

Cabinet



Minutes of meeting held on Wednesday, 12 July 2017 at 6.00 pm

Present:-

Councillors **David Tutt** (Chairman and Leader of the Council), **Gill Mattock** (Deputy Chairman and Deputy Leader of the Council), **Jonathan Dow**, **Margaret Bannister**, **Dean Sabri**, **Alan Shuttleworth** and **John Ungar**.

The chairman welcomed Councillor Dow to his first meeting of the cabinet.

11 Minutes of the meeting held on 24 May 2017.

The minutes of the meeting held on 24 May 2017 were submitted and approved and the chairman was authorised to sign them as a correct record.

12 Declarations of interests by members.

Declarations of disclosable pecuniary interests (DPIs) by members as required under section 31 of the Localism Act and other interests as required by the council's code of conduct and regulation 12(2)(d) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Councillor Tutt declared a personal (and non-prejudicial interest) in matters relating to minutes 14 (corporate performance) and 25 (future waste, recycling and street cleansing service) as he was a council appointed non-executive director of iESE Ltd.

13 Emergency planning.

13.1 In the wake of Grenfell Tower fire, the chairman allowed Councillor Jenkins to ask about the council's emergency planning arrangements. The assistant director for corporate governance gave the following response.

13.2 All borough and district councils had statutory responsibilities as category one emergency responders under the Civil Contingencies Act 2004. Eastbourne Borough Council's overarching emergency plan covered all these responsibilities, was regularly updated, and was on the council's website. Underpinning the overall plan were subsidiary plans covering the readiness and deployment of rest centres, set up and function of the emergency control centre, and high level potential risks, for example flood/coast protection plans. In addition, bespoke emergency plans were created for specific high risk events such as elections, Airbourne in Eastbourne, and bonfire night in Lewes. The council's role was to work in partnership with other category 1 agencies such as the emergency services, in responding to major incidents. In

most situations, the lead role was taken by the police. Specific council responsibilities included strategic response at gold/silver level, and operational response at bronze level, such things as provision of rest centres, transport, catering, temporary accommodation, support to vulnerable people, road closures, liaison with utilities and other agencies, etc. Depending on the nature of the incident, the council would have a significant and potentially prolonged role in respect of business continuity and recovery. In order to provide this response, the council had a wide range of staff at all levels trained as gold, silver and bronze operatives. Corporate management team were trained to perform at gold and/or silver levels. The council had a pool of 18 senior officers trained as incident liaison officers who rotated the 24/7 emergency call out function a week at a time. Training exercises were frequently held both for strategic and operational staff. The council worked as part of an emergency planning network across East Sussex with the other boroughs and districts. East Sussex County Council provided commissioned officer support and a joined up approach. The council was also part of a mutual aid agreement with neighbouring authorities flexible deployment of the necessary resources in response to major incidents. The council also worked closely with the emergency services and participate in joint training days and was a member of the Sussex Resilience Forum. This was the pan-Sussex multi agency partnership of statutory responders, led by the police and set up to work together to prepare, respond to and recover from emergencies and major incidents

13.3 Councillor Shuttleworth commented further in respect of the specific issues raised by the Grenfell Tower fire. There were no high rise council blocks in Eastbourne; a number of blocks at 3 or 4 stories and one council block of 5 stories. Checks had been done on all blocks and no cladding or other safety issues had been identified. Communications with residents had been reviewed and the website updated with links to fire safety advice provided. The council was working closely with the fire service and building control to check private blocks of flats. To date no areas of concern had been identified.

Noted.

14 Corporate performance 2016-17.

14.1 Councillor Smart asked questions about the abortive costs of the Downland farms sales and profiling of the Hampden Park retail park acquisition in the capital programme.

14.2 Cabinet considered the report of the deputy chief executive and director of regeneration and planning reviewing the council's performance against corporate plan priority indicators and action targets; financial performance of general fund revenue expenditure, housing revenue account and capital programme; and treasury management activities, for the fourth quarter of 2016/17 and also the position at year end, against the targets set for the full year.

14.3 Appendix 1 gave detailed information on non-financial performance including details of the devolved ward budget spend for the year. Members highlighted the significant reduction in reported incidents of fly tipping and both catering and the events programme showing income above target.

