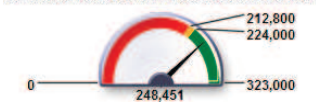
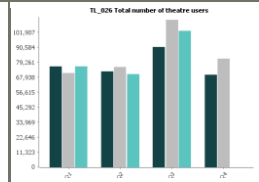
Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	CD_004 Local percentage of Council Tax collected in year	<p>Latest result for 2014/15 as of December 2014</p> 	83.88%		The team has been working hard to ensure the new Revenues/Benefits system is on track to be in place by year end. Whilst implementation is now going well, the service had not been able to progress recovery action on a large number of accounts, mainly those with an element of Council Tax Reduction, due to the migration to OPENRevenues. The service has recently been able to start the recovery process on these accounts, but the delay will have an impact on the collection rate.	Ian Fitzpatrick
	CD_006 National non-domestic rates collected	<p>Latest result for 2014/15 as of December 2014</p> 	80.17%		As per commentary for CD_004, collection has been affected by the migration to the OPENRevenues system and the delay in the recovery timetable and process. Teams are working hard to recover the position as much of the position as possible.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	CD_008 2014 / 15 Decent Homes Programme - reduce the number of homes that do not meet the Decent Homes target	<p>Latest result for 2014/15 as of Q3 2014/15</p> 	0.18%		The Council continues to maintain decency levels for the housing stock at almost 100%. At the end of December the number of non decent general needs properties was six. These properties will be repaired or refurbished before the end of the financial year. The number of properties that have refused work has reduced to 33 from 36 previously reported at the end of September 2014. These properties are still classified as decent in accordance with Department of Communities and Local Government Guidance. Refusals are closely monitored and the numbers of refusals is diminishing as repairs are completed when properties come vacant or when residents' circumstances change, allowing works to proceed.	Ian Fitzpatrick
	CD_050 Empty privately owned homes returned to occupation as a result of action by EBC	<p>Cumulative result for 2014/15 as of Q3 2014/15</p> 	31		This is just above target for quarter three 2014/15 and the Council's landlord incentive scheme has a very positive effect, as this contributes to 19 of the 31 properties brought back into use during quarter three 2014/15. However 12 of the longer long term empty properties, those empty longer than six months, should give sole credit to the work of the Empty Property Officer.	Ian Fitzpatrick
	CD_051 Number of difficult problem properties remedied / brought back into use by the Difficult Property Group	<p>Cumulative result for 2014/15 as of December 2014</p> 	9		Proactive work of the DPG working in partnership with HEDP has remedied 9 difficult properties. It is anticipated that this proactive approach to dealing with the Borough's most difficult properties will continue into the next quarter.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	CD_055 Number of completed adaptations (Disabled Facilities Grants)	<p>Cumulative result for 2014/15 as of Q3 2014/15</p> 	17		The number of DFGs completed in this quarter is 17 which is lower than the target figure of 25. The Private Housing Team are ensuring that the £250,000 worth of approved DFG grants are completed by year end, to meet the objective of achieving an overall delivery figure of 100.	Ian Fitzpatrick
	CD_056 Median average number of days for assistance with adaptations (Disabled Facilities Grants)	<p>Latest result for 2014/15 as of Q3 2014/15</p> 	84 days		The number of days taken to deliver a DFG from receipt of application to formal sign off a DFG is well within target standing at 84 days and is even lower than the previous quarter, in which the same number of DFG application processes were completed.	Ian Fitzpatrick
	CD_156 Number of households living in temporary accommodation	<p>Latest result for 2014/15 as of Q3 2014/15</p> 	12		The numbers in temporary accommodation remain consistently high due to the level of demand, which is due to an increase of landlord evictions from the private rented sector and households seeking homelessness prevention advice. As a snapshot on the 30th September 2014, the last day of quarter 2, 2014/2015, there were 23 placements in temporary accommodation. Throughout the entire of Quarter 2 of 2014/2015 there have been 56 placements within temporary accommodation.	Ian Fitzpatrick
	CD_181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	<p>Latest result for 2014/15 as of December 2014</p> 	23.4 days		<p>Migration to the OPENRevenues system meant that no processing work could be undertaken for the 5/6 week close down period. It also led to a large backlog of work that the team are addressing.</p> <p>It was always understood that the</p>	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
					migration would have had an adverse impact on the time recorded as being taken to process new claims and changes. However, during the close down period the service made manual payments to new claimants to ensure that they received some benefit, even if it was not the full amount they were entitled to.	
	ECSP_002 Shoplifting rate compared to 2013/14	Latest result for 2014/15 as of December 2014 7.75%	7.75%		Sussex Police has recently introduced a new computerised operational and crime recording system, based on a national model which has seen categories of crime increase throughout the force area. Eastbourne has been no exception and has seen recorded crime increase in a number of areas. The new process has highlighted an increase in this category, which should trend lower over the time period of a performance year	Ian Fitzpatrick
	ECSP_004 Violent Crime in a Public Place rate compared to 2013/14	Latest result for 2014/15 as of December 2014 44.54%	44.54%		Sussex Police has recently introduced a new computerised operational and crime recording system, based on a national model which has seen categories of crime increase throughout the force area. Eastbourne has been no exception and has seen recorded crime increase in a number of areas. The new process has particularly impacted performance in this category, though it is important to contextualise against major reductions over previous years.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	ECSP_015 Ranking in our Most Similar Group (MSG) in relation to all crime	Latest result for 2014/15 as of November 2014 3	3		The introduction of a new computerised operational and crime recording system which has shown increases of crime, it is worthy of note that Eastbourne is third lowest in overall crime when compared with our Most Similar Group (MSG). From September 2014, Eastbourne has been moved to a lower crime MSG.	Ian Fitzpatrick
	ECSP_016 Serious Acquisitive Crime (robbery, car crime and burglary dwelling) rate compared to 2013/14	Latest result for 2014/15 as of December 2014 20.05%	20.05%		Sussex Police has recently introduced a new computerised operational and crime recording system, based on a national model which has seen categories of crime increase throughout the force area. Eastbourne has been no exception and has seen recorded crime increase in a number of areas. The new process has highlighted an increase in this category which should trend lower over the time period of a performance year. Eastbourne within its new Most Similar Group (MSG) remains the lowest in terms of Burglary Dwelling and 3rd lowest for Overall Crime.	Ian Fitzpatrick
	TL_017a Redoubt visitors - paying visitors	Cumulative result for 2014/15 as of November 2014 	2,078		November was another good month, helped by the unseasonably sunny weather at the beginning of the month. The Redoubt is now closed for the season following an excellent year for visitor numbers.	Rob Cottrill

