

Monday, 3 February 2014

at 6.00 pm

Town Hall, Eastbourne



## Scrutiny Committee

Members of the public are welcome to attend and listen to the discussion of items in the "open" part of the meeting. Please see notes at end of agenda concerning public rights to speak and ask questions.



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**MEMBERS:** Councillor Warner (Chairman); Councillor Shuttleworth (Deputy-Chairman); Councillors Belsey, Coles, Cooke, Murray, Ungar

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## Agenda

- 1 Minutes of the meeting held on 6 November 2013 and 9 December 2013.** (Pages 1 - 8)
- 2 Apologies for absence.**
- 3 Declarations of Disclosable Pecuniary Interests (DPIs) by members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct (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 written notice has been given (total time allowed 15 minutes).

**5 Urgent items of business.**

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

**6 Right to address the meeting/order of business.**

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

**7 General Fund Revenue Budget 2014/15 and Capital Programme 2013/17.** (Pages 9 - 32)

Report of the Chief Finance Officer

**8 Corporate Performance - Quarter 3 2013/2014** (Pages 33 - 86)

Report of the Deputy Chief Executive

**9 Exclusion of the Public**

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 paragraphs of schedule 12A and descriptions of the exempt information are shown in the item below. (The requisite notices had been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

**10 Confidential Minutes of the meeting held on 6 November 2013.**  
(Pages 87 - 88)

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

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

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

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

Members must declare the existence and nature of any interest.

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

If a member has a DPI or other prejudicial interest he/she must leave the room when the matter is being considered (unless he/she has obtained a dispensation). If a member has a DPI he/she may not make representations first.

## Further Information

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

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Wednesday, 6 November  
2013  
at 6.00 pm



## Scrutiny Committee

### Membership:-

Councillor Warner (Chairman) Councillor Shuttleworth (Deputy-Chairman)  
Councillors Cooke and Ungar.

(Apologies for absence were reported from Councillor Belsey and Councillor Coles).

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### **10 Minutes of the meeting held on 2 September 2013**

The minutes of the meeting held on 2 September 2013 were submitted and approved and the Chairman was authorised to sign them as a correct record.

### **11 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 (please see note at end of agenda).**

None declared.

### **12 Exclusion of the Public**

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 paragraphs of schedule 12A and descriptions of the exempt information are shown in the item below. (The requisite notices had been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

### **13 Wealden and Eastbourne Lifeline - Investment and Change of Governance [BPF]**

The committee considered the report of the Chief Finance Officer providing planned development proposals for the company, including governance, funding and delegation arrangements.

*Exempt information reasons. Information relating to the financial or business affairs of any particular person (including the authority holding that information) and 4 - information relating to any consultations or negotiations in connection with any labour relations matter.*

The meeting closed at 8.30 pm

**Councillor Warner (Chairman)**

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Monday, 9 December 2013  
at 6.00 pm



# Scrutiny

## Membership:-

Councillor Warner (Chairman) Councillor Shuttleworth (Deputy-Chairman)  
Councillors Cooke, Murray and Ungar

(Apologies for absence were reported from Councillor Belsey and Councillor Coles)

## 14 Minutes of the meeting held on 2 September 2013.

The minutes of the meeting held on 2 September 2013 were submitted and approved and the Chairman was authorised to sign them as a correct record.

## 15 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.

Councillor Ungar declared a personal non prejudicial interest in item 10 Member Briefing 13 November 2013 – DGH, as a Member of HSOC. Councillor Ungar remained in the room and contributed to the discussion on this item.

Councillor Murray declared a prejudicial interest in item 10 Member Briefing 13 November 2013 – DGH, as his spouse works at the DGH. Councillor Murray took no part in the debate on this item.