14.4 The final outturn for service expenditure for the year 2016/17 was £15.1m. The table at appendix 2 of the report showed the council's financial outturn as compared with the agreed budget at service level. The general fund summary figures included the transfers to and from reserves as shown in appendix 3 to the report.

14.5 Housing revenue account (HRA) performance showed a favourable variance of £271,000, which was mainly due to the new properties let at affordable rents not included in the budget, a reduction required for the provision for bad debts and the slow take up of the under occupation scheme. The HRA delivered an surplus outturn of £688,000 representing 1.19% of turnover. The HRA balance was in line with the expectation and was sufficiently robust to support the housing self-financing 30 year business plan.

14.6 A summary of capital expenditure for the year is shown in appendix 5 to the report. The revised capital for 2016/17 was £45m and the outturn was £27m, a variance of £18m. This variance of £18m related to the purchase of Hampden Retail Park taking place in early April rather than as expected in March in the previous financial year.

14.7 The collection fund balance for council tax was a surplus of £1.4m and a deficit of £2.4m for business rates. This would be allocated to or collected from preceptors during 2017/18 and 2018/19.

14.8 In accordance with legislation and codes of practice the council was required to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2016/17. The Treasury management annual report for 2016-17 was considered as a separate report (see minute 15 below).

14.9 The Accounts and Audit Regulations 2015 require the council to formally approve and publish its statements for the financial year ending 31 March 2017 by 30 September 2017. The draft statement was available on the council's website and copies could be obtained from financial services. Key features were summarised in the report. The external auditor was due to commence work on 5 July and the accounts would open for public inspection between 3 July and 11 August 2017. The final audited statement of accounts would be reported to the council's audit and governance committee on 20 September 2017.

14.10 Resolved (key decision) (1) That the highlight achievements and progress against corporate plan priorities for 2016/17 be noted.

(2) That the general fund outturn on services' expenditure for 2016/17 of £15.1m, a total favourable variance of £138,000 against the revised service budget, be agreed.

(3) That the transfer from/to reserves, as set out in appendix 3 to the report, be approved.

(4) That the housing revenue account surplus for 2016/17 of £688,000, be approved.

(5) That the final capital programme as set out in appendix 5 to the report and the outturn for 2016/17 of £26.9m. be approved.

15 * Annual treasury management report 2016/17.

15.1 Cabinet considered the report of the deputy chief executive. This report covered the treasury management activity and performance for the financial year 2016/17. The council's treasury management activities were regulated by a variety of professional codes, statutes and guidance.

15.2 Past changes in the regulatory environment had placed a much greater onus on members for the review and scrutiny of treasury management policy and activities. This report was important in that respect, as it provided details of the outturn position for treasury activities and highlighted compliance with the council's policies previously approved by members. It was also confirmed that the council had complied with the requirement under the code to give prior scrutiny to all of the above treasury management reports by the council's audit and governance committee before they were reported to full council. Member training on treasury management issues was last undertaken on 23 November 2015 in order to support members' scrutiny role.

15.3 The report summarised:

- 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.
- Review of minimum revenue provision (MRP).
- Overall treasury position identifying how the council had borrowed in relation to this indebtedness, and the impact on investment balances.
- Summary of interest rate movements in the year.
- Debt and investment activity.

15.4 The deputy chief executive also confirmed that borrowing was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit), had not been not breached. He commented that the financial year 2016/17 continued the challenging environment of previous years; low investment returns and continued counterparty risk.

***15.5 Resolved (budget and policy framework):** That full council be recommended to approve the annual treasury management report for 2016/17 and that specific approval be given to:

- (i) the 2016/17 prudential and treasury indicators included within the report;
- (ii) the re-profiling of the authorised limit and operational boundary; and
- (iii) to note the review of minimum revenue provision.

16 Medium term financial strategy 2017-21.

16.1 Cabinet considered the report of the deputy chief executive setting out an overarching financial strategy to support the council's strategic priorities and plans over a four year period. The medium term financial strategy (MTFS) was a rolling 4 year strategy that took into account:

- The external financial environment.
- The overall financial demands of services.
- The council's existing and projected financial resources.
- The council's political priorities and stated aims.
- The joint transformation programme with Lewes District Council.
- The council's corporate plan.
- The major service strategies and plans.

The MTFS had last been approved in July 2016 and set the backdrop for the 2016/17 budget setting process as well as a informing a 3-year rolling service and financial planning cycle.