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	TL_022 Junior (age <=16) participation in sport (number)	<p>Cumulative result for 2014/15 as of December 2014</p> 	78,563		<p>Junior numbers are again very encouraging with 78,563 attending our six sites over the 3 month period. This represents an increase of 8321 on the same period last year. The Sovereign Centre continues to be responsible for the majority of this increase although with the exception of Cavendish Sports Centre all sites recorded an increase on the previous year. We are now heading into the busiest quarter of the year for our indoor facilities and it is anticipated that we will record our highest annual junior participation numbers to date.</p>	Rob Cottrill
	TL_026 Total number of theatre users	<p>Cumulative result for 2014/15 as of December 2014</p> 	102,470		<p>Q3 very good, well beyond targeted year end</p>	Rob Cottrill

Overarching commentary : Sustainable Performance – Q3



The Future Model Phase 2 draft Target Operating Model (TOM) was published for consultation on target in December. Four staff briefings were held and there are a range of feedback mechanisms for staff. Workshops continue through January and February, feeding into both the final TOM and the technical build work in the Spring. The programme is tight but currently remains on target.



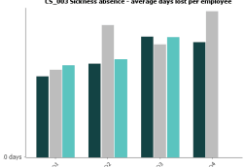

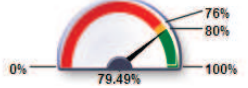
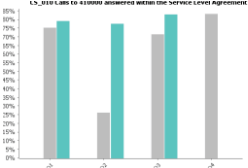


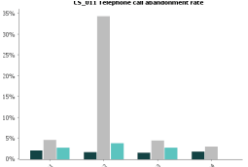
Work is progressed on the shared corporate service project with Lewes District Council. HR and Legal Services will go live in April, whilst work is ongoing on the roadmaps for IT, property and finance.