## 16 Eastbourne Emergency Road Repairs - Presentation by East Sussex County Council

The committee received a brief verbal presentation from Karl Taylor providing members with an update on road repairs in East Sussex. County Councillor Maynard was also in attendance to answer members questions. Mr Taylor provided the committee with two reports:

1) Update on the effectiveness of the risk controls reducing the Council's exposure to risk from potholes

<http://www.eastsussex.gov.uk/PotholeRiskControls.pdf>

and

2) Future Levels of investment in Highway Maintenance.

<http://www.eastsussex.gov.uk/highwaymaintenance.pdf>

Mr Taylor advised the committee that the winter maintenance programme had started three weeks ago. There were over 65,000 potholes in the County with around 10,000 in Eastbourne – an unprecedented amount. Extra funding had been made available to fix potholes and the levels of investment required for Highways in East Sussex had been reassessed.

Members discussed the road gritting in Old Town and frequency of filling grit bins, pavement maintenance, the fixing of potholes and the requirements placed on the contractor to ensure repairs are viable and remaining in place for at least one year. The committee were advised that 96% of repairs were permanent; however there were a number of factors resulting in the remaining 4% being temporary. Failed repairs were filled at the contractor's expense.

Members were asked to contact their local stewards if they see areas of the highway that require attention. The committee were also requested to advise neighbourhood panels and residents to also contact their respective stewards. Issues can then be monitored and repaired at the control hub based in Ringmer.

The committee further discussed length of time for repairs and the use of the permitting scheme to ensure that utilities companies coordinate works, where possible, to minimise disruption to drivers

The two Eastbourne Highway Stewards were Jack Griffiths and Simon Coomber.

**NOTED.**

**17 Council Tax and Business Rates Collection and Recovery Policy. Report of Revenues and Benefits Manager.**

The committee considered the report of the Revenues and Benefits Manager seeking Members' views on the policy for the collection of Council Tax and Business Rates before its consideration by Cabinet on 11 December 2013.

Members were advised that in 2013/14 the total Council Tax due to be collected is c£52m on c47000 properties. Of the Council Tax collected, the Council retain 14%, with approximately 72% going to the County Council, 5% to the Fire Service and 9% to the Police.

There were certain discounts and exemptions available to people, for example people living on their own could get a 25% Single Person Discount and the Council operates a Local Council Tax Reduction scheme to help people on a low income to pay their Council Tax.

Business Rates (National Non-Domestic Rates) was a charge levied on commercial properties. There were certain discounts and exemptions available to businesses. In 2013/14 there was c£34m of Business Rates to collect on c2800 properties.

The policy (Appendix A appended to the report) was intended to set the framework within which, along with the statutory provisions, the Council would seek to collect the taxes and to recover any unpaid Council Tax and Business Rates.

In drafting the Policy account had been taken of the Citizens Advice Bureau's 'Collection of Council Tax Arrears Good Practice Protocol' and the



Department for Communities and Local Government's 'Guidance to local councils on good practice in the collection of Council Tax arrears'.

For example, the Revenues team were in the processes of signing up to the CAB protocol.

Consultation had taken place with the following organisations:

- Citizens Advice Bureau
- Disability Involvement Group
- East Sussex Credit Union
- Salvation Army
- Eastbourne Cultural Communities Network
- Crime Reduction Partnership
- East Sussex County Council
- Activating Eastbourne

There had been an increase in reminders of 10% this year, signs that the residents of Eastbourne are struggling to pay their Council Tax.

Members discussed the loss on non payment and who bore that loss, the wording of the reminders and whether this could be softened, the take up on the Summons Surgery – run by the Council to help people before Court proceeding. This is not a requirement for the Council however it has proved helpful for a number of residents.

The members further discussed the cost of recovery - £85. Members were advised that this figure was lower than neighbouring authorities and had not been increased since 2005/06. the figure represented the cost of the provision of the service as a whole with collection and arrears being of high cost to the Council resulting in the £85 figure.