16.2 In common with most authorities the medium term outlook for the council was extremely challenging and in order to protect and improve services an ambitious ongoing programme of savings was key to success. With more radical measures required, it was essential that the council took a longer term approach to savings as more radical savings initiatives would inevitably take longer to plan and deliver.

16.3 Over the life of the last two parliaments the government effectively reduced the general support to the council by some 60% in cash terms which equated to over 70% in real terms. Government funding was expected to fall a further 20% over the next parliamentary cycle to 2022/23.

16.4 To protect front line services the council had put in place a priority based budget system that had kept pace with the scale of cuts to funding and made provision for reinvestment in services. The council's joint transformation programme (JTP) provided the methodology to deliver efficiencies and support the councils corporate plans. The MTFS and capital strategy identify and direct resources at a strategic level, which were then detailed via the service and financial planning and budget setting process.

16.5 In setting recent annual budgets the council had achieved its "golden rule" of meeting its ongoing budget requirement from ongoing resources in each year. Technically, the rule applied to the cycle of the MTFS, and it was reasonable to use reserves to smooth out the budget as savings accrued over the cycle. By not using reserves in this manner it had meant that reserves over the minimum level were available for one off investments in services decided via the service and financial planning process.

16.6 The council, as a registered social landlord, was obliged to run a housing revenue account (HRA) that was statutorily ring-fenced from its general fund. A 30-year rolling business plan had been adopted for the HRA. The council was working in partnership with Eastbourne Homes Ltd. (EHL), a wholly owned subsidiary, to deliver efficiency savings in partnership using shared services. All savings accruing to the HRA were reinvested in housing services. During the last 3 years over £1m of ongoing efficiencies had been realised.

16.7 The government had set an objective to continue reducing the nation's budget deficit within the next 8 years (2025). This would involve various measures that would reduce the amount of resources to local government including:

- A further reduction in general central government support 2017-2020.
- Reducing the amount of resource available to the Department for Communities and Local Government as it was not a "protected department" which would impact on specific grants.
- Increasing in the funding for new homes bonus (NHB) paid for by further reducing the revenue support grant (RSG) which was set to be zero for the council by 2019.
- A further year on year reduction in housing benefit administration grant (on top of the £300,000 cumulative reduction in the last 6 years).

16.8 The actual effect of the national deficit reduction programme to this council had been the amount made available via the revenue support grant (RSG). The council received £8.9m in RSG in 2010/11. Whilst a scheme to retain an element of business rates was introduced in 2013, the council was now receiving £0.9m of RSG in 2017/18. This would be zero by 2019. Against this backdrop service demands on councils were ever increasing with demographic and increased expectation causal effects. A cap on public sector pay rises would be maintained and they should not increase above 1% per annum until at least 2020. The government had reduced the benefits paid to members of the local government pension scheme, by pegging future increases to the CPI instead of RPI. This has had the effect of increasing the overall funding of pensions schemes and therefore reduced the demand for future increases in employer contributions.

16.9 The report set out the council's strategy in relation to dealing with the effects of inflation in the costs of goods and services and pay, pension costs, fees and charges, interest rates, council tax, government grants and retained business rates, savings, the scope for new or enhanced service provision, the housing revenue account, reserves and the mitigation of risks. Appendix 1 to the report set out the potential risks and mitigating measures available to the council.

16.10 In order to maintain sustainable finances and fund its ambitions, the council would need to make new efficiency savings or income streams averaging £0.9m per annum for the next three years. Due to

the scale of the challenge the programme of change would require more radical measures for savings that often had a lead in period of 1 to 2 years, therefore the JTP programme was a key enabler to meeting this challenge as well as developing new income streams.

16.11 Resolved (key decision): (1) That the updated medium term financial strategy and associated plan 2017-21, as summarised in appendix 2 of the report, be approved.

(2) That the balance of assumptions made in the strategy be agreed.

(3) That that the emerging budget proposals for 2018/19 be brought to cabinet in December prior to detailed consultation and that the MTFS be re-presented if material changes arise in the interim.

(4) That the principal risks of the strategy set out in appendix1 of the report be agreed.

17 * Corporate plan 2016/20 - 2017/18 refresh.

17.1 Councillor Jenkins sought and received confirmation that completion of the Sovereign Harbour community centre would take place by December 2017.