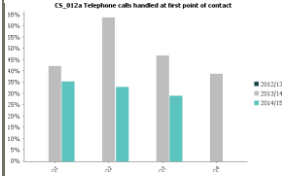
The main project for the Estates Service this year, other than the Devonshire Park project, is moving the service to a Corporate Landlord Team. The intention is to begin to put this in place by April 2015. The work started last quarter continues and is looking at the most effective way to procure the services of the team and put in place the policies for ensuring a sustainable asset base. That work has shown up a need to better understand the Eastbourne Homes Ltd repairs and maintenance contract (due for renewal in April 2016) and see how we can align with Lewes DC. This means implementation of the Corporate Landlord Model will take until April 2016 to be fully in place

Sustainable Performance PIs 2014/15 Q3

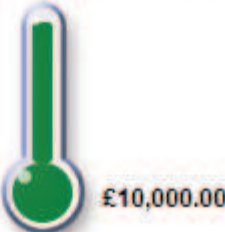
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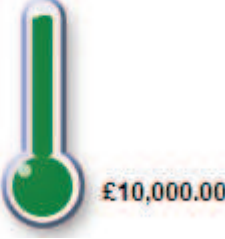
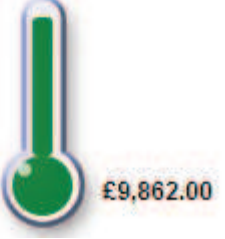
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Green	2
Data Only	1

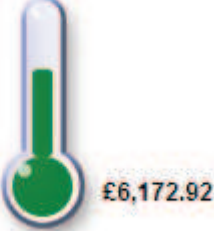
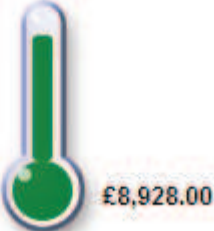
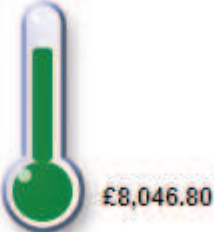
Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
			Value			
	CS_003 Sickness absence - average days lost per employee	<p>Cumulative result for 2014/15 as of Q3 2014/15</p> 	1.54 days		Q3 figure of 1.54 days is in line with previous Q3 figures and renders us on target.	Alan Osborne
	CS_010 Calls to 410000 answered within the Service Level Agreement	<p>Cumulative result for 2014/15 as of December 2014</p> 	82.7%		Achieved the target for December	Henry Branson
	CS_011 Telephone call abandonment rate	<p>Cumulative result for 2014/15 as of December 2014</p> 	2.6%		A great month for the abandonment rate despite the volume of calls over the Christmas period	Henry Branson

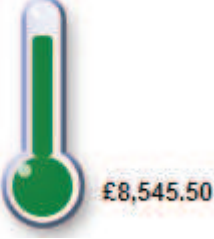

Traffic Light Icon	Code & Short Name	Year to date	Q3 2014/15	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner																				
			Value																							
	CS_012a Telephone calls handled at first point of contact	Cumulative result for 2014/15 as of December 2014 32.36%	28.66%	 <p>CS_012a Telephone calls handled at first point of contact</p> <table border="1"> <caption>CS_012a Telephone calls handled at first point of contact</caption> <thead> <tr> <th>Quarter</th> <th>2013/14 (%)</th> <th>2014/14 (%)</th> <th>2014/15 (%)</th> </tr> </thead> <tbody> <tr> <td>Q3 2013/14</td> <td>~38%</td> <td>~32%</td> <td>~32%</td> </tr> <tr> <td>Q3 2014/14</td> <td>~48%</td> <td>~32%</td> <td>~32%</td> </tr> <tr> <td>Q3 2014/15</td> <td>~42%</td> <td>~32%</td> <td>~32%</td> </tr> <tr> <td>Q3 2014/15</td> <td>~38%</td> <td>~32%</td> <td>~32%</td> </tr> </tbody> </table>	Quarter	2013/14 (%)	2014/14 (%)	2014/15 (%)	Q3 2013/14	~38%	~32%	~32%	Q3 2014/14	~48%	~32%	~32%	Q3 2014/15	~42%	~32%	~32%	Q3 2014/15	~38%	~32%	~32%	An increase in calls resolved at the first point, this could be due to CCWS sitting with the team and more training in planning	Henry Branson
Quarter	2013/14 (%)	2014/14 (%)	2014/15 (%)																							
Q3 2013/14	~38%	~32%	~32%																							
Q3 2014/14	~48%	~32%	~32%																							
Q3 2014/15	~42%	~32%	~32%																							
Q3 2014/15	~38%	~32%	~32%																							