**NOTED.**

## **18 Corporate Performance - Quarter 2 - 2013/14. Report of Deputy Chief Executive and Chief Finance Officer.**

Members considered the report of the Deputy Chief Executive and Chief Finance Officer updating the Members on the Council's performance against Corporate Plan Priority actions, indicators and financial targets for 2013/2014.

The committee considered Appendix 1 containing information regarding quarter 1 activities and outturns of the performance indicators listed within the Corporate Plan which had been broken down into the 4 theme chapters. A summary table at the beginning of each chapter's data showed the number of indicators on and off target.

Each project had been allocated a number of in-year actions and milestones to be completed in order to progress the project efficiently. The specific milestones for Quarter 2 were set out in the actions report in Appendix 1 and details of the milestones for the whole year were available on Covalent and could be supplied on request. The first section of Appendix 1 lists all Corporate Plan priority actions whose in-year milestones had fully completed this year.

Members noted that of the 33 Key Performance Indicators reported in the Corporate Plan this quarter, 5 were currently showing as "Red," 17 were showing as "Green," 3 were showing as "Amber" and 8 were "data only" or contextual PIs. The off target PIs were;

- ECSP\_004 Violent crime in a public place
- TL\_014 Towner visitors
- CD\_055 Number of completed adaptations
- CD\_056 Average number of days for assistance with adaptations
- CS\_011 Telephone call abandonment rate

The Senior Head of Infrastructure provided the committee with an update of the Waste Contract performance, following the briefing at the previous meeting. Members noted that the Council were exceeding the targets for recycling. Bin delivery and collection required additional work. The call abandonment rate and targets for answering calls was improving.

Members noted that the position to the end of September showed a variance of £78,000 on service expenditure which was a movement of £102,000 compared to the position reported at the end of the first quarter in June. Service expenditure had a variance of £182,000 mainly as a result of:

- Refuse Collection Contract savings (£80k)
- Housing Benefits Subsidy and overpayments recovery (£30k)
- Cremation income over target (£40k)
- Cremation gas savings from installation of new cremators (£53k)
- Grounds maintenance additional cost of contract dispute £105k
- Revenues and Benefits additional costs of £71k
- Council Tax summons income below target £37k
- Shortfall in Catering income of £100k
- Shortfall in income and additional costs at the Bandstand 28k

This service overspend was off set by the saving on the contingency fund.

The contingency allowance currently stood at £208,409 and had been used to offset service expenditure. Therefore there was no further funding available for any future unforeseen one off areas of expenditure during the year.

The projected outturn showed a negative variance of £58,000. This was within 0.34% of the net budget and was within an acceptable tolerance level. However management continued to manage this position to ensure that this final position was achieved.

Financial procedure rules require all virements requests over £10,000 for revenue expenditure to be approved by Cabinet. Virement requests are set out at Appendix 3. The General Fund item was required to formalise the budget transfer of a post between two services areas.

Transfer from reserves were also set out in Appendix 3. These transfers were in line with the approved financial strategy

HRA performance was currently above target due to an increase in service charge income less several areas of minor over spends which were being carefully monitored. The current spend on the under occupation scheme indicated a potential overspend for the year of £60,000 due to the increase in the number of property transfers taking place. It was proposed to offset this additional cost from the extra income received from service Changes.

A prudent increase in the provision for bad debts was included in the budget to offset any effect of the new benefits regime. Whilst rent collection performance for the quarter had remained at prior year levels, the introduction of universal credits and the benefits cap might impact on this position later in the year. This was carefully being monitored and any reduction in the provision would be reflected at quarter three.

The detailed capital programme was shown at Appendix 4. Actual expenditure was low compared to the budget, due to delays in the start dates of housing major projects, sheltered accommodation remodelling projects and several general fund projects. Expenditure was expected to increase as schemes progress however the spending patterns would be reviewed at quarter three and re-profiled into 2013/14 year where appropriate.

The capital programme had been amended from that approved by Cabinet in September to reflect new approved schemes.

The report further detailed activity in Collection Management, Treasury Management, Interest Rate forecast, the Council's Annual Investment Strategy and Investment Performance.