17.2 Cabinet considered the report of the director of regeneration and planning setting out the results of a review which had been undertaken of the council's four year plan (2016 – 2020) at the end of the first year. The corporate plan was a key corporate document. It set out the council's commitments to its residents and businesses and outlined a programme of important strategic objectives and the projects that would deliver these for the borough. The plan drew upon a range of statistical data, as well as the views of key stakeholders, to inform and help shape the policy priorities for the council.

17.3 The 2016-2020 corporate plan had been adopted by the council in May 2016, following extensive consultation and engagement with local residents, partners and stakeholders. Progress against key success measures and project deliverables set out in the plan had been reported to members on a quarterly basis, as part of normal performance management arrangements (through both scrutiny committee and cabinet).

17.4 A list of completed actions were given, together with details of new areas of work to be added to the plan. Appendix A to the report gave information about the volume and range of services that the council had delivered across its functions. In order to set challenging and realistic targets a number of changes to the performance indicators were proposed and these were listed in the report.

***17.5 Resolved (budget and policy framework):** That full council be requested to approve the action plan for year 2 of the corporate plan

2016-20 (appendix A to the report), including the additional actions and projects and revisions to key performance indicators.

18 Corporate asset management plan 2017-2020.

18.1 Cabinet considered the report of the director of regeneration and planning. In order to ensure the property aspirations of the council's corporate plan were met, and in particular the over-arching aim of achieving a sustainable asset base by 2021, the council needed to put in place a robust property strategy. The corporate asset management plan 2017-2020 (AMP) provided this strategy and set out the objectives against which progress in delivering the aspirations of the corporate plan could be measured. The plan together with appendices was appended to the report.

18.2 The plan was the first joint property document between Lewes District Council (LDC) and Eastbourne Borough Council (EBC). In line with the commitment both councils had to sharing services whilst retaining sovereignty over their respective areas, property asset management would be aligned across LDC and EBC but each council's property portfolios would be treated separately. The AMP reflected both the shared vision and each council's individual priorities.

18.3 A yield growth target of 10% year on year would be achieved through the strategic management of current and future assets in line with the AMP. Costs incurred in meeting objectives and carrying out works arising out of the adoption of the plan would generally come from existing budgets, however, there might be circumstances when additional funding was sought to support future one-off projects. Property management and the responsibility for maintenance, development, disposal, estate management (including leases and licences) and statutory compliance would be brought under a centralised corporate unit.

18.4 The AMP implementation plan would be subject to progress reporting to strategic property board and annual refresh in line with changes in legislation and government requirements and the priorities of the council's corporate plan and the medium term financial strategy.

18.5 The AMP focused on 4 key areas for realising efficiencies:

- Improving yield from the investment portfolio.
- Reducing maintenance costs and liabilities.
- Delivering efficiencies through smarter procurement.
- Increasing the capital value of each council's asset base.

18.6 The following documents would support the aspirations and objectives of the AMP:

- Building maintenance plan. To move from the current position of almost 100% reactive maintenance to a 60/40 planned/reactive maintenance basis over a two-year period.
- Strategy and policy principles. Providing for governance and decision making procedures.

- Acquisition and investment strategy. Covering investment yields, due diligence checks, risks and achieving a balanced asset base with 70% of assets held as a long-term investment and 30% trading for profit.
- Disposal and transfer strategy.
- Lease and rent management policy. All new leases would generally be assessed on an open market rent basis. Social value might be taken into consideration if this was clearly in support of the councils' main aims and objectives.
- Accessibility policy. Accessibility funding would be prioritised in order to enable access to all. Where it was not possible to improve access to a building, an access plan would be put in place and alternative arrangements made so that the councils' services remained accessible.
- Risk and compliance policy. A rolling programme of surveys and assessments would be undertaken. Safe management and ultimately the safe removal of any high priority risks identified would be prioritised. Contractors would be monitored to ensure that their performance targets were being met in relation to the councils' inspection and testing regime.
- Property maintenance policy. Maintenance spend would be focused on planned rather than reactive works. Energy saving works would be included in replacement programmes where it was cost effective to do so. Operational buildings will be maintained to a good ('grade B') standard.

18.7 In order to ensure compliance with council's contract procedure rules and allow the council the flexibility to move quickly to secure acquisitions, the report recommended that authority to be delegated to the director of regeneration and planning, in consultation with the strategic property board, to agree waivers in respect of agents and legal fees relating to acquisitions.