Devolved Budgets 2014/5

Wards	Gauge	Projects	Project Budget
Devolved Budget Spend - Devonshire	<p data-bbox="674 422 1238 454">Cumulative result for 2014/15 as of January 2015</p> 	Diwali Project	£300.00
		East of the Pier Heritage Walks	£918.00
		Edible Eastbourne	£1,000.00
		Leaf Hall Seedy Sunday	£500.00
		Neighbourhood Watch Literature	£53.62
		Redoubt Memorial Garden	£1,298.38
		Salvation Army	£600.00
		Seaside Magic	£2,280.00
		Seaside Rec	£100.00
		Seaside Rec Tree	£250.00
		Steam Punk Festival	£100.00
		Trees - Ceylon Place	£1,000.00
		Venton Centre equipment	£600.00
West Rise School	£1,000.00		

Devolved Budget Spend - Hampden Park	Cumulative result for 2014/15 as of January 2015 	ECCN Carnival	£200.00
		ESDA Garden	£700.00
		Hampden Park Community Association Refurbishment	£3,000.00
		Hampden Park in Bloom	£600.00
		Nepalese Group	£1,030.00
		Seats - Pigs Lane	£396.00
		Shaftsbury Centre	£1,000.00
		West Rise School	£1,000.00
		Willingdon Trees Community Games	£1,624.00
		Willingdon Trees Sports Event	£450.00
Devolved Budget Spend - Langney	Cumulative result for 2014/15 as of January 2015 	Bee project	£1,684.00
		Footpath, Shinewater Community Centre	£978.00
		Get on Your Bike Challenge	£200.00
		Improvements to Shinewater Community Centre Service Lane	£3,750.00
		Tree in Sevenoaks Road	£250.00
		West Rise School	£3,000.00

Devolved Budget Spend - Meads	Cumulative result for 2014/15 as of January 2015 	Eastbourne Heritage Centre Heating	£924.00
		Little Chelsea Christmas	£900.00
		Meads Magic	£710.00
		Neighbourhood Watch Leaflets	£300.00
		St Johns Church Hall	£3,338.92
Devolved Budget Spend - Old Town	Cumulative result for 2014/15 as of January 2015 	6 Trees within the Ward	£1,500.00
		Ladies Bowling	£1,230.00
		Mobile Memories	£198.00
		St Elisabeth's Community Theatre	£1,000.00
		St Michaels and All Angels	£4,000.00
		West Rise School	£1,000.00
Devolved Budget Spend - Ratton	Cumulative result for 2014/15 as of January 2015 	1 Tree in Old Mansion Close	£250.00
		Bench at War Memorial in Hampden Park	£1,364.80
		Fence - Willingdon Roundabout	£1,700.00
		Neighbourhood Watch Leaflets	£300.00
		Ratton Manor Estate Signage	£432.00
		Trees	£3,000.00
		West Rise School	£1,000.00

Devolved Budget Spend - St Anthony's	Cumulative result for 2014/15 as of January 2015 	Bridgemere Community Centre Noticeboard	£1,640.70
		Seaside Rec	£100.00
		Skate World	£1,054.80
		Tollgate School Play Equipment	£2,500.00
		Trees	£750.00
		Trees – Bowood Avenue	£500.00
		West Rise School	£2,000.00
Devolved Budget Spend - Sovereign	Cumulative result for 2014/15 as of January 2015 	1 Bench 5 Acre Field	£750.00
		1 Bench in Frobisher Close	£750.00
		1 Tree in Queens Crescent	£250.00
		2 Benches Sovereign Harbour	£1,500.00
		4 Trees in Beatty and Princes Road	£1,000.00
		Benches – 5 Acre Field	£1,500.00
		Interpretation Board SS Barn Hill	£500.00
		Kings Park Management Company replacement seating	£646.80
		Kingsmere Community Association computer equipment	£760.00
		Langney Point and St Anthonys Neighbourhood Panel sound system	£74.97
		Neighbourhood Watch Leaflets	£300.00
		Signage to the entrance of Sovereign Harbour	£1,250.00
		Sovereign Harbour Residents Association computer equipment	£699.95

