

Published 26 August 2014

Agenda for meeting of the Cabinet to be held at 6.00 pm on Wednesday, 3 September 2014 in the Town Hall, Eastbourne

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Members of the Cabinet:

Councillor David Tutt (Leader and Chairman of Cabinet): Responsibilities aligned with Chief Executive and including the Community Strategy, Local Strategic Partnership, the Corporate Plan and economic development.

Councillor Gill Mattock (Deputy Leader and Deputy Chairman of Cabinet): Financial services including accountancy, audit, purchasing and payments.

Councillor Margaret Bannister: Direct assistance services including revenues and benefits, housing and community development, bereavement services and the Crime Reduction Partnership.

Councillor Carolyn Heaps: Tourism and leisure services.

Councillor Troy Tester: Core support and strategic services.

Councillor Steve Wallis: Place services including cleansing and recycling, parks and downland, engineering, building and development control, planning policy and strategy, environmental health and licensing.

[KD] against an item indicates that the matter involves a Key Decision and that the item has been listed in the Council's Forward Plan for at least 28 clear days.

[BPF] against an item indicates that the matter is part of the Council's Budget and Policy Framework and as such will require the approval of the Full Council.

Publication of this agenda also constitutes notice (or confirmation that such notice has previously been given) to the Chairman of the Scrutiny Committee and members of the public as appropriate:

(1) Under regulation 10(3) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in respect of any key decision not included in the Council's Forward Plan of Key Decisions within 28 days of this meeting. Such items (if any) are marked **[KDGE]** and the reasons why compliance with regulation 9 (publicity in connection with key decisions) was impracticable are given.

(2) Under regulation 5(4) of the above mentioned regulations that certain matters listed on this agenda (if any) may need to be considered in private. (This notice is given further to the earlier notice given under regulation 5(2)). The reasons for private consideration are given at the relevant item, together with details of representations received (if any) about why the meeting should be open to the public.

1 Minutes of meeting held on 16 July 2014

Previously circulated.

2 Apologies for absence.

3 Declarations of interest by members

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 and regulation 12(2)(d) of the 2012 Access to Information Regulations. (Please see note at end of agenda).

4 Questions by members of the public.

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

5 Urgent items of business.

The Chairman to notify the Cabinet 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 Cabinet from a member of the public or from a Councillor in respect of an item listed below and to invite the Cabinet to consider taking such items at the commencement of the meeting.

7 Eastbourne Pier (Pages 1 - 6)

Report of Senior Head of Development
Lead cabinet member: Councillor David Tutt

8 Corporate performance - Quarter 1 2014/15 (Pages 7 - 62)

Report of Chief Finance Officer and Head of Corporate Development.
Cabinet lead members: Councillors Gill Mattock and Troy Tester.

9 Treasury Management Annual Report 2013-14 (Pages 63 - 74)

Report of Chief Finance Officer.
Cabinet lead member: Councillor Gill Mattock

Inspection of background papers – Please see contact details listed in each report.

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 Wednesday, received by 12 Noon on the Monday before). The request should be made to Local Democracy at the address listed below. The request may be made by, letter, fax, or electronic mail. For further details on the rules about speaking at meetings or for asking a question on a matter not listed on the agenda please contact Local Democracy.

Public questions – Members of the public may ask a question on a matter which is not on the agenda. Questions should be made in writing and by the same deadline as for the right of address above. There are rules on the matters on which questions can be asked. Please ask Local Democracy for further information

Councillor right of address - Councillors wishing to address the meeting who are not members of the Cabinet must notify the Chairman in advance (and no later than the immediately prior to the start of the meeting).

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 disclosable pecuniary interest (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).

Implementation of decisions - Implementation of any key decision will take place after 5 working days from the date notice is given of the Cabinet's decision (normally on the day following the meeting) unless subject to "call-in". Exceptions to this requirement are allowed when the decision is urgent.

Further information – The Forward Plan of Key Decisions, Councillor contact details, committee membership lists and other related information are available from Local Democracy. To receive regular e-mails alerting you to the publication of Cabinet agendas (or other meeting agendas) please send an e-mail to:

localdemocracy@eastbourne.gov.uk

You can view the Forward Plan of Key Decisions at

<http://www.eastbourne.gov.uk/council/meetings/>

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- Body:** Cabinet
- Date:** 3rd September 2014
- Subject:** Eastbourne Pier
- Report Of:** Senior Head of Development
- Ward(s):** Meads
- Purpose:** To put in place governance arrangements to ensure the fair, transparent and effective distribution of £2million central government funding, to deal with the aftermath of the Eastbourne Pier fire.
- Decision Type:** Key decision.
- Recommendation:**
1. To delegate authority to the Senior Head of Development to prepare and submit a detailed business case to the Department of Communities and Local Government to secure £2 million funding to assist with the aftermath of the Eastbourne Pier fire
 2. To delegate authority to the Chief Executive in consultation with The Leader and Opposition Leader to set up an advisory panel for the express purpose of acting as consultee to the officer responsible for deciding how to distribute the monies collected as a result of the Eastbourne Pier fire.
 3. To delegate authority to the Senior Head of Development to distribute the afore-mentioned central government funding in line with requirements laid down by DCLG, as required by criteria which will be formulated to ensure a fair and transparent approach to the determining of applications.
 4. To delegate to the Chief Executive in consultation with The Leader and the Opposition Leader to increase the contribution to the Benevolent Fund as necessary.
 5. That Cabinet formally records their grateful thanks to the emergency services for their prompt action and bravery in fighting the fire and saving so much of the one of the town's most loved buildings.
 6. To note that the Chief Executive has used his delegated powers to take urgent action in consultation with the Leader by approving a £50,000 contribution to the benevolent fund which has been set up and operated by the Chamber of Commerce, in anticipation that this sum will be repaid to the Borough Council from the central government grant, assuming that it meets central government criteria.

Contact: Jefferson Collard, Senior Head of Development
Tel : 01323 415240
Email: Jeff.collard@eastbourne.gov.uk

1.0 Background

- 1.1 On the afternoon of 30 July 2014, the former music room on Eastbourne Pier caught fire and it quickly spread throughout the building. The Pier was evacuated with no loss of life. The former music room, now used as an amusement arcade, was destroyed in the fire, but there was surprisingly little damage to the buildings and structure adjacent to the arcade thanks to the skill of the emergency services.
- 1.2 As a result of the fire there has been tremendous support and offers of help for the town. Various websites have been set up and people far and wide are making donations to help with the aftermath of the fire, which are being administered by the Chamber of Commerce. The Prime Minister and the Chancellor visited the town and pledged government support in the form of a £2million grant to support the local tourism economy and keep Eastbourne 'open for business'.
- 1.3 The Pier is privately owned by Cuerden Leisure and it is understood to be insured against fire. Therefore its reconstruction costs are expected to be met by the insurance and not from the £2million pledged from the government.
- 1.4 This report sets out recommendations on how the monies raised will be governed along with developing a set of criteria in line with government's requirements, to be used in deciding how the monies should be spent.

2.0 The response to the Eastbourne Pier fire: governance issues

- 2.1 Members are asked to note that in light of the need for urgent intervention, the Borough Council has already made an immediate contribution of £50,000 from reserves to the benevolent fund set up and operated by the Chamber of Commerce with support from 3VA. It was necessary to make this award urgently to start assisting those in financial hardship as a result of the fire. The Chief Executive used his delegated authority to act, in consultation with The Leader, using the general power of competence conferred on the authority by the Localism Act 2011. It is envisioned that once the government grant is received in then provided it meets any requirements attached to the funding it will be repaid to the Borough Council.
- 2.2 The government, via the Department of Communities and Local Government (DCLG), has stated its intention to award a £2 million grant to the town to assist with its recovery following the fire. The grant award is subject to a satisfactory business case being submitted by the Borough Council, which will be given the remit by the government to administer the distribution of the grant

- 2.3 The town has also shown its support with significant sums being pledged through a number of websites. There is already work going on to amalgamate the various web and social media sites and these are being directed to the Chamber of Commerce for distribution.
- 2.4 There is strong cross party support for the Council to lead and unite the town to rise up to the challenge before us and show that Eastbourne is very much 'open for business' despite the setback of the fire.
- 2.5 It is proposed that the Chief Executive be granted authority delegated by Cabinet to set up an advisory panel whose express remit is to assist the Council in ensuring the effective and strategic distribution of funds granted by central government. The panel will not make decisions as to the distribution of funds but will act as consultee to the officer with delegated authority for decision-making. It shall be cross party, shall include representatives from external stakeholders, including local business and community groups nominated by the Chief Executive, and shall be supported and advised by key officers. It is therefore proposed that the membership should be:
- The Leader of the Council
 - The Opposition Leader
 - The Chief Executive to have authority to invite representatives from local business and community groups as necessary
 - Chief Executive
 - Chief Finance Officer (Section 151 duties)
 - Senior Head of Development

The Monitoring Officer should be consulted as necessary to ensure correct governance procedures are being followed.

3.0 Strategic criteria to be applied to the allocation of all funds

- 3.1 There needs to be public understanding of the detailed criteria for distribution of the £2million as well as absolute transparency around what the funds are spent on in due course. The government grant is likely to impose specific (as yet undisclosed) requirements on the distribution of funds. A transparent set of criteria and allocation considerations will need to be drawn up to ensure robust decision-making. Publication of this information will assist the public in understanding how the funds are to be allocated.
- 3.2 As mentioned the Pier is privately owned and it is understood that it is fully insured against fire. While it is understood that some investigations remain to be completed by the insurance company, it is expected that the cost of rebuilding the Pier will be met by the owners using monies paid out under the insurance policy. There is no plan for the Borough Council to contribute to the costs of rebuilding this privately owned building, and it is likely to be prohibited from doing so by state aid concerns. Moreover there is no expectation that the grant provided by the Government will be spent on actual reconstruction costs.
- 3.3 The Borough Council will not be in a position to draft detailed criteria for

distribution of the collected funds until it applies for and is awarded the £2m grant referred to above and is notified of any conditions and requirements which are attached to that. However the indications from central government are that the funds are to be dedicated to two primary purposes:-

- mitigating the immediate impact on the employees and commercial units while the Pier is closed and eventually rebuilt;
- reducing the potentially wider impact on the town of the temporary closure of one of the town's key tourist attractions in the height of the summer season.

With careful consideration and strategic planning, these funds can be used to deliver positive outcomes for the town in the wake of this sad and devastating fire.

- 3.4 The detailed criteria for the assessment of projects that will be supported are still to be prepared and this will be based on the government's requirements of their £2million award. Officers are currently liaising with central government on the submission of a business case to release the award and once that stage has been completed the working criteria will be finalised and the panel will operate within its remit. In broad terms the criteria will be around supporting economic activity that promotes the town as a tourist destination.

4.0 Governance and Transparency

- 4.1 The Council is committed to the highest standards of governance and transparency in decision making. The high profile and public nature of the events leading to the Government grant, means that it is more important than ever to adhere to these standards in making decisions on how to spend the funds.

- 4.2 Following the results of the consideration of the business case by DCLG, the criteria will be prepared and published. Also the Advisory Panel's input as consultee will be formally minuted, while the decisions as to awards, made under delegated powers by the Senior Head of Development, will be published on the Council's website .

5.0 Implications

- 5.1 **Financial** - There are no financial implications as a result of this report as the funds spent will be limited to the government grant.

Staffing – There will be a small impact on the staff resources but this can be accommodated within the existing staff compliment.

6.0 Equalities and Fairness

- 6.1 This report is in response to an unforeseen disaster. In responding to that disaster the Council has been mindful of its duties to be fair and equitable. It has therefore sort to immediately assist those most disadvantaged by the disaster. It will continue to ensure it carries out these duties when assessing projects and programmes for assistance from the government grant.

7.0 Conclusions

- 7.1 An unexpected fire has severely damaged one of the key tourist attractions during the height of the summer season. Fortunately there was no loss of life and, thanks to the emergency services, much of the pier has been saved from further damage.
- 7.2 There are still of course some human tragedies for those who worked for and on the pier. Staff have lost their jobs and traders find themselves without units from which to trade. The Council has acted quickly in putting £50,000 into the benevolent fund for immediate help and support for those who need it, and the community are giving generously into this fund. The government has pledged £2 million to assist the town in the light of the fire and the Council needs a governance structure to allocate the funds fairly and equitably. This report recommends a way forward to deal with this issue by setting up a cross party advisory panel that will input into the Council's decision-making to decide how, within central government's criteria, the monies will be spent.

Lead Officer

Jefferson Collard
Senior Head of Development

Background Papers:

None

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

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Agenda Item 8

- BODY:** CABINET
- DATE:** 3rd September 2014
- SUBJECT:** Corporate Performance - Quarter 1 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 1 2014/15.
- To inform Cabinet of the Council's provision financial outturn for Quarter 1 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) Agree the performance against national and local Performance Indicators and Actions from the 2010/15 Corporate Plan (2013 refresh).
 - ii) Agree the General Fund, HRA and Collection Fund financial performance for the quarter ended June 2014, as set out in sections 3 & 4
 - iii) Approve the amended capital programme as set out in Appendix 3.
 - iv) Agree 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. Member training sessions dedicated to accessing and using

Covalent have been carried out and 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 As part of the 2014 refresh we have removed a number of Performance indicators which were either not directly related to Eastbourne Borough Council activity, are no longer related to our priority activities or are measured in a different way.