18.8 A key part of the AMP was the asset challenge process whereby officers would stress-test existing assets considering income generation, and costs of the assets to the council. Difficult decisions would then need to be made regarding retention, disposal, investment or transfer of assets, as well as taking account of any community value. Importantly, whilst disposal and realising capital receipts was part of efficient property management, asset challenge was not solely a disposals programme. Whilst inevitably there would likely be some assets identified for disposal as they no longer met the needs of the council and its communities, all elements that would help achieve a sustainable asset base would be considered, such as regeneration opportunities, opportunities for increased yield, and reduced maintenance and financial liabilities for retained properties. Key to the process was recognition of the council's unique role as custodian for its communities and ensuring all assets that were retained had strong social, cultural, environmental and economic benefits and clearly contributed to increasing social value.

18.9 LDC's cabinet approved the AMP at their meeting on 26 June 2017.

18.10 Resolved (key decision): (1) That the corporate asset management plan 2017-2020 be approved and adopted.

(2) That the director of regeneration and planning be given delegated authority, in consultation with the Strategic Property Board, to make minor amendments to the plan if required before formal publication.

(3) That the director of regeneration and planning be given delegated authority, in consultation with the strategic property board, to approve procurement waivers in respect of commercial agents and legal fees relating to strategic acquisitions undertaken in line with the council's acquisition and investment strategy.

(4) That save for exceptional circumstances, the council's policy will be to apply open market rent for all new leases.

19 Joint venture on energy and sustainability.

19.1 Cabinet considered the report of the director of regeneration and planning to set up a structure with a private sector partner that would deliver a range of projects to meet environmental ambitions whilst also ensuring resilience against future energy, sustainability and climate change challenges.. Setting up a strategic partnering agreement (SPA) joint venture, was a low cost, low risk option putting the council in a strong position alongside Lewes District Council (LDC) to deliver sustainability ambitions, and invest in significant capital projects with the potential for financial return. A similar report had been made to LDC's cabinet and approval given to the recommendations at their meeting on 26 June 2017.

19.2 The joint venture could be used to accelerate the delivery of projects, which would be completed to agreed timescales, and to a high standard. Use of a private sector joint venture partner would mean that other contractors could be brought into projects without the requirement for a time consuming and costly procurement exercise. Other benefits were the facility to bundle up smaller projects, some of which would be of community benefit and building a local supply chain for sub-contractors. Cabinet approved the public procurement process for selecting a private sector partner at their meeting on 25 May 2016.

19.3 The procurement process had been undertaken on behalf of both councils, as founding partners. The invitation to submit final tender stage had now concluded, completing the procurement process. The Robertson Aecom Consortium were recommended as the preferred bidder and subject to the approval of both council's cabinets and satisfactory finalisation of the contractual agreements it was recommended that they were appointed as the joint venture partner for a period of 20 years, to provide a long term arrangement for a framework for the right strategic planning and investment to take place.

19.4 Further details of the objectives of the joint venture, supporting documentation, governance arrangements, and legal and financial implications were set out in the report.

19.5 Resolved (key decision): (1) That the Robertson Aecom Consortium be appointed as the preferred bidder for the energy and sustainability joint venture and award it a contract to work with Eastbourne Borough Council and Lewes District Council as the private sector partner subject to satisfactory finalisation and completion of the contractual agreements.

(2) That the setting up of a new joint board for energy and sustainability comprising Eastbourne Borough Council and Lewes District Council members as nominated by the group leaders on a politically proportionate basis be approved; such board will be advisory only and substitute members may be drawn from any political group.

(3) That director of regeneration and planning be given delegated authority to take all necessary operational decisions to implement the joint venture in consultation with the lead cabinet member for place services and where appropriate the chief finance officer and assistant director – legal and democratic services.

(4) That director of regeneration and planning be given delegated authority to agree the inclusion in the joint venture structure of other participants in consultation with the lead cabinet member for place services and where appropriate the chief finance officer and assistant director – legal and democratic services.

(5) That director of regeneration and planning be given delegated authority, in consultation with the lead cabinet member for place services and where appropriate the assistant director – legal and democratic services, to agree the terms of an inter-authority agreement to govern the relationship between Eastbourne Borough Council and Lewes District Council as founding participants under the arrangement.