#### **NOTED.**

#### **19 Member Briefing 13 November 2013 - DGH - Outcome and next steps.**

The Head of Corporate Development summarised the current position of the notes of the briefing hosted by the Council - two Council officers were accountable for taking the notes. The combined content of these notes were used to form the official record which was approved by the chair of scrutiny and subsequently published without change. ESHT had stated that they disagreed with the notes and had produced their own version based on a taped recording they undertook at the meeting. They also maintained that EBC had failed in the previously agreed intent to produce a jointly agreed set of notes. The Head of Corporate Development responded to these points as follows:

1) The intent was always that the Council, as hosts, would administer the meeting and then would offer ESHT the opportunity to comment and/or suggest specific amendments. This had been done and ESHT were entitled to simply disagree, which would not invalidate the notes produced by the Council as being the official record.

2) At no point had ESHT sought to make anyone aware that they were recording the meeting or, as basic courtesy, sought the agreement of the Chairman. Had they done so, it would almost certainly have been agreed and could have been given to EBC officers to assist in preparing the record. At this point, ESHT had not offered to make the full recording available to the Council and had not produced a full transcript of any recording.

Members agreed the record taken by Council officers without amendment. The notes had been shared with both Leaders and the Chair and Deputy Chair of the Scrutiny committee. This had given limited time for ESHT to comment. Therefore the committee agreed to approve the notes subject to giving ESHT a further week to make any specific comments, the inclusion of which would be subject to liaison with the Chair and Deputy Chair and both Leaders. ESHT would be invited to comment and/or suggest amendments by no later than 16<sup>th</sup> December 2013. This was consistent with the process previously agreed.

The committee thanked Katie Armstrong and Simon Russell for their efforts in recording the meeting.

Members considered the various options available. The committee were in agreement that the current arrangement for maternity services to be based in Hastings, and the ESHT's statement that services would not be provided at both sites had somewhat predetermined their decision that services should be provided in Hastings alone.

The committee were keen to gather evidence to support the Council's opinion that maternity services should return to Eastbourne given that in the region of 250,000 people would be affected by the final decision. The committee were keen to have full input into the CCG consultation process due to start in early 2014 and agreed that further discussion with the Save the DGH campaign group and Liz Walke would be required to determine the way forward. The committee also agreed that it would be important to ensure that the County Council's Health and Overview and Scrutiny Committee be advised of the Council's intentions.

**NOTED.**

The meeting closed at 8.40 pm

**Councillor Warner (Chairman)**

<b>Body:</b>	<b>Scrutiny</b>
<b>Date:</b>	<b>3 February 2014</b>
<b>Subject:</b>	<b>General Fund Revenue Budget 2014/15 and Capital Programme 2013/17</b>
<b>Report Of:</b>	<b>Chief Finance Officer</b>
<b>Ward(s)</b>	All
<b>Purpose</b>	To agree the detailed General Fund budget proposals for 2014/2015 and Capital Programme 2013/2017.
<b>Decision Type:</b>	Key Decisions requiring approval of Full Council
<b>Recommendation:</b>	Members are asked to note the report and appendices and make any observations to the Cabinet before it recommends to Full Council: <ul style="list-style-type: none"><li>(i) Note General Fund budget for 2013/14 (Revised) and 2014/15 (original) (<b>Appendix 1</b>) including growth and savings proposals for 2014/15 as set out in <b>Appendix 2</b>.</li><li>(ii) Note that no increase in the Council Tax for Eastbourne Borough Council resulting in a Band D charge of £224.19 for 2014/15.</li><li>(iii) Note General Fund capital programme and financing 2013/17 as set out in <b>Appendix 3</b>.</li><li>(iv) Note that the business rates base for 2014/15 will not be finalised until after this report is published, members will be updated verbally.</li></ul>
<b>Contact:</b>	Alan Osborne, Chief Finance Officer, Telephone 01323 415149 or internally on extension 5149. E-mail address: alan.osborne@eastbourne.gov.uk