The removed PIs include:

- JSA Claimant Count
- Towner Visitors
- Online accommodation referrals made
- Number of incidents of homelessness prevented and relieved
- Number of homeless applications
- Number of homes where category 1 hazards have been remedied
- Number of young people engaged in positive activities
- Number of people engaged in the Youth Forum
- Number of buildings tackled with success

A new PI has been added to measure environmental crime:

- Reduction in the number of reported fly-tipping incidents

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 quarter 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 27 Key Performance Indicators reported in the Corporate Plan this quarter, 7 are currently showing as "Red," 13 are showing as "Green," 5 are showing as "Amber" and 2 are "data only" or contextual PIs. The off target PIs are...
- DE_011 - Reduction in the number of reported fly-tipping incidents
 - CD_008 - Decent Homes programme
 - CD_056 - Average number of days for assistance with adaptations
 - 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
 - ECSP_016 - Serious Acquisitive Crime (robbery, car crime and burglary dwelling) rate compared to 2013/14
- 2.10 We now 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. This showed that the following PIs were the best performing:

Best Performing (PIs)	Value	Target	Gauge
TL_005 Marketing campaign value for money	£0.60	£0.88	
CS_011 Telephone call abandonment rate	2.68%	6%	
CD_181 Time taken to process Housing Benefit/Coun...	4.4 days	10.0 da...	
CD_050 Empty privately owned homes returned to oc...	49	30	
TL_017a Redoubt visitors - paying visitors	5,126	3,200	
TL_008 Conference delegates	14,800	13,000	
CS_003 Sickness absence - average days lost per emp...	1.18 da...	1.45 da...	
TL_026 Total number of theatre users	75,860	63,000	
DE_194 Missed collections	1,260	1,350	

3.0 Financial Performance – General Fund

3.1 General Fund performance of the quarter is shown in the table below:

Department	Full Year Budget £'000	Profiled Budget £'000	Actual to 30 June 14 £'000	Variance to date £'000
SUMMARY				
Corporate Services	11,797	3,711	3,730	19
Community Services	36	12,384	12,402	18
Tourism & Leisure Services	2,866	1,188	1,210	22
Total Service Expenditure	14,699	17,283	17,342	59
Contingencies etc	170	43	1	(42)
Capital Financing and Interest	1,664	86	86	-
Contributions to/(from) Reserves	478	63	63	-
Net Expenditure	17,011	17,475	17,492	17

Service Details are shown at **Appendix 2**.

3.2 The position at the end of June shows a small variance of £17,000. This relates to several areas of minor under and over spends which are being carefully monitored. These include:

- Additional grant income (£40k)
- Dotto Train income not met £65k

3.3 There are a number of risks around the Revenues and Benefits area, which include staff resources, additional work with the implementation of the new Revenues and Benefits computer system and the introduction of universal credit. Recovery work has been put on hold over the last month whilst data was migrated to the new system, which may have implications for collection rates in the short term. This is being monitored and any variances will be reported in the Quarter two monitoring report.

3.4 The contingency fund currently stands at £170,000, of which £5,000 is currently committed, leaving a balance of £165,000, available to fund inflationary increases and any future unforeseen one off areas of expenditure during the year.

4.0 Financial Performance – HRA

4.1 HRA performance for the quarter is as follows:

	Current Budget	Profiled Budget	Actual to 30 June 14	Variance to date
	£'000	£'000	£'000	£'000
HRA				
Income	(15,356)	(3,677)	(3,686)	(9)
Expenditure	14,548	1,992	1,991	(1)
Contribution to Reserves	500	-	-	-
Total HRA	(308)	(1,685)	(1,695)	(10)

4.2 HRA performance is currently above target by £10k this is as a result of a number small variances which are carefully being monitored.

5.0 Financial Performance – Capital Programme

5.1 The detailed capital programme is shown at Appendix 3. Actual expenditure is low compared to the budget. There are no significant variances and expenditure is in line with traditions patterns of spend as at quarter one. Expenditure is expected to increase as schemes progress throughout the year.

5.2 The capital programme has been amended from that approved by Council in February to reflect the final outturn re-profiling of schemes between years.

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

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

	Council Tax	Business Rates
	£'000	£'000
Balance B/fwd 1.4.14	79	3,048
Deficit recovery	(100)	(2,065)
Debit due for year	(52,648)	(34,084)
Payments to preceptors	52,355	33,155
Transitional Relief	-	(28)
Allowance for cost of collection	-	127
Write offs and provision for bad debts	304	381
Estimated balance 31.3.15	(10)	534
Allocated to:		
CLG		
East Sussex County Council	8	267
Eastbourne Borough Council	1	214
Sussex Police	1	48
East Sussex Fire & Rescue	-	5
	10	534

- 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 regulations. The distributions of the estimated balance calculated at quarter 3 will be made in 2015/16. Any changes after that date will be made in 2015/16.
- 6.4 Council Tax is currently showing a £10,000 surplus a variance of 0.02% of the total debit due for the year.
- 6.5 The Business Rates deficit of £534,000 is 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 1.4.14. There were 106 properties with appeals outstanding with a total rateable value £18m. The valuation office is expecting to settle all these claims within the next 12 months. The uncertainty of the potential value of successful appeals is a major risk to the Collection Fund at this time. The deficit represents 1.57% of the total debit for the year.
- 6.6 Collection performance is as follows:

Cash Collection Rates	Council Tax	Business Rates
Q1 Actual	29.33%	30.68%
Q1 Target	30.19%	31.85%

7.0 Treasury Management

7.1 A detailed report on Treasury Management activities for 2013/14 is included elsewhere on the agenda. That report includes the current economic background and interest rate forecasts. Interest rates are expected to remain low for the remainder of 2014/15 and start to increase after quarter one 2015.

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 5 February 2014. It sets out the Council's investment priorities as being:

- Security of Capital;
- Liquidity;
- Yield.

A full list of short term investments held as at 30 June 2014 is shown in the table below.

Counterparty	Amount £m	Interest Rate %	Maturity
Santander	2,300,000	0.80%	Call
RBS	2,700,000	0.70%	Call
RBS	100,000	0.55%	90 days notice

TOTAL	5,100,000	0.74%	
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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.

No approved limits within the Annual Investment Strategy were breached during the quarter end 30 June 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 30 June 2014 is as follows:

Benchmark	Benchmark Return	Council Performance	Interest Earning
7 day	0.34%	0.73%	£8,600

As Illustrated, the authority out performed the benchmark by 0.39%. The Council's budgeted investment return for 14/15 is £50,000 and performance for the year is in line with this budget.

7.4 Borrowing

No borrowing or debt re-scheduling was undertaken during the quarter.

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 it is anticipated that new borrowing will be at maturity dates between 8 and 10 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 30 June 2014 the Council has operated within all the other 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.

3.0 **Consultation**

3.1 Not applicable

4.0 Implications

4.1 There are no significant implications of this report.

5.0 Conclusions

5.1 This report provides an overview of performance against the authority's priority actions and indicators as at Quarter 1 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.

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

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

Completed CP Actions - 2014 Q1

Priority Theme	Project	Status
Priority Theme 3 Thriving Communities	CP14_3_05(a) Enable the transfer of Towner to independent governance	

Corporate Plan Milestones Quarter 1 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
		Add in CMT feedback and refine strategy	30-Jun-2014		No
		Design the strategy ready for consultation	30-Jun-2014		No
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
CP14_1_02 Employment - Town Centre	CP14_1_02b Assist with land assembly	Authorise CPO procedure	30-Jun-2014	The CPO timetable is governed by the developer. One outstanding issue to be resolved before making CPO is likely to be completed in August.	No
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 held.	Yes
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
CP14_2_01 Managing Waste Responsibly	CP14_2_01a Improve Recycling Rates	Review recycling facilities for flats and ensure the facility of adequate bins at 50 blocks of flats per quarter.	30-Jun-2014	50 blocks of flats reviewed but due to a delay in receiving the bin stickers Neighbourhood Advisors were only able to complete 30 blocks. The remaining blocks will be caught up in Qs 2 and 3.	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
CP14_2_05 Transport - Cycling Provision	CP14_2_05a Implement Cycle Strategy	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_07 Pride in Our Parks	CP14_2_07a Finalise design, apply for planning permission and build Hampden Park	Submit planning application	15-May-2014	Planning application submitted and approved on 8 July.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
	Skate Park				
CP14_2_07 Pride in Our Parks	CP14_2_07b Biodiversity Report on Hampden Park Lake	Appoint Consultants	30-Apr-2014	First site meeting on 26 March 2014.	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.	No
		Appoint consultants	07-Jun-2014		No
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.	No
		Appoint consultants	07-Jun-2014		No
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
CP14_2_07 Pride in Our Parks	CP14_2_07f Five Acres Railings	Specify and procure works	30-Jun-2014	Five Acres Railings specified and submitted for quotations by 15-Jul- 14.	No
CP14_3_02 Improving Neighbourhood Delivery	CP14_3_02a Deliver improvements to health and wellbeing	Liaise with and support new providers of health improvement services funded by ESCC ASCH	31-Mar-2015	Action for Change were commissioned in July to deliver health improvement services across Eastbourne over the next two years. Links have already been established with Action for Change through the Healthy Eastbourne Campaign planning group and they will be invited to Neighbourhood Management Working Group and local projects to develop their work with local partners.	Yes
		Support delivery of Chances for Change	31-Mar-2015	Community Development staff have attended Chances for Change workshops and invited them to present their work to the Neighbourhood Management Working Group. This has led to links in local neighbourhoods. The project is also a core member of the Healthy Eastbourne Campaign planning group and	Yes

Parent Action	Action	Description	Due Date	Note	Completed
				maintains links with EBC and our Neighbourhood Management projects through that regular contact.	
		Support delivery of the Healthy Eastbourne campaign	31-Mar-2015	HOME marketing services continue to use some of the Community Grant to support the Campaign to maintain and develop its website. It has proved difficult to attract advertising. Funding is now being sought through Big Lottery Awards for All programme for a wider project covering media and marketing for a range of community projects including the Healthy Eastbourne Campaign. EBC continues to provide the Chair for the Healthy Eastbourne Campaign and members of the Sports Team and others attend. It is hoped that the new Public Health funded programme for Health Improvement will allow the Campaign to deliver some more focused campaigns over the next year.	Yes
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
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
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_04 Support to Vulnerable Households	CP14_3_04a Deliver Welfare Reform Action Plan	Review Discretionary Housing Payment policy	31-May-2014		Yes
		In conjunction with County, review demand in quarter 1	30-Jun-2014	County have collected quarter 1 data. Report not yet published.	Yes
		Rent in advance scheme is live	30-Jun-2014		No

Parent Action	Action	Description	Due Date	Note	Completed
CP14_3_04 Support to Vulnerable Households	CP14_3_04d Housing Benefit and Council Tax system migration	Final test conversion delivered	09-May-2014	Completed on schedule.	Yes
		Client roll-out complete	25-Jun-2014		Yes
CP14_3_COM 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	Draft a five year Heritage plan for discussion with CMT	31-May-2014	A draft five year plan is almost complete, and will be finished by the end of July. The work was paused whilst we waited to meet with the HLF as we wanted a steer from them to ensure the plan included the criteria for funding applications.	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
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.	No
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
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

Overarching commentary : Prosperous Economy - Q1



This first quarter sees the main long term projects for economic regeneration move a further step closer to reality. Work continues with the land assembly and L&G continue to purchase property by private treaty while the back up of the Compulsory Purchase Order is almost ready to be published.

The plans for the improvement to Terminus Road are now in the final design phase and meetings are taking place with key stakeholders to inform them of how the design is evolving. The programme for the improvement works are to coincide with the Phase 1 opening of the new Arndale extension.

Land at Sovereign Harbour allocated for business development and known locally as Site 6 will see the construction of 3,000 square metres Innovation Mall start this year. The project is due to be complete in early 2015 and will provide up to 300 jobs.

Tourism

The first quarter of the year began well for Tourism Development, with us hosting our first Tourism Conference for the local hospitality and tourism related businesses, with speakers from the South Downs National Park, booking system agents and local businesses on new initiatives to boost visitor satisfaction.

We were pleased to come second place in the British Resort and Destination Association's national awards for our Holiday Guide, which also reached a healthy 89% of new contacts. We also had a boost through participating in the VisitEngland 'spot on' campaign, with one VisitEastbourne accommodation featured in print ads and Easter bookings were up by 46% and international bookings up by a third on previous years. Eastbourne is featured on the VisitBritain website with a video about the town receiving 91,000 views and demonstrating the trend to digital interface, we achieved £1,186 from bookings via the mobile site and over 9,000 click-throughs to the businesses direct.

Marketing activity continued to highlight the town with 9,000 entries to our Daily Telegraph competition, giving us new data for our newsletter and we held a number of familiarisation visits from journalists, including Belgium; Discover Britain; Sainsburys and Time Out magazines amongst others and the Daily Express and Sun to local events and attractions. The Telegraph and Evening Standard visiting the Coastal Cultural Trail – which Towner participated in and Eastbourne featured in Take a Break's special family friendly beach feature with a full page dedicated to Airbourne.