20 * Statement of community involvement.

20.1 Cabinet considered the report of the director of regeneration and planning. The Planning and Compulsory Purchase Act 2004 required local planning authorities to produce a statement of community involvement (SCI), explaining how they would engage local communities and other interested parties in producing their local plan and determining planning applications. It was a legal requirement that any consultation on local plans was undertaken in accordance with the adopted SCI.

20.2 The draft statement of community involvement (SCI) was published for consultation with the local community and other stakeholders between 24 March and 18 May 2017, following authority from cabinet on 22 March 2017. Once adopted, the SCI would be used to guide consultation on planning policy documents. The current statement, adopted in 2006 and updated in 2009, was now out of date.

20.3 During the consultation on the SCI, a total of 21 representations were received from 11 respondents. This includes representations from the Clinical Commissioning Group, Highways England, Southern Water, the Health and Safety Executive, Natural England, Bespoke and five individuals. Six of the 21 representations did not comment on the content of the SCI. The full representations and the recommended officer response to the representations were contained in appendix 1 to the report. A schedule of changes recommended in light of those representations was provided as appendix 2 to the report. An amended version of the SCI as a result of the recommended changes was provided as appendix 3 to the report. A summary of the main issues raised during the consultation was given in the report.

***20.4 Resolved (budget and policy framework):** (1) That cabinet endorse the statement of community involvement, as set out in appendix 3 to the report, and recommend its adoption by full council.

(2) That cabinet endorse, and recommend to full council, the revocation of the previous statement of community involvement (adopted 2006, amended 2009), as set out in appendix 4 to the report.

(3) That full council be recommended to agree that any minor or technical adjustments found necessary in the statement of community involvement be delegated to the director of regeneration and planning in consultation with the lead cabinet member.

21 Public space protection orders.

21.1 Cabinet considered the report of the director of service delivery. Part 4 (i.e. the community protection provisions) of the Anti-Social Behaviour, Crime and Policing Act 2014 introduced new powers to tackle anti-social behaviour, which were designed to be more streamlined and victim focused. These provisions included the power to make public space protection orders (PSPOs). Certain existing orders made under previous legislation would automatically become PSPOs and stay in force for 3 years unless repealed. However, it was recommended to review such existing orders, consult with relevant authorities, repeal the original orders, and replace them with new PSPOs.

21.2 The relevant orders were those covering control of the public consumption of alcohol, dog fouling, dogs on leads and the banning of dogs from designated public places. The council would, where required, consult with the police, the police and crime commissioner, land owners of affected areas and any appropriate community representatives.

21.3 Resolved (key decision): (1) That the public space protection orders in draft form, as set out in appendices B to E of the report, be approved for the purposes of consultation.

(2) That the director of service delivery, in consultation with the lead cabinet member, be granted delegated authority:

- (i) to carry out statutory consultation on the draft public space protection orders;
- (ii) if necessary, to amend the content of the orders in light of consultation responses;
- (iii) to make and publicise the orders in accordance with relevant legislation;
- (iv) to put in place arrangements, including with external parties, to enforce the orders; and
- (v) to keep the orders under review; and to cease, renew or amend them at the end of their term, as appropriate.

22 Eastbourne Homes Investment Company Limited (EHICL) and Joint Housing Investment Partnership with Lewes District Council (JHIP).

22.1 Cabinet considered the report of the chief executive updating members on progress with the establishment of the joint housing partnership (JHIP) with Lewes District Council (LDC) further to the cabinet's decisions taken on 22 March 2017 and setting out plans for first phase delivery; providing an update on the progress of Eastbourne Housing Investment Company (EHICL) activities; and seeking approval to officer delegations for the purpose of loans and associated matters.

22.2 The new JHIP was formally incorporated on 1 July 2017. It had unrestricted objectives but its primary purpose was to act as the asset holding vehicle for affordable housing properties that could not, for financial accounting or other reasons, be held in Eastbourne BC and Lewes DC's respective housing revenue accounts (HRA's). Such properties might be acquired as a consequence of Eastbourne BC's new development programme via Eastbourne Housing Investment Company Limited (EHICL) or might be direct acquisitions into the JHIP. Cabinet also approved an associated recommendation to allocate up to £30m in the council's capital programme to progress the next phase of delivery for EHICL (£20m) and first phase delivery for JHIP (£10m), in both cases for the delivery of new mixed tenure homes and associated activities.