Devolved Budget Spend - Upperton	Cumulative result for 2014/15 as of January 2015 	5 Trees within the Ward	£1,250.00
		Basil Memorial Dog Show	£980.00
		Community Wise	£1,000.00
		Eastbourne Allotment and Garden Society	£830.00
		Eastbourne Girls Football Club	£750.00
		Gildredge Park Bowls Club Notice Board	£735.10
		Hartfield Park Improvements	£2,498.00
		Historic Eastbourne Signs	£456.81
		Neighbourhood Watch Leaflets	£300.00
		Replacement tree - Churchill Square	£250.00
		St Thomas A Becket Banners	£150.09
		Street Pastors	£800.00
Devolved Budget Spend - all wards	Cumulative result for 2014/15 as of January 2015 		

	Current Budget	Profiled Budget	Actual to 31st Dec	Variance	Outturn	Comments
	£'000	£'000	£'000	£'000	£'000	
Corporate Management	267	273	172	(101)	(100)	Includes additional corporate income
Service Management	142	87	61	(26)	(27)	Includes additional grant income
Performance and Risk Managemet	122	111	111	-	-	
Civil Contingencies	27	20	20	-	-	
Finance Management and Operational Costs	560	532	534	2	7	
Corporate Finance Costs	359	354	354	-	-	
Payroll and Information	90	72	74	2	5	
Pensions	608	426	426	-	-	
Financial Services	1,908	1,602	1,580	(22)	(15)	
Service Management	234	198	194	(4)	(5)	
Civic Services (including Printing)	448	359	355	(4)	2	
Elections and Local Land Charges	132	131	137	6	14	
Strategic Performance	92	75	76	1	3	
Legal Services	220	189	218	29	26	
Human Resources Management and Admin	249	182	185	3	3	
Employee Relations	20	18	18	-	-	
Member Development	11	8	3	(5)	(5)	
HR Resourcing and Development	88	39	39	-	-	
Corporate Development	1,494	1,199	1,225	26	38	
Service Management	86	65	66	1	2	
IT & E-Government	1,770	1,421	1,427	6	7	
Facilities Management	385	345	314	(31)	(32)	Additional rental income
Customer First	6,490	4,500	4,470	(30)	(32)	
Estates / Asset Management	(448)	(525)	(531)	(6)	(5)	
Corporate Infrastructure and Customer First	8,283	5,806	5,746	(60)	(60)	
Total Corporate Services	11,952	8,880	8,723	(157)	(137)	
COMMUNITY SERVICES						
Service Management	(38)	68	53	(15)	(25)	
Housing Services Management	62	93	104	11	(5)	
Revenues and Benefits	321	36,792	36,845	53	31	
Housing Needs	156	157	176	19	26	
Homelessness	169	173	172	(1)	(9)	
EH Private Sector Housing	197	171	175	4	4	
Bereavement	(952)	(625)	(645)	(20)	(21)	

	Current Budget	Profiled Budget	Actual to 31st Dec	Variance	Outturn	Comments
	£'000	£'000	£'000	£'000	£'000	
Direct Assistance	(47)	36,761	36,827	66	26	
Community Development	112	88	103	15	17	
Community Involvement	70	53	51	(2)	-	
Community Grants	417	417	417	-	-	
Community Activity	599	558	571	13	17	
Housing / Homelessness Strategy	67	90	80	(10)	(14)	
Solarbourne	(277)	(247)	(265)	(18)	(20)	
Strategic Partnership	(210)	(157)	(185)	(28)	(34)	
Total Community Services	304	37,230	37,266	36	(16)	
TOURISM AND LEISURE						
Service Management	98	74	59	(15)	(15)	
Sport & Leisure	316	346	342	(4)	9	
Theatres	739	603	586	(17)	(51)	
Tourism	515	322	430	108	96	Includes expected shortfall in Dotto Train income
Events & Devonshire Park	540	409	415	6	-	
Towner	732	755	754	(1)	-	
Total Tourism & Leisure Services	2,940	2,509	2,586	77	39	
TOTAL SERVICE EXPENDITURE	15,196	48,619	48,575	(44)	(114)	