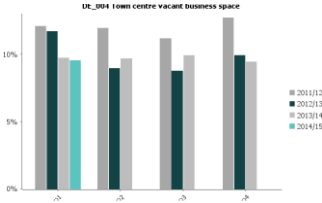


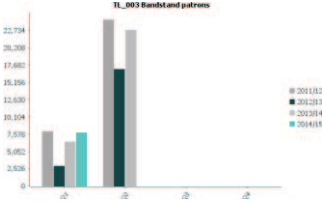
We were also delighted to reopen the Bandstand following its first phase refurbishment, kick-starting a season in which the Events team continued to provide significant attractions for residents and visitors. Magnificent Motors took place in good weather on 3-4 May with over 600 cars attending over the two days; there were two cavalcades and a packed band stage providing some great entertainment. The stage area also showcased the "Eastbourne Shout". The Airbourne car lottery also commenced and the event saw the first outing of the red Suzuki Alto.

The 2nd Beer and Cider by the Sea took place from 23 -25 May at the Western Lawns and saw 2006 visitors over the 4 sessions and a range of community events, screening of national and international events like Glastonbury, continental and Italian markets, motorcycles and fun fairs provided a diverse programme of entertainment, including the Cycling Festival, which saw a packed programme of events with racing from elite, 2nd ,3rd and 4th Category, Penny Farthings and a new off road event. The Aegon International tennis tournament took place in Devonshire Park in excellent weather conditions and was broadcast live on BBC2 and BT Sport, with world feeds going to 35 countries around the globe. The event attracted over 40,000 visitors over the 8 days who benefited from our replacement of 2,900 new permanent grandstand seats at the ILTC. In addition 7 new showers were procured and installed in the men's locker rooms prior to the tournament

Prosperous Economy PIs 2014/15

Rows are sorted by Code

Traffic Light	
Amber	1
Data Only	1

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	DE_004 Town centre vacant business space	Latest result for 2014/15 as of July 2014 9.34%		The town centre vacancy rate of 9.51% as at June 2014 continues to remain below the national average of 13.6% and the south-east average of 11.7%.	Jeff Collard
	TL_003 Bandstand patrons	Cumulative result for 2014/15 as of Q1 2014/15 		The Bandstand opened slightly later than planned and we missed the Easter Concert. The first concert was on Friday 2nd May. The weather has been great and we are showing an increase on the same period for 2013. The income from the bar is higher than the past three years.	Tracey McNulty

Overarching commentary : Quality Environment - Q1



The planning application for the remaining major development sites at Sovereign Harbour has been given outline planning consent subject to completion of a legal agreement. Discussion and negotiation is taking place to finalise the agreement, then the consent can be issued. Detailed discussions are taking place with the residents on ensuring the community centre is delivered early in the process.

Five of the priority routes in the Eastbourne Cycling Strategy are being designed in detail for implementation during 2014/15. Discussion with DCLG is taking place about creating more flexibility in the existing byelaw so that a seafront route can be designed in detail.



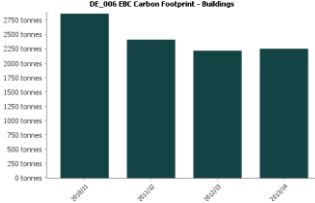

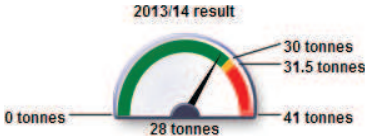
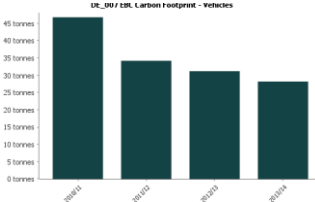

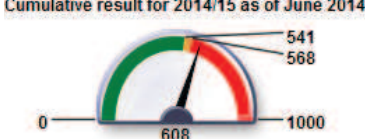
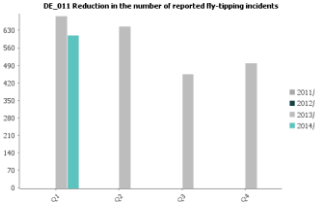
The skate park at Hampden Park took a step closer to being a reality after it received planning permission this quarter. Work will now take place during the summer as the weather is the most appropriate for the significant concrete works necessary to build the design. It will be completed for the autumn.

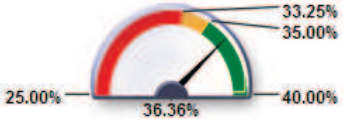
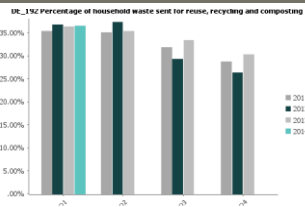
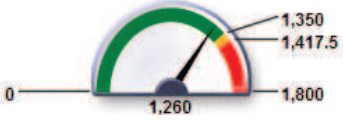
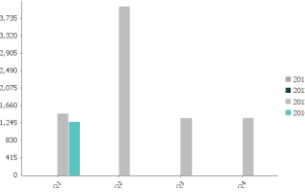
Quality Environment PIs 2014/15

Rows are sorted by Code

Traffic Light	
Red	1
Amber	1
Green	3

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Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	DE_006 EBC Carbon Footprint - Buildings			Even though there is a slight rise from the previous year, we are still within our target for 2020. Moving forward, we have budgeted for energy efficient measures to help us reduce our carbon footprint.	Henry Branson
	DE_007 EBC Carbon Footprint - Vehicles			Car mileage has come down so the carbon footprint has reduced from 31 to 28 tonnes per annum.	Henry Branson
	DE_011 Reduction in the number of reported fly-tipping incidents			We are proactively identifying and reporting more fly tipping via Neighbourhood First. Although this has not resulted in an overall reduction in fly tipping reports, the number of public reports has reduced from 501 (Q1 2013) to 368 (Q1 2014). Many of these are duplicate reports of fly tipping we are already dealing with so we have developed 'Neighbourhood First Aware' stickers	Henry Branson

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				indicating we know about it, are investigating and arranging removal.	
✓	DE_192 Percentage of household waste sent for reuse, recycling and composting	Cumulative result for 2014/15 as of April 2014 			Henry Branson
✓	DE_194 Missed collections	Cumulative result for 2014/15 as of June 2014 			Henry Branson



Overarching commentary : Thriving Communities - Q1

The Devonshire Park Project has moved significantly forward during this quarter. Tenders have been returned for both the Congress Façade works and also for the main project design team consultants. With Cabinet approving the funding, both these aspects of the work will begin in August 2014. The façade works will be completed in April 2015 while the Design Team for the main project will report in February on the concept design, phasing and cost. Cabinet will debate this stage of the main project in March 2015. The project continues to be overseen by a cross party Board and there is also a Partnership Group consisting of key stakeholders who are kept informed of progress.

Theatres and Sports and Leisure

We saw a very strong and successful first quarter across all theatres. Direct from the West End a truly fantastic production of 'Singing in the Rain' was the highlight of April in the Congress, 12,472 patrons generating £318k of box office income for this highly praised award winning show. With 'Fiddler on the Roof' starring Paul Michael Glaser and the return of 'Cats' in May, this gave us over 35,000 patrons to the Congress in the first 2 months, creating a Show Account Surplus to EBC of over £140,000.

At the Devonshire Park we had a strong line-up of both drama and local community usage giving occupancy of over 15,000 patrons. Eastbourne Theatres continued with its relationship with New Vic Production in regard to commissioning and staging new works, and in May we saw the World premiere of a hard hitting play called 'Dwayne' about the survivor of the Stephen Lawrence Killing which moved from Eastbourne to the Brighton Fringe Festival, where it won best new play. To round off the quarter the Devonshire Park Theatre, through customer feedback on Trip Adviser, was awarded a certificate of excellence. We also launched our music programme at the Winter Garden with Dan le Sac and Scroobius Pip attracting a full house of younger music and festival lovers and secured bookings for another two events, as well as a sustainable agreement with the music promoters to grow the profile and reach of this strand. In addition, we presented a Memorandum of Understanding for the new Management Committee at the Royal Hippodrome, who are doing excellently in building audiences at the venue, to support their plans for establishing a CiC and taking on a lease in future.


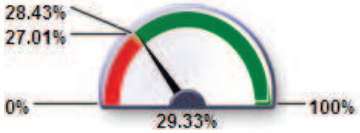
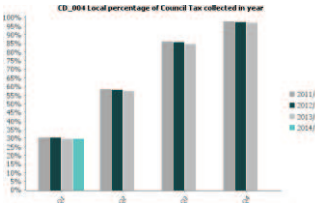


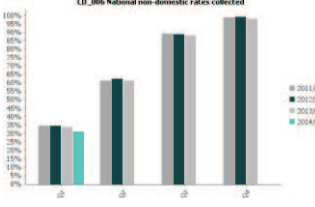


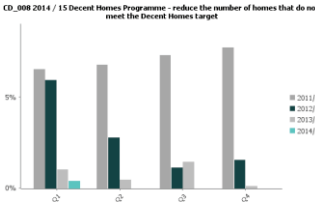
Our Sports & Leisure offer also did well as we presented the 3rd Annual Sports Festival in May 2014 which included 3 new venues Hampden Park Tennis Club, Hampden Park Bowls Club and Eastbourne Downs Golf Club – 1550 people took part over the weekend. We continue to see increasing numbers of junior participants (6000 up on same period from last year), primarily at the Sovereign Centre, due to good casual swim numbers (especially during Easter and May half term), H2o parties and their swimming lesson programme, which now has in excess of 1,400 children on the register. The Leisure Trust present a similar story with adults is also reported, 8,000 up on last year, with excellent numbers attending organised classes (there are currently 47 classes available), the gym and casual swimming.





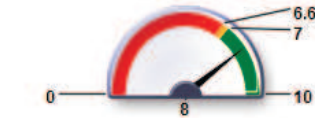

We enhanced our partnership working with the Lawn Tennis Association, as we launched our 'get into tennis' campaign, with large numbers of local clubs involved in staging events, providing coaching and promotional activity over the summer and early autumn. We completed the assessment of the courts in the town and data analysis on participation, also with expert advice from the LTA and submitted funding bids to the LTA and Sport England to progress the development plan. The outcomes will be known in July and September respectively.



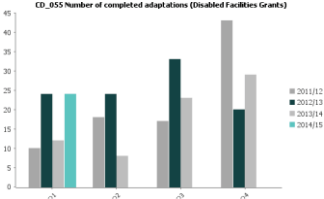


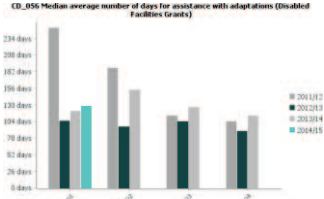


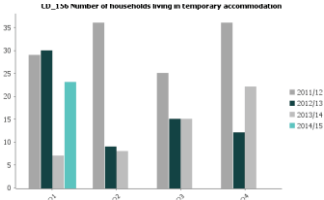


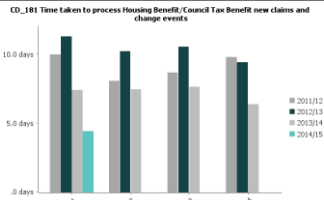



Thriving Communities PIs 2014/15


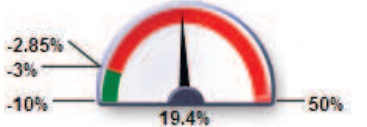
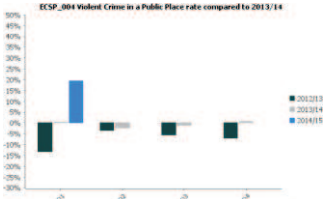


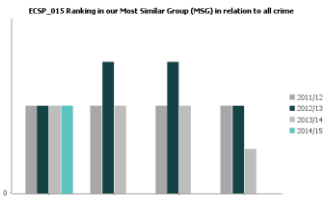


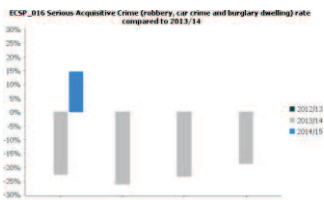
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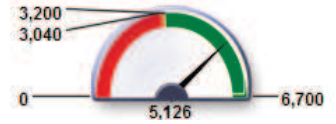
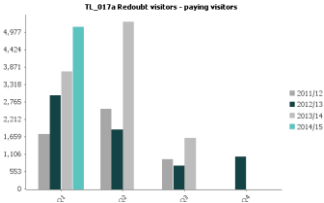

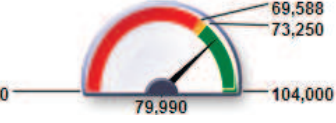
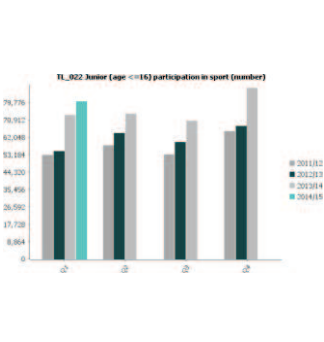

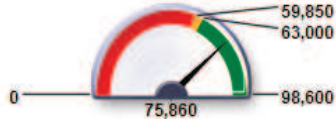
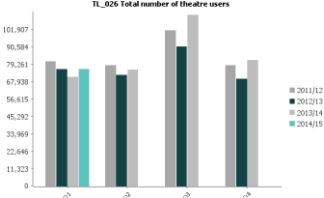
Traffic Light	
Red	6
Amber	2
Green	8