22.3 Details of EHICLs current programme, comprising the delivery of 84 residential units at various sites at a total cost of £8.204m, were given in the report. It was proposed to bring forward a £5m affordable homes programme of 37 street/block acquisitions through the JHIP in addition to the EHICL street property acquisition programme.

22.4 Through future phase delivery, the JHIP would also act as the asset holding vehicle for affordable housing properties developed through the EHICL and its Lewes counterpart, Lewes Housing Investment Company Limited (LHICL) commercially focused development programmes. As an example, for larger 'pipeline' EHICL schemes, such as Bedfordwell Road, the required affordable housing would be transferred on completion to the JHIP as there was insufficient headroom within the HRA to enable direct incorporation and the council would otherwise lose control over delivery and letting of these homes. The earliest expected transfers to the JHIP would take place in 2018. In the meantime, there was

continued pressure on the council to meet housing need in very challenging times. The council was spending on average £40 a night on procuring the rental of emergency accommodation in Eastbourne for those whom the council had a duty to assist with housing.

22.5 Resolved (key decision): (1) That the focus of first phase housing delivery via the joint housing investment partnership be approved.

(2) That all and any future decisions to agree scheme lending parameters for loans to Eastbourne Homes Investment Company Limited, including decisions about the types of property for which any loan might be made and the terms of any such loan, shall be delegated to the council's chief executive in consultation with the council's chief finance officer (and monitoring officer, where appropriate), and in consultation with the lead cabinet members for community and finance.

(3) That any future purported delegation to officers to negotiate and/or agree terms and/or confer any benefit (financial or otherwise) on any company or partnership in which the council has an interest shall be a delegation to the council's chief executive in consultation with the council's chief finance officer (and monitoring officer, where appropriate), and in consultation with the relevant lead cabinet members.

(4) That the council will build governance audits as described in para 5.8 of the report into its annual work programme.

23 Eastbourne business improvement district (BID).

It was reported that this matter was now due to be considered at the cabinet's next ordinary meeting on 13 September 2017.

Noted.

24 Exclusion of the public.

Resolved: That the public be excluded from the remainder of the meeting as otherwise there was a likelihood of disclosure to them of exempt information as defined in schedule 12A of the Local Government Act 1972. The relevant paragraph of schedule 12A and a description of the exempt information is shown below. *(The requisite notice having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)*

25 Future waste, recycling and street cleansing service - delivery options.

25.1 Cabinet considered options for the future waste, recycling and street and beach cleansing services. Eastbourne was part of the East Sussex Joint Waste Partnership (ESJWP) to deliver these services alongside Hastings Borough Council, Rother District Council and Wealden District Council. A contract had been in place with Kier Services since

April 2013, due to run for 10 years. However, a mutual exit had been agreed with Kier to terminate the contract in June 2019.

25.2 Options of either continuing a part of the ESJWP or joining with Lewes District Council as part of a directly-delivered service had been the subject of extensive evaluation. The confidential report and appendices explored in detail the costs and implications of these options.

25.3 Members reviewed the options and indicated that their preferred option was for a joint service with Lewes District Council and that the council withdraw from the East Sussex Joint Waste Partnership. Officers were authorised to carry out further work to progress this option and to ensure that new service arrangements are in place for June 2019.

Notes: (1) The full minute of the above matter is set out in the confidential section of these minutes. The report remains confidential. (2) Exempt information reasons: 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information) and 5 (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).

26 Investment opportunity.

26.1 Cabinet approved proposals with regard to an investment opportunity. The opportunity would use the council's financial status to leverage income meeting the needs of the medium term financial strategy in line with the council's corporate plan and treasury management strategy.

26.2 Full details of the proposal, risk analysis, financial and legal implications were given in the confidential report to members. Initial advice from treasury management advisors confirmed that the deal was sound and the risk managed, although it was noted that there was an amount of due diligence yet to be undertaken, including around powers, and any such arrangement would be dependent upon acceptable heads of terms being agreed.

Notes: (1) The full minute of the above matter is set out in the confidential section of these minutes. The report remains confidential. (2) Exempt information reasons: 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information) and 5 (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings).

The meeting closed at 7.29 pm

**Councillor David Tutt
Chairman**