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## **1.0 Introduction**

- 1.1 This report sets out the general fund revenue budget proposals for 2014/15 and a rolling three year capital programme 2013/17.
- 1.2 The Housing Revenue Account 2014/15 and associated capital programme, together with rent setting for 2014/15 is subject of a separate report elsewhere on this agenda.
- 1.3 The Council revised its medium term financial strategy (MTFS) in July 2013 and the Cabinet recommended a resulting draft 2014/15 budget proposal in December 2013 following the service and financial planning process in the

autumn.

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

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

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

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

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

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

## **2.0 Summary of recommended budget proposals**

2.1 The budget proposals include:

- No increase in the Council Tax in 2014 / 15
- Overall savings/new income totalling £0.808m (5% of the net budget)
- Efficiency savings of £0.608m (3.8% of the net budget)
- Inflation of £0.430m (2.6% of the net budget)
- Other recurring service growth of £0.421m
- Non recurring service investments £0.446m
- General Reserves averaging in excess of £3.8m (against a minimum recommended of £2m)
- Capital resources of £0.8m invested in new capital schemes

Available earmarked reserves in addition to the budget:

- Strategic change fund £0.7m
- Economic Regeneration reserve £0.5m

2.2 The budget represents continued management of financial risks by:

- Building on a balanced outturn position
- Balancing the base budget requirement without needing to use reserves for recurring expenditure
- Identifiable and deliverable savings with accountability and no general unidentified targets
- Reserves well above the minimum level

- Zero basing of minor reward grants
- Providing the funding required for the DRIVE change programme to deliver the future savings required by the MTFS via the strategic change fund.

### **3.0 2014/15 Resources**

#### **3.1 Government Funding**

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

- The Localisation of Council Tax grant (previously £1.2m)
- The Council Tax Freeze grant 2013/14
- New burdens grants

3.3 The Most notable change therefore is to apply the Localisation of Council Tax grant to the same method of distribution as the Formula Grant (previously it was a quid pro quo for the erosion of the tax base) this has meant a further loss of resources for Eastbourne in excess of £150,000.

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

- A reduction in revenue grants of £0.9m (19%)
- A further cut in baseline funding of £1m (20%) for 2015/16
- Partially offset by New Homes Bonus (additional £0.350m in 2014/15 rising by a further £0.4m in 2015/16)

3.5 The NNDR business rate base has reduced slightly (£50,000) largely as a result of additional appeals, this is a provisional figure that will not be finalised until 31.1.14 as the Government had only just released the "NNDR 1" form that is used to calculate the base at the time of writing the report.

3.6 In addition to the formula grant the Government is financing the cost of a 1% increase in council tax (£81,000) which it has confirmed will be put in the base for 2015/16 and beyond.

3.7 The Government has announced that Eastbourne will receive £897,000 in total of new homes bonus due to the growth in housing in the area and the further reduction in empty properties. Of this £500,000 is to be transferred to the Regeneration Reserve to fund economic initiatives in line with the MTFS. The grant is paid in tranches for six years. The 2014/15 figure includes 4 tranches. The funding is not guaranteed beyond a 6 year horizon for each tranche. The projected award for 2015/15 is £1.3m. The Government is financing the additional NHB from reductions in RSG, therefore, whilst volatile, it is becoming the preferred method of distribution of resources.

#### **3.8 Council Tax**

- 3.9 The proposal for no increase in council tax for 2014/15 results in an unchanged Band D rate of £224.19 for the Council (14% of the total bill).
- 3.10 The Council has to give an indication of likely future council tax rises, it is still expected that council tax will rise by no more than 2% per annum for each of the next three years. This is the Governments target for inflation and also the current ceiling on rises that would otherwise require a referendum in order to exceed.
- 3.11 Within this context, for 2014/15, the Council will raise £7.2m from its share of the council tax. This is determined by multiplying the council tax base of Band D equivalent dwellings by the Band D tax rate of £224.19. This is unchanged from the December tax base setting report.
- 3.12 In addition, there is a negative distribution of £14,000 payable by EBC to the collection fund due to a minor collection fund deficit.