Transfers (to) and from reserves to be approved by cabinet

Item No.	Amount	Reserve Code	Reserve	Reason
1	£33,000	z10130	Regeneration Reserve	Professional Tennis - funding of growth item
2	£3,000	z10128	Revenue Grants Reserve	Use of 'Our Place' funding grant
	<u>£36,000</u>			

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Scheme	Total Scheme Approved	Total spend to 31.3.14	Approved Budget 2014-15	Revised Budget 2014-15	Spend to 31 Dec 2014	Variance to Revised Budget	Funding of Budget 2014-15	Comments
HOUSING REVENUE ACCOUNT								
Sheltered Remodelling		2,050,114	1,866,000	1,866,000	1,471,397	-394,603	Reserves/EBC	On target to complete in 2014-15
Major Works (Incl Adaptations)		6,113,353	4,327,100	4,327,100	2,631,056	-1,696,044	Reserves/EBC	On target to complete in 2014-15
Environmental Improvements		81,670	96,900	96,900	13,486	-83,414	Reserves/EBC	On target to complete in 2014-15
Managed by Eastbourne Homes	Ongoing	8,245,137	6,290,000	6,290,000	4,115,939	-2,174,061		
Other Schemes								
House Rescue Emergency Fund	200,000	0	200,000	0	0	0	Borrow	Re-profiled to 2015-16
46 Upperton Gardens	20,000	0	20,000	20,000	140	-19,860	EBC	Works complete. Part of property in process of being sold
Willowfield Sq	172,096	172,096	0	0	146	146	EBC	Property in process of being sold
Empty Homes Programme Phase 1	2,493,273	667,501	1,825,772	1,825,772	671,607	-1,154,165	Grant/Borrow	On target to complete in 2014-15
New Build	4,928,255	73,038	4,855,217	2,942,488	549,762	-2,392,726	Grant/Borrow /EBC/S106	On target to complete 2015-16
Empty Homes Programme	3,359,952	0	3,359,952	66,155	66,155	0	Grant/EBC	Completion expected 2016-17
Empty Homes Programme Phase 2	2,137,200	213,704	0	592,500	14,724	-577,776	Borrow	Purchase of some property planned for 2014-15 and further works to be completed in 2015-16
Total HRA		9,371,476	16,550,941	11,736,915	5,418,473	-6,318,443		
COMMUNITY SERVICES								
Memorial Safety Cems	40,000	6,080	34,000	0	0	0	EBC	Re-profile to 2015-16
Digitalise Burial Records	10,000	0	10,000	0	0	0	EBC	Re-profile to 2015-16
Crematorium - Main Chapel	21,000	0	21,000	0	0	0	EBC	Re-profile to 2015-16
Ocklynge Cemetery Chapel	150,000	0	150,000	75,000	2,000	-73,000	EBC	Start on site planned for Q4 with completion 2015-16
Barbican Memorial Scheme	5,000	0	5,000	5,000	5,290	290	EBC	Completed
Main Chapel Refurb - Phase 2	26,000	0	26,000	13,000	4,830	-8,170	EBC	Works to be completed in 2015-16
Disabled Facilities Grants	Ongoing	2,323,467	677,800	527,800	291,308	-236,492	Grant	On target to complete in 2014-15. Some re-profiling to 2015-16
BEST Grant (housing initiatives)	Ongoing	1,728,501	197,450	47,450	27,930	-19,520	Grant	Re-profiled in line with expected spend
Social Housing Enabling								
New Beach Huts	235,240	0	235,240	20,240	0	-20,240	Borrow	Most works planned for 2015-16
Willingdon Trees Multi Gym	20,000	0	20,000	0	0	0	EBC	Community Association obtaining quotes
Total Community Services		4,058,048	1,376,490	688,490	331,358	-357,132		
CUSTOMER FIRST								
Contaminated Land	185,000	82,966	102,000	0	0	0	Grant	Re-profile to 2015-16
Coast Defences Beach Management Strategy	Ongoing	4,542,586	540,850	540,850	243,203	-297,647	Grant	On target to complete in 2014-15