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	CD_004 Local percentage of Council Tax collected in year	<p>Latest result for 2014/15 as of June 2014</p> 		Performance is 0.93 ahead of target, but 0.10% below same period last year.	Ian Fitzpatrick
	CD_006 National non-domestic rates collected	<p>Latest result for 2014/15 as of June 2014</p> 		Performance is 1.19% below target. This may be due to more businesses moving from ten to twelve monthly instalments and the fact that NHS Properties were paid in full early last year, they are now paying their Bills monthly. It would appear that due to decentralisation within the NHS the budget responsibility has been devolved to the GP's surgeries	Ian Fitzpatrick
	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 Q1 2014/15</p> 		The Council continues to maintain decency levels for the housing stock at almost 100%. Following re assessment of some previously unsurveyed properties the number of non decent general needs properties currently stands at 13. These properties will be repaired or refurbished before the end of the financial year.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				<p>Refurbishment work to flats in Archery Court completed in June. The final remodelling project for retirement accommodation is at Winchester House and the project is expected to be completed in October. The number of properties that have refused work has reduced to 56 from 65 previously reported. 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.</p>	
	<p>CD_050 Empty privately owned homes returned to occupation as a result of action by EBC</p>	<p>Cumulative result for 2014/15 as of Q1 2014/15</p> 	<p>CD_050 Empty privately owned homes returned to occupation as a result of action by EBC</p> 	<p>This is a higher than anticipated figure for quarter one 2014/15 and can primarily be credited via the Council's landlord incentive scheme having a very positive effect as this contributes to 37 of the 49 properties brought back into use during quarter one 2014/15. However returns of the majority 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. The performance level clearly reflects the use that the Council is making of the private rented sector to place and support households in housing need.</p>	<p>Ian Fitzpatrick</p>
	<p>CD_051 Number of difficult problem properties remedied / brought back into use by the Difficult Property Group</p>	<p>Cumulative result for 2014/15 as of Q1 2014/15</p> 	<p>CD_051 Number of difficult problem properties remedied / brought back into use by the Difficult Property Group</p> 	<p>The Difficult Properties Group have successfully completed and remedied 8 units in Quarter 1 of 2014-15.</p>	<p>Ian Fitzpatrick</p>

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	CD_055 Number of completed adaptations (Disabled Facilities Grants)	Cumulative result for 2014/15 as of Q1 2014/15 		To all intents and purposes we are on target for our year end commitment of completing 100 DFG adaptations.	Ian Fitzpatrick
	CD_056 Median average number of days for assistance with adaptations (Disabled Facilities Grants)	Latest result for 2014/15 as of Q1 2014/15 		The first Quarter of each new financial year generally has a slower delivery time as new cases are progressed from the beginning of April and the process should pick up to meet the deadline.	Ian Fitzpatrick
	CD_156 Number of households living in temporary accommodation	Latest result for 2014/15 as of Q1 2014/15 		As a snapshot, on the 30th June 2014, the last day of quarter 1, 2014/15, there were 23 placements in B&B accommodation. Throughout the entire of Quarter 1 of 2014/2015 there have been 55 placements within B&B accommodation, and this is a positive reduction from last quarter.	Ian Fitzpatrick
	CD_181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	Latest result for 2014/15 as of June 2014 		Additional resources have been brought in to get the section as up to date as possible prior to the system migration. This has contributed to the level of performance in quarter 1.	Ian Fitzpatrick
	ECSP_002 Shoplifting rate compared to 2013/14	Latest result for 2014/15 as of June 2014 		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 system has highlighted an increase in this category, the period	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				<p>recorded is a short time frame and should see a smoothing out over the period of a performance year.</p>	
	<p>ECSP_004 Violent Crime in a Public Place rate compared to 2013/14</p>	<p>Latest result for 2014/15 as of June 2014</p> 		<p>Sx 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 system has highlighted an increase in this category, the period recorded is a short time frame and should see a smoothing out over the period of a performance year.</p> <p>Eastbourne is second lowest in overall violent crime when compared to our Most Similar Group.</p>	<p>Ian Fitzpatrick</p>
	<p>ECSP_015 Ranking in our Most Similar Group (MSG) in relation to all crime</p>	<p>Latest result for 2014/15 as of June 2014</p> 		<p>Despite 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 second lowest in overall crime when compared with our Most Similar Group (MSG), which includes Brighton and Hastings.</p>	<p>Ian Fitzpatrick</p>
	<p>ECSP_016 Serious Acquisitive Crime (robbery, car crime and burglary dwelling) rate compared to 2013/14</p>	<p>Latest result for 2014/15 as of June 2014</p> 		<p>Sx 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 system has highlighted an increase in this category, the period recorded is a short time frame and should see a smoothing out over the period of a performance year.</p>	<p>Ian Fitzpatrick</p>

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				It is important to contextualise the recent increase in this category with major reductions achieved over previous years.	
	TL_017a Redoubt visitors - paying visitors	<p>Cumulative result for 2014/15 as of June 2014</p> 		A good start to the year with a free opening weekend followed by a WW1 event	Tracey McNulty
	TL_022 Junior (age <=16) participation in sport (number)	<p>Cumulative result for 2014/15 as of June 2014</p> 		Junior participation numbers are up over 6000 on the same period from last year, however this is due to very strong numbers attending the Sovereign Centre. There has been a slight reduction in juniors attending the four community sports centres but we do not believe that this trend will continue through the year. The school holidays will soon be upon us and we will be providing a wide range of activities for children aged from 5 - 12 as well as all of the usual all year round activities for children of all ages.	Tracey McNulty
	TL_026 Total number of theatre users	<p>Cumulative result for 2014/15 as of June 2014</p> 		We saw a very strong and successful first quarter across all theatres.	Tracey McNulty

Overarching commentary : Sustainable Performance - Q1



The main project for the Property Team this year, other than the Devonshire Park project, is moving the service to a Corporate Landlord Team. The intention is for this to be in place by April 2015. Current work is looking at the most effective way to procure the work of the team and put in place the policies for ensuring a sustainable asset base. It is expected that the work will be ready for the September Cabinet to consider.



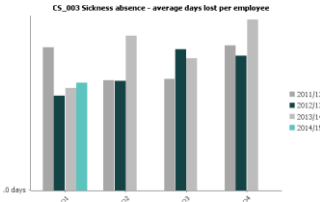

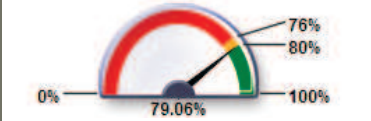
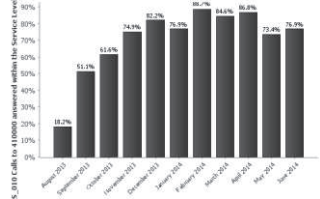

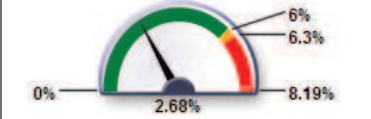
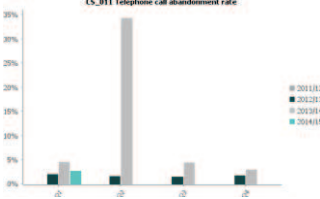
The Future Model Phase 2 programme was re-planned during Q1 and a revised project plan has been approved by the DRIVE Board and reported to Cabinet. Go-live for the new staff structures and business processes is now Q2 2015.


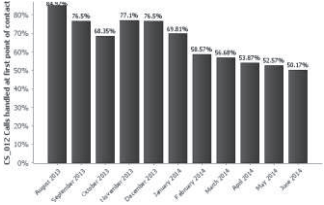
We continue to make progress with the business case for sharing corporate services with Lewes District Council and the business case will be reported to Cabinet in the Autumn.

Sustainable Performance PIs 2014/15

Rows are sorted by Code

Traffic Light	
Amber	1
Green	2
Data Only	1

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	CS_003 Sickness absence - average days lost per employee	<p>Cumulative result for 2014/15 as of Q1 2014/15</p> 		Q1 figure of 1.18 days is in line with previous Q1 figures and renders us on target.	Julian zOsgathorpe
	CS_010 Calls to 410000 answered within the Service Level Agreement	<p>Cumulative result for 2014/15 as of June 2014</p> 		In July more calls were handled by the team and the target was met	Henry Branson
	CS_011 Telephone call abandonment rate	<p>Cumulative result for 2014/15 as of June 2014</p> 		In July the abandonment rate continues to be well under target	Henry Branson

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner																								
	CS_012 Calls handled at first point of contact	Cumulative result for 2014/15 as of June 2014 52.18%	 <table border="1"> <caption>CS_012 Calls handled at first point of contact</caption> <thead> <tr> <th>Month</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>April 2014</td><td>78.52%</td></tr> <tr><td>September 2014</td><td>76.5%</td></tr> <tr><td>October 2014</td><td>68.35%</td></tr> <tr><td>November 2014</td><td>77.1%</td></tr> <tr><td>December 2014</td><td>76.8%</td></tr> <tr><td>January 2015</td><td>69.81%</td></tr> <tr><td>February 2015</td><td>58.57%</td></tr> <tr><td>March 2015</td><td>56.48%</td></tr> <tr><td>April 2015</td><td>53.47%</td></tr> <tr><td>May 2015</td><td>52.67%</td></tr> <tr><td>June 2015</td><td>52.18%</td></tr> </tbody> </table>	Month	Percentage	April 2014	78.52%	September 2014	76.5%	October 2014	68.35%	November 2014	77.1%	December 2014	76.8%	January 2015	69.81%	February 2015	58.57%	March 2015	56.48%	April 2015	53.47%	May 2015	52.67%	June 2015	52.18%	July saw this figure drop, this could be due to the confidence level of the team around planning calls which is being addressed through further training	Henry Branson
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Quarter 1 Performance report – Addendum Sheet


The following commentary amendments relate to the Performance Appendix of the Quarter 1 Performance report.

Performance Indicator	Revised Commentary
CD_055 – Number of completed adaptations (Disabled Facilities Grants)	We are on target for our year-end commitment of completing 100 DFG adaptations.
CS_010 – Calls to 410000 answered within the Service Level Agreement	During June we have continued training of new and existing staff. We had 1 new member of the team who required training and 1 who joined in May who also required some additional support. The team have also been getting to grips with planning scripts. Call volumes have increased from the previous month. The team are focussed on achieving this target going forward.
CS_011 – Telephone all abandonment rate	During June this figure continued to drop compared to the previous month. This has been the best performing quarter for this PI in recent years.
CS_012 – Calls handled at first point of contact	In June call volumes increased whereas this figure decreased. This could be due to the new members of the team getting to grips with the new planning scripts.
DE_192 – Percentage of household waste sent for reuse, recycling and composting	April and May's data reflect the increase in garden waste following the winter. May's figure of 41.5% is the highest recorded by EBC.
DE_194 – Missed collections	On target for Q1. Specialist Advisors continue to work closely with Kier to further reduce the level of missed collections for Eastbourne residents.

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Completed CP Actions - 2014 Q1



Priority Theme	Project	Status
Priority Theme 3 Thriving Communities	CP14_3_05(a) Enable the transfer of Towner to independent governance	

Corporate Plan Milestones Quarter 1 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
		Add in CMT feedback and refine strategy	30-Jun-2014		No
		Design the strategy ready for consultation	30-Jun-2014		No
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
CP14_1_02 Employment - Town Centre	CP14_1_02b Assist with land assembly	Authorise CPO procedure	30-Jun-2014	The CPO timetable is governed by the developer. One outstanding issue to be resolved before making CPO is likely to be completed in August.	No
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 held.	Yes
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
CP14_2_01 Managing Waste Responsibly	CP14_2_01a Improve Recycling Rates	Review recycling facilities for flats and ensure the facility of adequate bins at 50 blocks of flats per quarter.	30-Jun-2014	50 blocks of flats reviewed but due to a delay in receiving the bin stickers Neighbourhood Advisors were only able to complete 30 blocks. The remaining blocks will be caught up in Qs 2 and 3.	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
CP14_2_05 Transport - Cycling Provision	CP14_2_05a Implement Cycle Strategy	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_07 Pride in Our Parks	CP14_2_07a Finalise design, apply for planning permission and build Hampden Park	Submit planning application	15-May-2014	Planning application submitted and approved on 8 July.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
	Skate Park				
CP14_2_07 Pride in Our Parks	CP14_2_07b Biodiversity Report on Hampden Park Lake	Appoint Consultants	30-Apr-2014	First site meeting on 26 March 2014.	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.	No
		Appoint consultants	07-Jun-2014		No
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.	No
		Appoint consultants	07-Jun-2014		No
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
CP14_2_07 Pride in Our Parks	CP14_2_07f Five Acres Railings	Specify and procure works	30-Jun-2014	Five Acres Railings specified and submitted for quotations by 15-Jul- 14.	No
CP14_3_02 Improving Neighbourhood Delivery	CP14_3_02a Deliver improvements to health and wellbeing	Liaise with and support new providers of health improvement services funded by ESCC ASCH	31-Mar-2015	Action for Change were commissioned in July to deliver health improvement services across Eastbourne over the next two years. Links have already been established with Action for Change through the Healthy Eastbourne Campaign planning group and they will be invited to Neighbourhood Management Working Group and local projects to develop their work with local partners.	Yes
		Support delivery of Chances for Change	31-Mar-2015	Community Development staff have attended Chances for Change workshops and invited them to present their work to the Neighbourhood Management Working Group. This has led to links in local neighbourhoods. The project is also a core member of the Healthy Eastbourne Campaign planning group and	Yes