3.13 **Summary – 2014/15 Resources**

A summary of the resources available is shown below:

<b>Source:</b>	<b>£'m</b>
Government formula grant	(3.735)
Retained business rates	(3.464)
New Homes Bonus	(0.897)
Council tax freeze grant	(0.081)
Grant for weekly household collection	(1.300)
Council Tax	(7.202)
Collection Fund Deficit	<u>14</u>
<b>Total Resources Available (Rounded)</b>	<b><u>(16.665)</u></b>

- 3.14 In order to achieve a balanced budget without using reserves, the Council will need to set a net expenditure budget for 2014/15 of £16.665.

**4.0 Specific Grants**

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

<b>Grant</b>	<b>2014/ 15 £'m</b>
Housing Benefit Subsidy	(48)*
Housing Benefit Administration	(0.8)
Household collection grant	(1.3)

- 4.2 Housing Benefit Subsidy:



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

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

#### 4.3 Housing Benefit Administration:

This is to fund the cost to Eastbourne of administering the national Housing Benefit and local Council Tax Support schemes. This represents a reduction of 10% from the 2013/14 funding.

#### 4.4 Homelessness:

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

#### 4.5. New Homes Bonus:

This began in 2011/12 (£187,000) and is guaranteed for six years. A further £190,000 was been awarded for 2012/13 and £180,000 in 2013/14 making a total payable of £557,000 in 2013/14. Further increases will take this source of funding to approximately £1.3m per annum by 2015/16. The Council's policy as outlined in the MTFS is to utilise surplus grant for economic regeneration initiatives. A separate reserve has been set aside for that purpose.

### 5.0 **Budget movement 2013/14 to 2014/15**

5.1 The detailed budget proposals are set out in **(Appendix 1)** show in detail the movement from the 2013/14 budget to the 2014/15 proposed budget. The movements are summarised below:-

5.2	<b>Movement from 2013/14</b>	<b>£m</b>	<b>£m</b>
	<b>Base Budget</b>		
	<b>Change in resources:</b>		
	RSG and New Homes Bonus	0.6	
	Retained business rates	0.1	
	Council tax – decrease in tax base/collection	0.1	
	<b>Cost increases:</b>		
	Inflation	0.4	
	Other unavoidable costs increases and changes in income	<u>0.4</u>	1.6
	<b>Savings:</b>		
	Efficiency savings	(0.6)	
	Increased Income	(0.2)	
	Reduced contributions to reserves	<u>(0.8)</u>	<u>(1.6)</u>

- 5.3 If Cabinet approves the proposals set out in the report it will be able to recommend to Council on 19th February a balanced budget in line with available resources without the need to use reserves.
- 5.4 The Council now follows a rolling three year financial planning cycle and the service and financial plans have been set out in detail for 2014/15. The next MTFS due in July will project forward a further three years and continue to provide the basis of service and financial planning for the medium term. It should be noted that at a significant level the savings required for the next MTFS have already been identified, further reports to Cabinet will detail the business plans under the transformation programme (DRIVE)
- 5.5 The Government has set out a revised four year programme of reductions in funding and the Council's current MTFS already takes account of this.

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

## **6.0 Risks, Contingencies and Reserves**

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

### **6.2. Principal Risks**

The key areas of financial risk that the Council faces in the operation of its 2014/15 budget are:-

- Housing Benefit Performance
- Inflation on goods and services
- Income from services linked to customer choice (theatres, tourism; sports centres, car parking)
- Demand led services (e.g. bed and breakfast)
- Legal challenges

On an exception basis, information on each of the risk areas identified above, together with any new and significant risks that may emerge over the course of the year, will be included in each financial performance report to Cabinet and Scrutiny during the 2014/15 financial year.