Scheme	Total Scheme Approved	Total spend to 31.3.14	Approved Budget 2014-15	Revised Budget 2014-15	Spend to 31 Dec 2014	Variance to Revised Budget	Funding of Budget 2014-15	Comments
Cycling Strategy	45,000	0	40,600	0	0	0	EBC	Detailed design being finalised. Awaiting advice from CLG re seafront bye laws
Park and Ride	50,000	0	50,000	0	0	0	EBC	Re-profile to 2015-16
Princes Park (schemes to be decided)	210,000	10,000	183,000	4,500	4,425	-75	S106	Result of bid for additional funds expected Feb 15
Play Area Sovereign Harbour	27,000	0	27,000	0	0	0	S106	Re-profile to 2015-16
Allotment Upgrade	114,000	99,908	14,100	14,100	12,985	-1,115	Borrow/EBC	On target to complete in 2014-15
Hampden Park Skate Park	170,000	5,686	165,350	165,350	156,807	-8,543	S106/EBC	Completed. Retention outstanding
Five Acre Field - Improvements	55,000	43,483	11,550	11,550	4,590	-6,960	S106/EBC	On target to complete in 2014-15
Upperton - Play Equipment	60,000	39,482	20,500	20,500	20,479	-21	EBC	Completed
Churchdale Road Allotments	38,000	12,774	25,250	25,250	13,215	-12,035	S106	On target to complete in 2014-15
Play Equipment - Bodiam Cres	80,000	0	80,000	80,000	79,709	-291	EBC	Completed
Sovereign Harbour - Legal Advice	20,000	0	20,000	20,000	0	-20,000	EBC	Commissioned Sea Change Sussex to deliver the Community centre at Sov Harbour
Terminus Road Improvements	500,000	0	500,000	0	0	0	EBC	Spend expected 2015-16
Christmas Lights	25,000	0	25,000	25,000	20,000	-5,000	EBC	Completed
CIL - Software	14,000	0	14,000	14,000	4,393	-9,608	EBC	On target to complete in 2014-15
Five Acre Field - Railings	20,000	0	20,000	20,000	20,000	0	EBC	completed
Hampden Park WCs	40,000	0	40,000	40,000	0	-40,000	EBC	Completion due end of March
Sov Harbour Community Centre	1,600,000	0	0	0	0	0	EBC/S106 /Grant	2015-16 Budget
Highfield Allotments	25,000	0	25,000	25,000	9,555	-15,445	Grant/Borrow	On target to complete in 2014-15
Wade Gardens WC	40,000	0	40,000	40,000	0	-40,000	Borrow	Completion due end of Feb
Total Customer First		4,836,886	1,944,200	1,046,100	589,360	-456,740		
TOURISM & LEISURE								
Volleyball Court	25,000	0	25,000	2,000	2,000	0	EBC	On target to complete in 2015-16
Signage	40,000	23,917	16,100	0	0	0	EBC	On target to complete in 2015-16
Sports Park Flood Lights	30,000	0	30,000	0	0	0	EBC/Grant	Quotes received over £100k. New bid required in 2015-16
Re-surface Tennis Courts	265,000	0	265,000	265,000	3,724	-261,276	EBC/Grant	Work due to start January. Completion due 2014-15
Wish Tower - Catering Outlet	40,000	36,000	4,000	4,000	0	-4,000	EBC	On target to complete in 2014-15
Bandstand Seating	15,000	0	15,000	15,000	14,981	-19	EBC	Completed
Serco Contract	Ongoing	10,000	312,430	312,430	0	-312,430	EBC	On target to complete in 2014-15
ILTC - Air Conditioning	60,000	0	60,000	60,000	0	-60,000	EBC	Works to start in Q4
ILTC - Public Address System	40,000	0	20,000	20,000	0	-20,000	EBC	Works to start in Q4
ILTC - Electrical System	10,000	0	10,000	10,000	6,295	-3,705	EBC	Completed under budget
ILTC - Fire Alarm	10,000	0	10,000	10,000	0	-10,000	EBC	On target to complete in 2014-15
ILTC - Replacement Seating	100,000	0	100,000	83,600	83,611	11	EBC	Completed under budget
ILTC - Replacement Showers	25,000	0	25,000	25,000	18,236	-6,764	EBC	Completed under budget
Total Tourism & Leisure		69,917	892,530	807,030	128,848	-678,182		
CORPORATE SERVICES								
Carbon Reduction Works	467,500	0	467,500	233,500	0	-233,500	EBC	Works to start Q4. Completion in 2015-16