Parent Action	Action	Description	Due Date	Note	Completed
				maintains links with EBC and our Neighbourhood Management projects through that regular contact.	
		Support delivery of the Healthy Eastbourne campaign	31-Mar-2015	HOME marketing services continue to use some of the Community Grant to support the Campaign to maintain and develop its website. It has proved difficult to attract advertising. Funding is now being sought through Big Lottery Awards for All programme for a wider project covering media and marketing for a range of community projects including the Healthy Eastbourne Campaign. EBC continues to provide the Chair for the Healthy Eastbourne Campaign and members of the Sports Team and others attend. It is hoped that the new Public Health funded programme for Health Improvement will allow the Campaign to deliver some more focused campaigns over the next year.	Yes
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
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
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_04 Support to Vulnerable Households	CP14_3_04a Deliver Welfare Reform Action Plan	Review Discretionary Housing Payment policy	31-May-2014		Yes
		In conjunction with County, review demand in quarter 1	30-Jun-2014	County have collected quarter 1 data. Report not yet published.	Yes
		Rent in advance scheme is live	30-Jun-2014		No

Parent Action	Action	Description	Due Date	Note	Completed
CP14_3_04 Support to Vulnerable Households	CP14_3_04d Housing Benefit and Council Tax system migration	Final test conversion delivered	09-May-2014	Completed on schedule.	Yes
		Client roll-out complete	25-Jun-2014		Yes
CP14_3_COM 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	Draft a five year Heritage plan for discussion with CMT	31-May-2014	A draft five year plan is almost complete, and will be finished by the end of July. The work was paused whilst we waited to meet with the HLF as we wanted a steer from them to ensure the plan included the criteria for funding applications.	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
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.	No
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
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

Overarching commentary : Prosperous Economy - Q1



This first quarter sees the main long term projects for economic regeneration move a further step closer to reality. Work continues with the land assembly and L&G continue to purchase property by private treaty while the back up of the Compulsory Purchase Order is almost ready to be published.

The plans for the improvement to Terminus Road are now in the final design phase and meetings are taking place with key stakeholders to inform them of how the design is evolving. The programme for the improvement works are to coincide with the Phase 1 opening of the new Arndale extension.

Land at Sovereign Harbour allocated for business development and known locally as Site 6 will see the construction of 3,000 square metres Innovation Mall start this year. The project is due to be complete in early 2015 and will provide up to 300 jobs.

Tourism

The first quarter of the year began well for Tourism Development, with us hosting our first Tourism Conference for the local hospitality and tourism related businesses, with speakers from the South Downs National Park, booking system agents and local businesses on new initiatives to boost visitor satisfaction.

We were pleased to come second place in the British Resort and Destination Association's national awards for our Holiday Guide, which also reached a healthy 89% of new contacts. We also had a boost through participating in the VisitEngland 'spot on' campaign, with one VisitEastbourne accommodation featured in print ads and Easter bookings were up by 46% and international bookings up by a third on previous years. Eastbourne is featured on the VisitBritain website with a video about the town receiving 91,000 views and demonstrating the trend to digital interface, we achieved £1,186 from bookings via the mobile site and over 9,000 click-throughs to the businesses direct.

Marketing activity continued to highlight the town with 9,000 entries to our Daily Telegraph competition, giving us new data for our newsletter and we held a number of familiarisation visits from journalists, including Belgium; Discover Britain; Sainsburys and Time Out magazines amongst others and the Daily Express and Sun to local events and attractions. The Telegraph and Evening Standard visiting the Coastal Cultural Trail – which Towner participated in and Eastbourne featured in Take a Break's special family friendly beach feature with a full page dedicated to Airbourne.


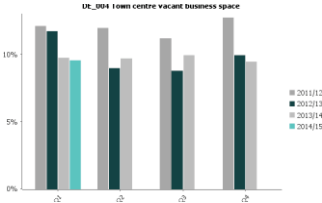


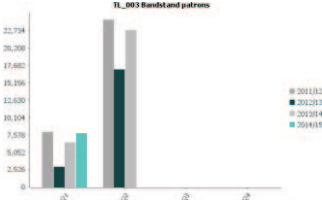
We were also delighted to reopen the Bandstand following its first phase refurbishment, kick-starting a season in which the Events team continued to provide significant attractions for residents and visitors. Magnificent Motors took place in good weather on 3-4 May with over 600 cars attending over the two days; there were two cavalcades and a packed band stage providing some great entertainment. The stage area also showcased the "Eastbourne Shout". The Airbourne car lottery also commenced and the event saw the first outing of the red Suzuki Alto.

The 2nd Beer and Cider by the Sea took place from 23 -25 May at the Western Lawns and saw 2006 visitors over the 4 sessions and a range of community events, screening of national and international events like Glastonbury, continental and Italian markets, motorcycles and fun fairs provided a diverse programme of entertainment, including the Cycling Festival, which saw a packed programme of events with racing from elite, 2nd ,3rd and 4th Category, Penny Farthings and a new off road event. The Aegon International tennis tournament took place in Devonshire Park in excellent weather conditions and was broadcast live on BBC2 and BT Sport, with world feeds going to 35 countries around the globe. The event attracted over 40,000 visitors over the 8 days who benefited from our replacement of 2,900 new permanent grandstand seats at the ILTC. In addition 7 new showers were procured and installed in the men's locker rooms prior to the tournament

Prosperous Economy PIs 2014/15

Rows are sorted by Code

Traffic Light	
Amber	1
Data Only	1

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	DE_004 Town centre vacant business space	Latest result for 2014/15 as of July 2014 9.34%		The town centre vacancy rate of 9.51% as at June 2014 continues to remain below the national average of 13.6% and the south-east average of 11.7%.	Jeff Collard
	TL_003 Bandstand patrons	Cumulative result for 2014/15 as of Q1 2014/15 		The Bandstand opened slightly later than planned and we missed the Easter Concert. The first concert was on Friday 2nd May. The weather has been great and we are showing an increase on the same period for 2013. The income from the bar is higher than the past three years.	Tracey McNulty

Overarching commentary : Quality Environment - Q1



The planning application for the remaining major development sites at Sovereign Harbour has been given outline planning consent subject to completion of a legal agreement. Discussion and negotiation is taking place to finalise the agreement, then the consent can be issued. Detailed discussions are taking place with the residents on ensuring the community centre is delivered early in the process.



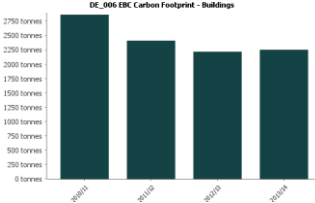

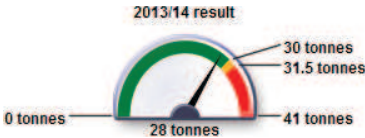
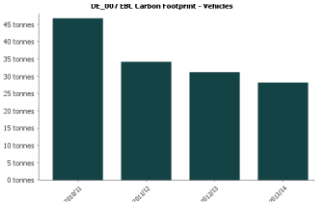

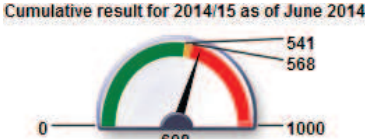
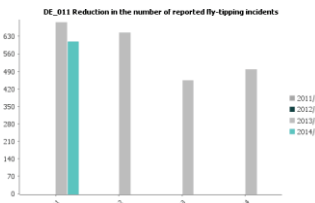
Five of the priority routes in the Eastbourne Cycling Strategy are being designed in detail for implementation during 2014/15. Discussion with DCLG is taking place about creating more flexibility in the existing byelaw so that a seafront route can be designed in detail.

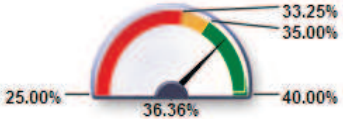
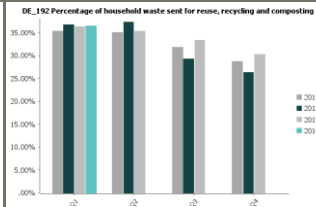
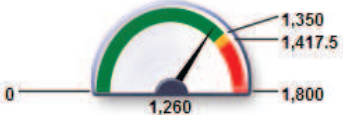
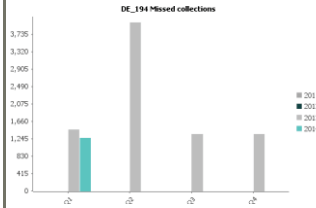
The skate park at Hampden Park took a step closer to being a reality after it received planning permission this quarter. Work will now take place during the summer as the weather is the most appropriate for the significant concrete works necessary to build the design. It will be completed for the autumn.

Quality Environment PIs 2014/15

Rows are sorted by Code

Traffic Light	
Red	1
Amber	1
Green	3

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	DE_006 EBC Carbon Footprint - Buildings			Even though there is a slight rise from the previous year, we are still within our target for 2020. Moving forward, we have budgeted for energy efficient measures to help us reduce our carbon footprint.	Henry Branson
	DE_007 EBC Carbon Footprint - Vehicles			Car mileage has come down so the carbon footprint has reduced from 31 to 28 tonnes per annum.	Henry Branson
	DE_011 Reduction in the number of reported fly-tipping incidents			We are proactively identifying and reporting more fly tipping via Neighbourhood First. Although this has not resulted in an overall reduction in fly tipping reports, the number of public reports has reduced from 501 (Q1 2013) to 368 (Q1 2014). Many of these are duplicate reports of fly tipping we are already dealing with so we have developed 'Neighbourhood First Aware' stickers	Henry Branson

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				indicating we know about it, are investigating and arranging removal.	
✔	DE_192 Percentage of household waste sent for reuse, recycling and composting	Cumulative result for 2014/15 as of April 2014 		April and May's data reflect the increase in garden waste following the winter. May's figure of 41.5% is the highest recorded by EBC.	Henry Branson
✔	DE_194 Missed collections	Cumulative result for 2014/15 as of June 2014 		On target for Q1. Specialist Advisors continue to work closely with Kier to further reduce the level of missed collections for Eastbourne residents.	Henry Branson



Overarching commentary : Thriving Communities - Q1

The Devonshire Park Project has moved significantly forward during this quarter. Tenders have been returned for both the Congress Façade works and also for the main project design team consultants. With Cabinet approving the funding, both these aspects of the work will begin in August 2014. The façade works will be completed in April 2015 while the Design Team for the main project will report in February on the concept design, phasing and cost. Cabinet will debate this stage of the main project in March 2015. The project continues to be overseen by a cross party Board and there is also a Partnership Group consisting of key stakeholders who are kept informed of progress.

Theatres and Sports and Leisure

We saw a very strong and successful first quarter across all theatres. Direct from the West End a truly fantastic production of 'Singing in the Rain' was the highlight of April in the Congress, 12,472 patrons generating £318k of box office income for this highly praised award winning show. With 'Fiddler on the Roof' starring Paul Michael Glaser and the return of 'Cats' in May, this gave us over 35,000 patrons to the Congress in the first 2 months, creating a Show Account Surplus to EBC of over £140,000.

At the Devonshire Park we had a strong line-up of both drama and local community usage giving occupancy of over 15,000 patrons. Eastbourne Theatres continued with its relationship with New Vic Production in regard to commissioning and staging new works, and in May we saw the World premiere of a hard hitting play called 'Dwayne' about the survivor of the Stephen Lawrence Killing which moved from Eastbourne to the Brighton Fringe Festival, where it won best new play. To round off the quarter the Devonshire Park Theatre, through customer feedback on Trip Adviser, was awarded a certificate of excellence. We also launched our music programme at the Winter Garden with Dan le Sac and Scroobius Pip attracting a full house of younger music and festival lovers and secured bookings for another two events, as well as a sustainable agreement with the music promoters to grow the profile and reach of this strand. In addition, we presented a Memorandum of Understanding for the new Management Committee at the Royal Hippodrome, who are doing excellently in building audiences at the venue, to support their plans for establishing a CiC and taking on a lease in future.



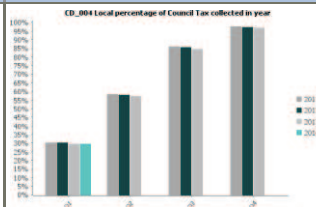

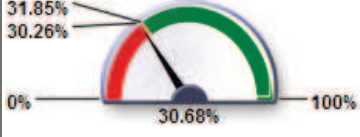
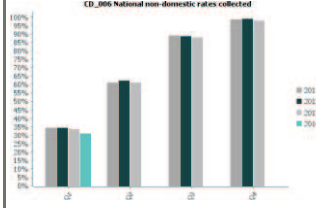

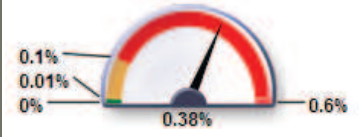

Our Sports & Leisure offer also did well as we presented the 3rd Annual Sports Festival in May 2014 which included 3 new venues Hampden Park Tennis Club, Hampden Park Bowls Club and Eastbourne Downs Golf Club – 1550 people took part over the weekend. We continue to see increasing numbers of junior participants (6000 up on same period from last year), primarily at the Sovereign Centre, due to good casual swim numbers (especially during Easter and May half term), H2o parties and their swimming lesson programme, which now has in excess of 1,400 children on the register. The Leisure Trust present a similar story with adults is also reported, 8,000 up on last year, with excellent numbers attending organised classes (there are currently 47 classes available), the gym and casual swimming.