### **6.3 Contingencies**

The 2014/15 budget includes a corporate contingency budget of £178,000 to allow for unbudgeted expenditure or reductions in income. This is in addition to the known inflation that has been built into the service budgets. The Government has announced a 1% cap on pay rises in 2014/15 therefore £120,000 has been included as a further contingency in service budgets for

this purpose.

#### 6.4 Reserves

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

The Council will always seek to contain any unforeseen additional costs within allocated annual budgets, including the contingency budget. However, it is proposed that in addition the minimum level of general reserves be set at £2m based on the following:

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

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

Should the budget recommendations be followed, the level of general fund reserve is projected at £3.8m by March 2015 (**Appendix 1**). In addition to acting as a potential buffer against future risks, this should create further opportunities for one off investments in the future.

## 6.6 Earmarked Reserves:

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

<b>Reserve</b>	<b>Purpose</b>	<b>Amount £'m</b>
Strategic Change	To fund internal transformation projects under DRIVE	0.7
Economic Regeneration	To promote economic growth	0.5

## 6.7 Other earmarked revenue reserves:

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

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

## **7.0 Capital Programme 2013-2017**

7.1 The principles for formulating the capital programme were set out in the draft budget report submitted to Cabinet on 11th December 2013. The proposed new schemes to be financed are shown in **bold** in at **(Appendix 3)**.

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

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

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

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

## **8.0 Consultation**

8.1 The Council's medium term financial strategy and the resulting draft budget proposal for 2014/15 as reported to Cabinet in December have been subject

to wide and varied consultation. The outcome of which was reported to the Cabinet in December. The Scrutiny Committee held a finance event in October and has been invited to comment on the budget proposals.

## **9.0 Implications**

### **9.1 Financial**

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

### **9.2 Human Resources**

Implications have been discussed with Members through the detailed service and financial planning process, and where appropriate with the local Branch of Unison. Specific staff briefings have taken place as necessary.

### **9.3 Environmental**

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

## **10.0 Conclusions**

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

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

Alan Osborne  
Chief Finance Officer

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## **Background Papers:**

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

Cabinet reports:

December 2013

- Council Tax Base for 2014/15
- Draft Budget Proposals 2014/15
- Consultations on Council priorities

July 2013 – Medium Term Financial Strategy

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

	2013/14 Original Budget £'000	2013/14 Revised Budget £'000	2014/15 Budget £'000
<b>Corporate Services</b>			
Corporate Management	251	255	268
Corporate Services	1,891	2,136	1,828
Corporate Financial Services	1,583	1,665	1,819
Corporate Development	1,384	1,333	1,410
Corporate Infrastructure and Customer First	8,472	8,335	8,197
	<b>13,581</b>	<b>13,724</b>	<b>13,522</b>
<b>Community Services</b>			
Service Management	(38)	(38)	(38)
Direct Assistance	(423)	(216)	(309)
Community Activity	530	602	554
Strategic Performance	(215)	(197)	(210)
	<b>(146)</b>	<b>151</b>	<b>(3)</b>
<b>Tourism &amp; Leisure Services</b>			
Service Management	98	99	98
Sport & Leisure	298	306	314
Theatres	746	749	720
Tourism	462	488	551
Events & Devonshire Park	573	577	491
Towner	655	673	681
	<b>2,832</b>	<b>2,892</b>	<b>2,855</b>
<b>Net Service Expenditure</b>	<b>16,267</b>	<b>16,767</b>	<b>16,374</b>
Contributions to/(from) Unearmarked Reserves	(294)	68	(209)
Contributions to/(from) Earmarked Reserves	NIL	NIL	NIL
Contributions to/(from) Strategic Change Fund	1,000	846	NIL
Contributions to/(from) Capital Programme Reserve	NIL	(15)	NIL
Contributions to/(from) Regeneration Reserve	432	(92)	500
Contributions to/(from) Revenue Grants	NIL	(1)	NIL
<b>Eastbourne Borough Council Budget Requirement</b>	<b>17,405</b>	<b>17,573</b>	<b>16,665</b>
<b>Financed by</b>			
Government Formula Grant	(4,613)	(4,796)	(3,735)
Localisation of Council Tax benefit support transition	(33)	(33)	NIL
Grant to support weekly collection of domestic waste	(1,298)	(1,298)	(1,300)
New Homes Bonus	(557)	(557)	(897)
Retained Business Rates	(3,518)	(3,503)	(3,464)
Council Tax Grant	(83)	(83)	(81)
Contribution to Council Tax Deficit/(Surplus)	(22)	(22)	14
Council Tax Collection Fund Precept	(7,281)	(7,281)	(7,202)
<b>Total Financing</b>	<b>(17,405)</b>	<b>(17,573)</b>	<b>(16,665)</b>