Scheme	Total Scheme Approved	Total spend to 31.3.14	Approved Budget 2014-15	Revised Budget 2014-15	Spend to 31 Dec 2014	Variance to Revised Budget	Funding of Budget 2014-15	Comments
Agile phase 2	555,000	447,991	107,700	27,700	5,853	-21,847	EBC	Some budget re-profiled to 2015-16
6 Saffrons Road Renovations	117,000	107,121	0	0	0	0	EBC	Completed
Invest to Save	80,000	0	80,000	80,000	0	-80,000	Borrow	Available for allocation
Redesign of CCC at 1 Grove Road	370,000	35,877	409,100	409,100	151,127	-257,974	Borrow	On target to complete in 2014-15
IT Replacement	42,500	33,288	9,200	9,200	1,983	-7,217	EBC	Completed
Future Model Phase 2	2,990,000	1,181,493	818,500	1,311,500	1,008,982	-302,519	EBC/Borrow	On target. Separate progress report presented to Cabinet
Capital Contingencies	Ongoing	3,220,764	0	0	460,138	460,138	EBC	Subject to Legal process
Investment Capital	5,750,000	1,150,000	3,000,000	0	0	0	EBC	2015-16 Budget
Solar Panels (2nd Programme)	500,000	0	500,000	250,000	0	-250,000	Borrow	Works to start Q4. Completion in 2015-16
IT - Block Allocation	Ongoing	110,493	307,500	150,000	119,993	-30,007	EBC	Some budget re-profiled to 2015-16
Total Corporate Services		6,287,027	5,699,500	2,471,000	1,748,075	-722,925		
Asset Management								
Devonshire Park Review	950,000	0	950,000	900,000	411,057	-488,943	Borrow	Works on target to complete 2015-16
Congress Theatre redesign & restoration	1,950,000	41,748	1,908,250	1,300,250	355,649	-944,601	EBC/Borrow	Works on target to complete April 2015
Bandstand Restoration	245,000	247,000	34,500	34,500	34,583	83	Borrow	Completed
Royal Hippodrome Theatre (Phase 1)	15,000	0	19,700	19,700	19,669	-31	Borrow	Completed
Downland Pumps Replacement	24,900	0	24,900	24,900	3,410	-21,490	Borrow	On target to complete in 2014-15
Hampden Park Hall Improvements	34,700	0	30,000	30,000	13,998	-16,002	Borrow	On target to complete in 2014-15
Brick Shelter? Depends on survey	65,000	0	15,000	15,000	0	-15,000	Borrow	Works to start 2014-15. Completion expected 2015-16
Motcombe Dovecot	17,000	0	17,000	17,000	0	-17,000	Borrow	On target to complete in 2014-15
Hyde Gardens WC - external works	25,000	0	25,000	25,000	0	-25,000	Borrow	On target to complete 2014-15
Hampden Park WCs - external works	15,000	0	15,000	15,000	0	-15,000	Borrow	On target to complete 2014-15
Asset Management - Block Allocation	2,243,000	0	290,200	0	0	0	Borrow	Structural maintenance programme has been agreed.
Total Asset Management		288,748	3,329,550	2,381,350	838,365	-1,542,985		
							% Completed	
General Fund		15,540,626	13,242,270	7,393,970	3,636,007	-3,757,963		49.2%
HRA		9,371,476	16,550,941	11,736,915	5,418,473	-6,318,443		46.2%
Total		24,912,102	29,793,211	19,130,885	9,054,479	-10,076,406		47.3%

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