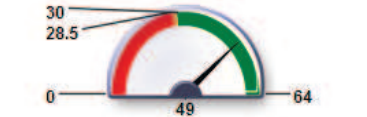



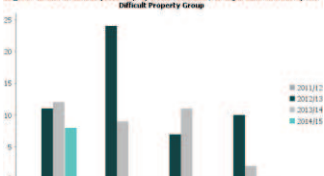
We enhanced our partnership working with the Lawn Tennis Association, as we launched our 'get into tennis' campaign, with large numbers of local clubs involved in staging events, providing coaching and promotional activity over the summer and early autumn. We completed the assessment of the courts in the town and data analysis on participation, also with expert advice from the LTA and submitted funding bids to the LTA and Sport England to progress the development plan. The outcomes will be known in July and September respectively.



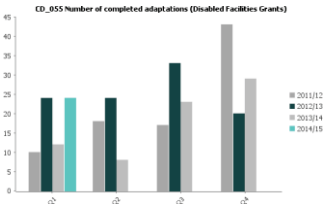


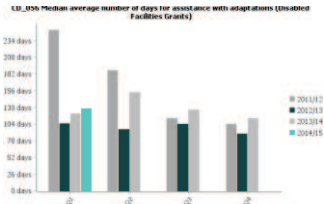


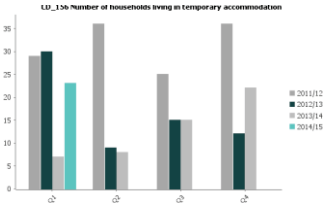


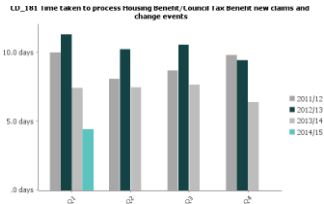



Thriving Communities PIs 2014/15


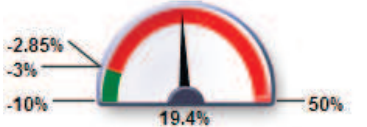
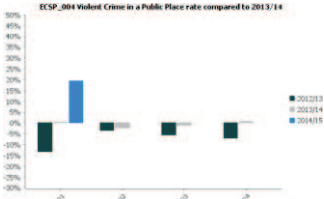


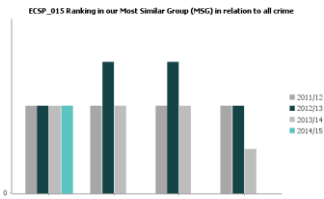


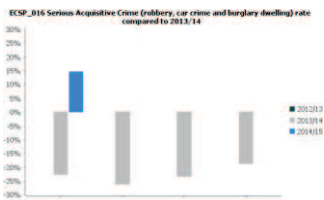
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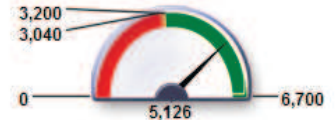
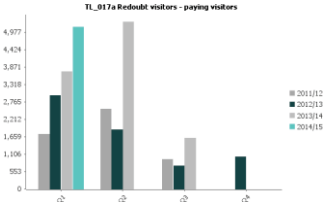

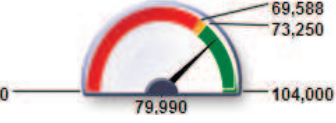
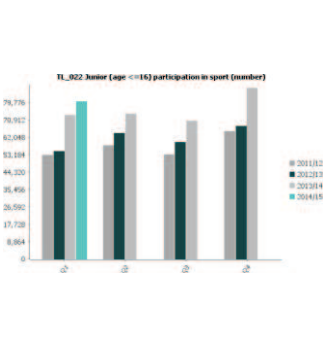

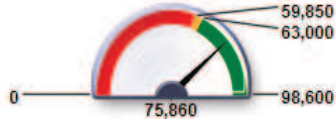
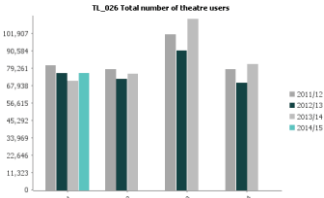
Traffic Light	
Red	6
Amber	2
Green	8

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	CD_004 Local percentage of Council Tax collected in year	<p>Latest result for 2014/15 as of June 2014</p> 		Performance is 0.93 ahead of target, but 0.10% below same period last year.	Ian Fitzpatrick
	CD_006 National non-domestic rates collected	<p>Latest result for 2014/15 as of June 2014</p> 		Performance is 1.19% below target. This may be due to more businesses moving from ten to twelve monthly instalments and the fact that NHS Properties were paid in full early last year, they are now paying their Bills monthly. It would appear that due to decentralisation within the NHS the budget responsibility has been devolved to the GP's surgeries	Ian Fitzpatrick
	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 Q1 2014/15</p> 		The Council continues to maintain decency levels for the housing stock at almost 100%. Following re assessment of some previously unsurveyed properties the number of non decent general needs properties currently stands at 13. These properties will be repaired or refurbished before the end of the financial year.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				<p>Refurbishment work to flats in Archery Court completed in June. The final remodelling project for retirement accommodation is at Winchester House and the project is expected to be completed in October. The number of properties that have refused work has reduced to 56 from 65 previously reported. 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.</p>	
	<p>CD_050 Empty privately owned homes returned to occupation as a result of action by EBC</p>	<p>Cumulative result for 2014/15 as of Q1 2014/15</p> 	<p>CD_050 Empty privately owned homes returned to occupation as a result of action by EBC</p> 	<p>This is a higher than anticipated figure for quarter one 2014/15 and can primarily be credited via the Council's landlord incentive scheme having a very positive effect as this contributes to 37 of the 49 properties brought back into use during quarter one 2014/15. However returns of the majority 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. The performance level clearly reflects the use that the Council is making of the private rented sector to place and support households in housing need.</p>	<p>Ian Fitzpatrick</p>
	<p>CD_051 Number of difficult problem properties remedied / brought back into use by the Difficult Property Group</p>	<p>Cumulative result for 2014/15 as of Q1 2014/15</p> 	<p>CD_051 Number of difficult problem properties remedied / brought back into use by the Difficult Property Group</p> 	<p>The Difficult Properties Group have successfully completed and remedied 8 units in Quarter 1 of 2014-15.</p>	<p>Ian Fitzpatrick</p>

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	CD_055 Number of completed adaptations (Disabled Facilities Grants)	Cumulative result for 2014/15 as of Q1 2014/15 		We are on target for our year-end commitment of completing 100 DFG adaptations.	Ian Fitzpatrick
	CD_056 Median average number of days for assistance with adaptations (Disabled Facilities Grants)	Latest result for 2014/15 as of Q1 2014/15 		The first Quarter of each new financial year generally has a slower delivery time as new cases are progressed from the beginning of April and the process should pick up to meet the deadline.	Ian Fitzpatrick
	CD_156 Number of households living in temporary accommodation	Latest result for 2014/15 as of Q1 2014/15 		As a snapshot, on the 30th June 2014, the last day of quarter 1, 2014/15, there were 23 placements in B&B accommodation. Throughout the entire of Quarter 1 of 2014/2015 there have been 55 placements within B&B accommodation, and this is a positive reduction from last quarter.	Ian Fitzpatrick
	CD_181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	Latest result for 2014/15 as of June 2014 		Additional resources have been brought in to get the section as up to date as possible prior to the system migration. This has contributed to the level of performance in quarter 1.	Ian Fitzpatrick
	ECSP_002 Shoplifting rate compared to 2013/14	Latest result for 2014/15 as of June 2014 		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 system has highlighted an increase in this category, the period	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				<p>recorded is a short time frame and should see a smoothing out over the period of a performance year.</p>	
	<p>ECSP_004 Violent Crime in a Public Place rate compared to 2013/14</p>	<p>Latest result for 2014/15 as of June 2014</p> 		<p>Sx 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 system has highlighted an increase in this category, the period recorded is a short time frame and should see a smoothing out over the period of a performance year.</p> <p>Eastbourne is second lowest in overall violent crime when compared to our Most Similar Group.</p>	<p>Ian Fitzpatrick</p>
	<p>ECSP_015 Ranking in our Most Similar Group (MSG) in relation to all crime</p>	<p>Latest result for 2014/15 as of June 2014</p> 		<p>Despite 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 second lowest in overall crime when compared with our Most Similar Group (MSG), which includes Brighton and Hastings.</p>	<p>Ian Fitzpatrick</p>
	<p>ECSP_016 Serious Acquisitive Crime (robbery, car crime and burglary dwelling) rate compared to 2013/14</p>	<p>Latest result for 2014/15 as of June 2014</p> 		<p>Sx 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 system has highlighted an increase in this category, the period recorded is a short time frame and should see a smoothing out over the period of a performance year.</p>	<p>Ian Fitzpatrick</p>

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
				It is important to contextualise the recent increase in this category with major reductions achieved over previous years.	
	TL_017a Redoubt visitors - paying visitors	<p>Cumulative result for 2014/15 as of June 2014</p> 		A good start to the year with a free opening weekend followed by a WW1 event	Tracey McNulty
	TL_022 Junior (age <=16) participation in sport (number)	<p>Cumulative result for 2014/15 as of June 2014</p> 		Junior participation numbers are up over 6000 on the same period from last year, however this is due to very strong numbers attending the Sovereign Centre. There has been a slight reduction in juniors attending the four community sports centres but we do not believe that this trend will continue through the year. The school holidays will soon be upon us and we will be providing a wide range of activities for children aged from 5 - 12 as well as all of the usual all year round activities for children of all ages.	Tracey McNulty
	TL_026 Total number of theatre users	<p>Cumulative result for 2014/15 as of June 2014</p> 		We saw a very strong and successful first quarter across all theatres.	Tracey McNulty

Overarching commentary : Sustainable Performance - Q1



The main project for the Property Team this year, other than the Devonshire Park project, is moving the service to a Corporate Landlord Team. The intention is for this to be in place by April 2015. Current work is looking at the most effective way to procure the work of the team and put in place the policies for ensuring a sustainable asset base. It is expected that the work will be ready for the September Cabinet to consider.



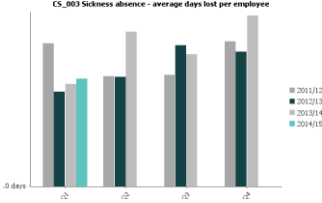

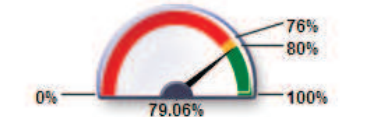
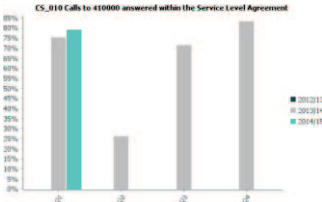


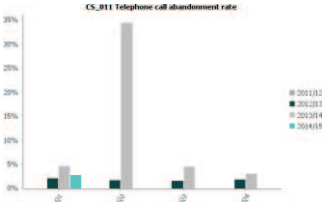
The Future Model Phase 2 programme was re-planned during Q1 and a revised project plan has been approved by the DRIVE Board and reported to Cabinet. Go-live for the new staff structures and business processes is now Q2 2015.


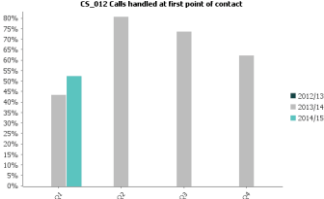
We continue to make progress with the business case for sharing corporate services with Lewes District Council and the business case will be reported to Cabinet in the Autumn.

Sustainable Performance PIs 2014/15

Rows are sorted by Code

Traffic Light	
Amber	1
Green	2
Data Only	1

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	CS_003 Sickness absence - average days lost per employee	<p>Cumulative result for 2014/15 as of Q1 2014/15</p>  <p>1.18 days</p>	 <p>CS_003 Sickness absence - average days lost per employee</p>	Q1 figure of 1.18 days is in line with previous Q1 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 June 2014</p>  <p>79.06%</p>	 <p>CS_010 Calls to 410000 answered within the Service Level Agreement</p>	During June we have continued training of new and existing staff. We had 1 new member of the team who required training and 1 who joined in May who also required some additional support. The team have also been getting to grips with planning scripts. Call volumes have increased from the previous month. The team are focussed on achieving this target going forward.	Henry Branson
	CS_011 Telephone call abandonment rate	<p>Cumulative result for 2014/15 as of June 2014</p>  <p>2.68%</p>	 <p>CS_011 Telephone call abandonment rate</p>	During June this figure continued to drop compared to the previous month. This has been the best performing quarter for this PI in recent years.	Henry Branson

Traffic Light Icon	Code & Short Name	Year to date	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner																				
	CS_012 Calls handled at first point of contact	Cumulative result for 2014/15 as of June 2014 52.18%	 <table border="1"> <caption>CS_012 Calls handled at first point of contact</caption> <thead> <tr> <th>Quarter</th> <th>2012/13 (%)</th> <th>2013/14 (%)</th> <th>2014/15 (%)</th> </tr> </thead> <tbody> <tr> <td>Q1</td> <td>~45</td> <td>~45</td> <td>~55</td> </tr> <tr> <td>Q2</td> <td>~75</td> <td>~75</td> <td>~80</td> </tr> <tr> <td>Q3</td> <td>~70</td> <td>~70</td> <td>~75</td> </tr> <tr> <td>Q4</td> <td>~60</td> <td>~60</td> <td>~65</td> </tr> </tbody> </table>	Quarter	2012/13 (%)	2013/14 (%)	2014/15 (%)	Q1	~45	~45	~55	Q2	~75	~75	~80	Q3	~70	~70	~75	Q4	~60	~60	~65	In June call volumes increased whereas this figure decreased. This could be due to the new members of the team getting to grips with the new planning scripts.	Henry Branson
Quarter	2012/13 (%)	2013/14 (%)	2014/15 (%)																						
Q1	~45	~45	~55																						
Q2	~75	~75	~80																						
Q3	~70	~70	~75																						
Q4	~60	~60	~65																						

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	Current Budget	Profiled Budget	Actual to 30th June	Variance	Comments
	£'000	£'000	£'000	£'000	
Corporate Management	267	86	89	3	
Service Management	142	42	(13)	(55)	Includes additional grant income
Performance and Risk Managemet	122	87	88	1	
Civil Contingencies	27	1	1	-	
Finance Management and Operational Costs	560	234	237	3	
Corporate Finance Costs	344	322	322	-	
Payroll and Information	90	34	33	(1)	
Pensions	608	106	106	-	
Financial Services	1,893	826	774	(52)	
Service Management	234	126	127	1	
Civic Services (including Printing)	444	135	138	3	
Elections and Local Land Charges	137	121	134	13	
Strategic Performance	92	47	48	1	
Legal Services	220	70	75	5	
Human Resources Management and Admin	248	67	70	3	
Employee Relations	20	2	2	-	
Member Development	11	3	1	(2)	
HR Resourcing and Development	88	8	8	-	
Corporate Development	1,494	579	603	24	
Service Management	86	22	23	1	
IT & E-Government	1,714	573	585	12	
Facilities Management	380	225	225	-	
Customer First	6,400	1,590	1,620	30	Additional costs within Development Control.
Estates / Asset Management	(437)	(190)	(189)	1	
Corporate Infrastructure and Customer First	8,143	2,220	2,264	44	
Total Corporate Services	11,797	3,711	3,730	19	
COMMUNITY SERVICES					
Service Management	(38)	23	24	1	
Housing Services Management	62	32	46	14	
Revenues and Benefits	78	11,798	11,783	(15)	
Housing Needs	155	109	124	15	
Homelessness	168	174	140	(34)	Includes additional income from B&B Accommodation.
EH Private Sector Housing	196	47	53	6	

	Current Budget	Profiled Budget	Actual to 30th June	Variance	Comments
	£'000	£'000	£'000	£'000	
Bereavement	(952)	(173)	(142)	31	Crem income shortfall expected to be offset by additional Burden Sharing income later in the year
Direct Assistance	(293)	11,987	12,004	17	
Community Development	110	36	35	(1)	
Community Involvement	70	19	17	(2)	
Community Grants	397	380	380	-	
Community Activity	577	435	432	(3)	
Housing / Homelessness Strategy	67	32	38	6	
Solarbourne	(277)	(93)	(96)	(3)	
Strategic Partnership	(210)	(61)	(58)	3	
Total Community Services	36	12,384	12,402	18	
TOURISM AND LEISURE					Includes expected shortfall in Dotto Train income
Service Management	98	25	24	(1)	
Sport & Leisure	317	243	239	(4)	
Theatres	724	277	272	(5)	
Tourism	548	194	231	37	
Events & Devonshire Park	495	79	74	(5)	
Towner	684	370	370	-	
Total Tourism & Leisure Services	2,866	1,188	1,210	22	
TOTAL SERVICE EXPENDITURE	14,699	17,283	17,342	59	

Scheme	Total Scheme Approved	Scheme Actual to 31.3.14	Revised Budget 2014-15	Spend to 30 June 2014	Remaining Budget	Funding	Comments
HOUSING REVENUE ACCOUNT							
Sheltered Remodelling		4,502,022	1,866,000	441,207	-1,424,793	EBC	On target to complete in 2014-15
Major Works (Incl Adaptations)		Ongoing	4,327,100	116,255	-4,210,845	EBC	On target to complete in 2014-15
Environmental Improvements		81,670	96,900	13	-96,887	EBC	On target to complete in 2014-15
Managed by Eastbourne Homes	Ongoing	4,583,692	6,290,000	557,475	-5,732,525		
Other Schemes							
LA New Build 2013-15	4,758,000	73,038	4,684,962	155,965	-4,528,997	EBC/S106	On target to complete in 2014-15
Supporting Housing & Economic Progress Initiative (SHEP)	2,629,000	1,053,301	1,575,695	414,785	-1,160,910	EBC/Grant	On target to complete in 2014-15
46 Upperton Gardens	240,000	0	240,000	0	-240,000	EBC	On target to complete in 2014-15
Homelessness Change	275,000	0	275,000	0	-275,000	EBC/Grant	Waiting suitable property
House Rescue Emergency Fund	200,000	0	200,000	0	-200,000	EBC	New budget
Total HRA		5,710,031	13,265,657	1,128,225	-12,137,432		
COMMUNITY SERVICES							
Memorial Safety Cems	40,000	6,080	34,000	0	-34,000	EBC	On target to complete in 2014-15
Digitalise Burial Records	10,000	0	10,000	0	-10,000	EBC	On target to complete in 2014-15
Crematorium - Main Chapel	21,000	0	21,000	0	-21,000	EBC	On target to complete in 2014-15
Ocklynge Cemetery Chapel	150,000	0	150,000	0	-150,000	EBC/Grant	On target to complete in 2014-15
Barbican Memorial Scheme	5,000	0	5,000	0	-5,000	EBC	Completion expected October 2014
Main Chapel Refurb - Phase 2	26,000	0	26,000	0	-26,000	EBC	On target to complete in 2014-15
Disabled Facilities Grants (external funding)	Ongoing	Ongoing	677,800	92,715	-585,085	Grant	On target to complete in 2014-15
BEST Grant (housing initiatives)	Ongoing	Ongoing	197,450	12,388	-185,062	Grant	
Social Housing Enabling							
Housing Regeneration - Block Allocation	17,731,000	0	4,731,000	0	-4,731,000	External	Schemes under investigation
Willingdon Trees Multi Gym	20,000	0	20,000	0	-20,000	EBC	Community Association looking at options
Total Community Services		6,080	5,872,250	105,103	-5,767,147		
CUSTOMER FIRST							
Contaminated Land	185,000	82,966	102,000	0	-102,000	Grant	Investigative work on-going
Coast Defences Beach Management Strategy	Ongoing	Ongoing	540,850	235,401	-305,449	Grant	On target to complete in 2014-15
Cycling Strategy	45,000	0	40,600	0	-40,600	EBC	Detailed design started. Awaiting advice from CLG re seafront bye laws
Park and Ride	50,000	0	50,000	0	-50,000	EBC	Options being considered
Princes Park (schemes to be decided)	210,000	10,000	183,000	325	-182,675	S106	Bid in progress to secure additional funds. Awaiting open space. Likely to spend in 2015-16
Play Area Sovereign Harbour	27,000	0	27,000	0	-27,000	S106	
Allotment Upgrade	114,000	99,908	14,100	0	-14,100	EBC	On target to complete in 2014-15
Hampden Park Skate Park	150,000	5,686	145,350	695	-144,655	EBC/S106	On target to complete in 2014-15
Five Acre Field - Improvements	55,000	43,483	11,550	0	-11,550	S106	On target to complete in 2014-15

Scheme	Total Scheme Approved	Scheme Actual to 31.3.14	Revised Budget 2014-15	Spend to 30 June 2014	Remaining Budget	Funding	Comments
Upperton - Play Equipment	60,000	39,482	20,500	20,479	-21	EBC	Completed
Churchdale Road Allotments	38,000	12,774	25,250	0	-25,250	S106	On target to complete in 2014-15
Play Equipment - Bodium Cres	80,000	0	80,000	79,709	-291	EBC	Completed
Sovereign Harbour - Legal Advice	20,000	0	20,000	0	-20,000	EBC	Working with Sea Change Sussex
Terminus Road Improvements	500,000	0	500,000	0	-500,000	EBC	Detailed design work due following stakeholders event in July
Christmas Lights	25,000	0	25,000	0	-25,000	EBC	Chamber of Commerce have entered a 3 year contract to deliver Christmas lights
CIL - Software	14,000	0	14,000	4,393	-9,608	EBC	On target to complete in 2014-15
Five Acre Field - Railings	20,000	0	20,000	0	-20,000	EBC	On target to complete in 2014-15
Hampden Park WCs	40,000	0	40,000	0	-40,000	EBC	Works planned for 2014-15
Highfield Allotments	25,000	0	25,000	0	-25,000	External	On target to complete in 2014-15
Hyde Gardens WC	40,000	0	40,000	0	-40,000	EBC	Works planned for 2014-15
Total Customer First		294,300	1,924,200	341,001	-1,583,199		
TOURISM & LEISURE							
Volleyball Court	25,000	0	25,000	2,000	-23,000	EBC	On target
Signage	40,000	23,917	16,100	0	-16,100	EBC	Completion expected 2015-16
Sports Park Flood Lights	30,000	0	30,000	0	-30,000	EBC/Grant	Applying for match funding. Spend likely to be in 2015-16
Re-surface Tennis Courts	170,000	0	170,000	0	-170,000	EBC/Grant	£80k funding secured from LTA. Applying for a further £50k from Sport England
Wish Tower - Catering Outlet	40,000	36,000	4,000	0	-4,000	EBC	On target to complete in 2014-15
Bandstand Seating	15,000	0	15,000	0	-15,000	EBC	On target to complete in 2014-15
Serco Contract	Ongoing	Ongoing	312,430	0	-312,430	EBC	On target to complete in 2014-15
ILTC - Air Conditioning	60,000	0	60,000	0	-60,000	EBC	Works planned for 2014-15
ILTC - Public Address System	20,000	0	20,000	0	-20,000	EBC	Works planned for 2014-15
ILTC - Electrical System	10,000	0	10,000	6,295	-3,705	EBC	Works planned for 2014-15
ILTC - Fire Alarm	10,000	0	10,000	0	-10,000	EBC	Works planned for 2014-15
ILTC - Replacement Seating	100,000	0	100,000	74,967	-25,033	EBC	Completed. Retention outstanding.
ILTC - Replacement Showers	25,000	0	25,000	18,099	-6,901	EBC	Completed. Retention outstanding.
Total Tourism & Leisure		59,917	797,530	101,361	-696,169		
CORPORATE SERVICES							
Carbon Reduction Works	467,500	0	467,500	0	-467,500	EBC	In process of procurement
Agile phase 2	555,000	447,991	107,700	51	-107,649	EBC	Remaining spend expected in Q3
Invest to Save	80,000	0	80,000	0	-80,000	EBC	Available for allocation
Redesign of CCC at 1 Grove Road	300,000	35,877	264,100	0	-264,100	EBC	Spend to start in Q3
IT Replacement - Icon	42,500	33,288	9,200	0	-9,200	EBC	On target to complete in 2014-15
Future Model Phase 2	2,990,000	1,181,493	818,500	338,786	-479,714	EBC	On target. Progress report went to Cabinet July 2014
Capital Contingencies	Ongoing	3,220,764	0	40,304	40,304	EBC	Subject to Legal process

Scheme	Total Scheme Approved	Scheme Actual to 31.3.14	Revised Budget 2014-15	Spend to 30 June 2014	Remaining Budget	Funding	Comments
Investment Capital	7,150,000	1,150,000	3,000,000	0	-3,000,000	EBC	Investment due to be made in tranches waiting next draw down
Solar Panels (2nd Programme)	500,000	0	500,000	0	-500,000	EBC	New budget approved Cabinet July 14
IT - Block Allocation	Ongoing	Ongoing	307,500	89,300	-218,200	EBC	Windows 7 & MS Office 2010 almost complete. Next phase is email server upgrade
Total Corporate Services		6,069,413	5,554,500	468,440	-5,086,060		
Asset Management							
Devonshire Park Review	700,000	0	700,000	21,358	-678,642	EBC	Design Team to be appointed August 2014
Congress Theatre redesign & restoration	1,950,000	41,748	1,908,250	61,628	-1,846,622	EBC	Work due to start August 2014
Bandstand Restoration	245,000	247,000	18,000	0	-18,000	EBC	Completed
Royal Hippodrome Theatre	15,000	0	15,000	0	-15,000	EBC	On target to complete in 2014-15
Asset Management - Block Allocation	2,243,000	Ongoing	453,300	0	-453,300	EBC	Structural maintenance programme has been agreed.
Total Asset Management		288,748	3,094,550	82,986	-3,011,564		
General Fund		6,718,458	17,243,030	1,098,892	-16,144,138		
HRA		5,710,031	13,265,657	1,128,225	-12,137,432		
Total		12,428,489	30,508,687	2,227,117	-28,281,570		

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BODY: CABINET
DATE: 3rd September 2014
SUBJECT: Treasury Management Annual Report 2013-14
REPORT OF: Chief Finance Officer

Ward(s): All

Purpose: To report on the activities and performance of the Treasury Management service during 2013/2014

Decision Type

Contact: Alan Osborne, Chief Finance Officer, Financial Services Telephone Number 01323 415149.

Recommendations: Cabinet is recommended to:

1. Agree the annual treasury management report for 2013/14.
2. Specifically approve the 2013/14 prudential and treasury indicators included.

1.0 Introduction

1.1 This Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2013/14. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2013/14 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 5 February 2014)
- a mid year (minimum) treasury update report (Council 11 December 2013)
- an annual report following the year describing the activity compared to the strategy (this report)

In addition Treasury Management updates are included in the quarterly performance management reports, considered by both the Cabinet and Scrutiny Committee.

Recent changes in the regulatory environment place a much greater onus on members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it

provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit & Governance Committee before they were reported to the full Council. Member training on treasury management issues was undertaken on 23 March 2010 in order to support Members' scrutiny role.

1.2 This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Debt activity and investment activity.

2.0 The Council's Capital Expenditure and Financing 2013/14

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2012/13 Actual £m	2013/14 Estimate £m	2013/14 Actual £m
Non-HRA capital expenditure	5.14	13.90	6.04
HRA capital expenditure	7.14	8.90	8.84
LAMS	-	1.00	1.00
Total capital expenditure	12.28	23.80	15.88
Resourced by:			
• Capital receipts	2.45	3.90	0.14
• Capital grants & Contributions	4.77	9.50	1.14

• Revenue	0.09	1.10	0.50
Use of internal balances	2.96	2.80	7.65

3.0 The Council's overall borrowing need

- 3.1 The Capital Financing Requirement (CFR) represents the Council's total underlying need to borrow to finance capital expenditure, i.e. capital expenditure that has not been resourced from capital receipts, capital grants and contributions or the use of reserves. Some of this borrowing is from the internal use of cash balances.
- 3.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLB] or the money markets), or utilising temporary cash resources within the Council.
- 3.3 **Reducing the CFR** – the Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
- The total CFR can also be reduced by:
- the application of additional capital financing resources (such as unapplied capital receipts); or
 - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

- 3.4 The Council's 2013/14 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2013/14 on 6 February 2013.

The Council's CFR for the year is shown below, and represents a key prudential indicator. The figures include a credit sales agreement on the balance sheet, which increases the Council's borrowing need, the CFR.

CFR	31 March 2013 Actual £m	31 March 2014 Original Indicator £m	31 March 2014 Actual £m
Opening balance	53.65	56.60	55.90
Add unfinanced capital expenditure (as above)	2.96	2.80	7.65
Less MRP	(0.71)	(1.00)	(1.06)
Closing balance	55.90	58.40	62.49

- 3.5 The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit.

Net borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. Net borrowing should not therefore, except in the short term, have exceeded the CFR for 2013/14 plus the expected changes to the CFR over 2014/15 and 2015/16. This indicator allows the Council some flexibility to borrow in advance of its immediate capital need in 2013/14. The table below highlights the Council's net borrowing position against the CFR. The Council has complied with this prudential indicator.

	31 March 2013 Actual £m	31 March 2014 Original Indicator £m	31 March 2014 Actual £m
Net borrowing position	33.54	35.34	41.49
CFR	55.90	58.40	62.49

The authorized limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2013/14 the Council has maintained gross borrowing within its authorised limit.

The operational boundary - the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual

position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2013/14
Authorized limit	£73.4m
Maximum gross borrowing position	£42.4m
Operational boundary	£58.4m
Average gross borrowing position	£37.9m
Financing costs as a proportion of net revenue stream:	
Non HRA	6.61%
HRA	10.26%

4.0 Treasury Position as at 31 March 2014

4.1 The Council's debt and investment position is organised by staff within Financial Services in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2013/14 the Council's treasury position was as follows:

TABLE 1	31 March 2013 Principal	Rate/Return	31 March 2014 Principal	Rate/Return
Fixed rate funding:				
-PWLB	£28.71m		£27.19m	
-Market	£10.50m		£14.00m	
- Serco Paisa	£1.49m		£1.25m	
Total debt	£40.70m	5.11%	£42.44m	4.95%
CFR	£55.90m		£62.49m	
Over/ (under) borrowing	(£15.20)		(£20.05m)	
Total investments	£6.7m	1.35%	£0.95m	0.69%

All investments were for under one year.

4.2 The maturity structure of the debt portfolio excluding Serco Paisa was as follows:

	31 March 2013 Actual £m	2013/14 Original limits £m	31 March 2014 Actual £m
Under 12 months	4.52	2.66	5.16
12 months and within 24 months	4.64	5.98	5.98
24 months and within 5 years	7.00	10.00	7.00
5 years and within 10 years	12.02	12.40	12.40
10 years and above	11.03	10.65	10.65

The exposure to fixed and variable rates was as follows:

	31 March 2013 Actual £m	2013/14 Original Limits £m	31 March 2014 Actual £m
Principal - Debt Fixed rate	40.70	58.40	42.44
Principal – Investments Variable rate	(6.70)	N/a	(0.95)

5.0 The Strategy for 2013/14

5.1 The expectation for interest rates within the strategy for 2013/14 anticipated low Bank Rate until quarter 4 of 2014. Variable or short-term rates were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

In this scenario, the treasury strategy was to postpone borrowing to avoid the cost of holding higher levels of investments and reduce counterparty risk.

The actual movement in interest rates broadly followed the expectations in the strategy; rates have continued to remain low and are not expected to rise until quarter 1 of 2015.

During 2013/14 the Council used internal balances and temporary borrowing at historically low interest rates to ensure new borrowing was taken at the most advantageous rates. Temporary borrowing of £3m taken in March 2013 was repaid in April 2013. New borrowing of £4m was taken in December 2013 and a further £2.5m in March 2014.

6.0 **Borrowing Outturn for 2013/14**

6.1 **Treasury Borrowing.**

Borrowing – two new loans totaling £6.5m were drawn down in December 2013 and March 2014 to fund the net unfinanced capital expenditure. The loans drawn were all fixed rate as follows:

Lender	Principal	Interest Rate	Maturity
Neath Port Talbot County Borough	£4m	2.20%	19/6/18
Portsmouth CC	£2.5m	0.35%	30/4/14

This compares with a budget assumption of borrowing at an interest rate of 3.25%.

Rescheduling – no debt rescheduling was carried out during the year as there was no financial benefit to the Council.

Repayment – £3m of temporary debt was repaid on maturity during the year.

Summary of debt transactions – the overall position of the debt activity resulted in a fall in the average interest rate by 0.16%, representing a saving to the General Fund.

7.0 **Interest Rates in 2013/14**

7.1 The tight monetary conditions following the 2008 financial crisis continued through 2013/14 with little material movement in the shorter term deposit rates.

7.2 Bank Rate remained at its historical low of 0.5% throughout the year. Investment rates dropped and continued to be very low. With many financial institutions failing to meet the Council's investment criteria, the opportunities for investment returns was limited. The investment rates at the beginning and end of the year are provided below.

Investment Term	Interest Rate March 2014	Interest rate April 2013
Overnight	0.40%	0.40%
1 Month	0.40%	0.40%
3 Months	0.50%	0.45%
6 Months	0.55%	0.55%
9 Months	0.70%	0.70%
12 Months	0.80%	0.80%

The PWLB rates at the beginning and end of the year are provided below.

Loan Term	Interest Rate	Interest rate
-----------	---------------	---------------

	March 2014	April 2013
1 Year	1.44%	1.13%
5 Years	2.99%	1.75%
10 Years	3.94%	3.84%
20 Years	4.42%	4.07%
50 Years	4.47%	4.22%

8.0 Investment Outturn for 2013/14

8.1 **Investment Policy** – the Council’s investment policy is governed by CLG guidance, which was been implemented in the annual investment strategy approved by the Council on 6 February 2013. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

8.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

8.3 **Resources** – the Council’s longer term cash balances comprise, primarily, revenue and capital resources, although these will be influenced by cash flow considerations. The Council’s core cash resources comprised as follows, and met the expectations of the budget:

Balance Sheet Resources	31 March 2013 £m	31 March 2014 £m
Balances	3.92	4.69
Earmarked reserves	3.44	5.84
HRA	2.18	2.70
Major Repairs Reserve	2.67	0.31
Capital Grants & Contributions	5.00	4.20
Usable capital receipts	3.45	5.01
Total	20.66	22.75

8.4 **Investments held by the Council** - the Council maintained an average balance of £8.13m of internally managed funds. The internally managed funds earned an average rate of return of 0.9%. The comparable performance indicator is the average 7-day LIBID rate, which was 0.35%. This excludes the Council’s investment with Lloyds Bank of £1m for 5 years at 3.03% which supports the Local Authority Mortgages Scheme (LAMS).

9.0 The Economy and Interest Rates Forecast

9.1 Economic background:

- After strong UK GDP growth of 0.7%, 0.8% and 0.7% in quarters 2, 3 and 4 respectively in 2013, and 0.8% in Q1 2014, it appears very likely that strong growth will continue into 2014 as forward surveys are very encouraging. There are also positive indications that recovery is starting to broaden away from reliance on consumer spending and the housing market into construction, manufacturing, business investment and exporting. This strong growth has resulted in unemployment falling much faster through the threshold of 7%, set by the Monetary Policy Committee (MPC) last August, before it said it would consider any increases in Bank Rate. The MPC has, therefore, now broadened its forward guidance by adopting five qualitative principles and looking at a much wider range of about eighteen indicators in order to form a view on how much slack there is in the economy and how quickly slack is being used up. Accordingly, markets are expecting a first increase around the end of 2014.
- Also encouraging has been the sharp fall in inflation (CPI), reaching 1.5% in May, the lowest rate since 2009. Forward indications are that inflation is likely to fall further in 2014 to possibly 1%. The return to strong growth has also helped lower forecasts for the increase in Government debt by £73bn over the next five years, as announced in the Autumn Statement, and by an additional £24bn, as announced in the March 2014 Budget - which also forecast a return to a significant budget surplus, (of £5bn), in 2018-19. However, monthly public sector deficit figures have disappointed in this quarter.
- In June, the Federal Reserve continued with its monthly \$10bn reductions in asset purchases, which started in December 2014. Asset purchases have now fallen from \$85bn to \$35bn and are expected to stop by Q3 201, providing strong economic growth continues this year. First quarter GDP figures were depressed by exceptionally bad winter weather, but growth rates since then look as if they are recovering well.
- The Eurozone is facing an increasing threat from deflation. In May, the inflation rate fell further, to reach 0.5%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB did take some rather limited action in June to loosen monetary policy in order to promote growth.

9.2 The Council's treasury advisor, Capita, provides the following forecast:

	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%
5yr PWLB rate	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.20%
10yr PWLB rate	3.70%	3.70%	3.80%	3.90%	4.00%	4.00%	4.10%
25yr PWLB rate	4.40%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%
50yr PWLB rate	4.40%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%

The Capita central forecast is for the first increase in Bank Rate to be in the March 2015.

9.3 **Summary Outlook**

Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth rebounded during 2013 and the first quarter of 2014 to surpass all expectations, propelled by recovery in consumer spending and the housing market. Forward surveys are currently very positive in indicating that growth prospects are also strong for the rest of 2014, not only in the UK economy as a whole, but in all three main sectors, services, manufacturing and construction. This is very encouraging as there does need to be a significant rebalancing of the economy away from consumer spending to construction, manufacturing, business investment and exporting in order for this start to recovery to become more firmly established. One drag on the economy has been that wage inflation has been significantly below CPI inflation, so disposable income and living standards were being eroded, (although income tax cuts had ameliorated this to some extent). However, recent falls in inflation have created the potential for the narrowing of this gap and it could narrow further during this year, especially if there is also a recovery in growth in labour productivity (leading to increases in pay rates). With regard to the US, the main world economy, it faces similar debt problems to those of the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth, although labour force participation rates remain lower than ideal.

As for the Eurozone, concerns subsided considerably during 2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international un-competitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is,

therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed.

10.0 Executive Summary and Conclusion

10.1 During 2013/14, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2012/13 Actual £m	2013/14 Original £m	2013/14 Actual £m
Actual capital expenditure	12.28	23.804	15.88
Total Capital Financing Requirement:			
• Non-HRA	19.16	21.66	25.02
• HRA	<u>36.74</u>	<u>36.74</u>	<u>37.47</u>
• Total	55.90	58.40	62.49
Net borrowing	34.00		41.49
External debt	40.70		42.44
Investments (all under 1 year)	6.70		0.95

Other prudential and treasury indicators are to be found in the main body of this report. The Chief Finance Officer also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit), was not breached.

The financial year 2013/14 continued the challenging environment of previous years; low investment returns and continuing counterparty risk continued.

11.0 Consultation

Not applicable

Background Papers:

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

CIPFA Treasury Management in the Public Services code of Practice (the Code)

Cross-sectorial Guidance Notes

CIPFA Prudential Code

Treasury Management Strategy and Treasury Management Practices adopted by the Council on 18 May 2010.

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