	2013/14 Original Budget £'000	2013/14 Revised Budget £'000	2014/15 Budget £'000
<b>General Fund Reserve</b>			
In hand at 1st April	(3,756)	(3,919)	(3,967)
Transfer to Regeneration Reserve	NIL	NIL	NIL
Transfer General Fund Surplus	(297)	NIL	NIL
Financing of Non Recurring Expenditure	591	(52)	471
Withdrawal/(Addition)	NIL	(16)	(262)
Allocated for Future Use	NIL	20	NIL
In hand at 31st March	<b>(3,462)</b>	<b>(3,967)</b>	<b>(3,758)</b>
<b>Strategic Change Fund Balance</b>			
In hand at 1st April	NIL	(309)	(700)
Transfer from General Earmarked Reserves	NIL	NIL	NIL
Withdrawal/(Addition)	(1,000)	(846)	NIL
Allocated For Future Use	NIL	455	NIL
In hand at 31st March	<b>(1,000)</b>	<b>(700)</b>	<b>(700)</b>
<b>Capital Programme Reserve</b>			
In hand at 1st April	(227)	(643)	(85)
Transfer from General Fund	NIL	NIL	NIL
Withdrawal/(Addition)	NIL	15	NIL
Allocated For Future Use	NIL	543	NIL
In hand at 31st March	<b>(227)</b>	<b>(85)</b>	<b>(85)</b>
<b>Regeneration Reserve</b>			
In hand at 1st April	(235)	(393)	(158)
Transfer from General Fund Reserve	NIL	NIL	NIL
Withdrawal/(Addition)	(432)	92	(500)
Allocated For Future Use	80	143	170
In hand at 31st March	<b>(587)</b>	<b>(158)</b>	<b>(488)</b>



**Corporate Services Budget 2013/14**

**Appendix 1**

	<b>2013/14 Original Budget £'000</b>	<b>2013/14 Revised Budget £'000</b>	<b>2014/15 Budget £'000</b>
<b>Corporate Management</b>	<b>251</b>	<b>255</b>	<b>268</b>
Capital Financing	1,697	1,708	1,650
Contingencies	194	428	178
<b>Corporate Services</b>	<b>1,891</b>	<b>2,136</b>	<b>1,828</b>
Service Management	148	150	141
Performance and Risk Management	46	123	47
Civil Contingencies	26	26	26
Finance Management/Operational Costs	510	524	478
Corporate Finance Costs	393	379	429
Payroll and Information	104	106	90
Pensions	356	357	608
<b>Corporate Financial Services</b>	<b>1,583</b>	<b>1,665</b>	<b>1,819</b>
Service Management	223	237	234
Civic Services including Printing	439	443	446
Electoral and Local Land Charges	53	24	52
Strategic Performance	93	94	91
Legal Services	217	220	220
Human Resources Management and Admin	97	98	109
Employee Relations	64	64	64
Member Development	52	53	52
HR Resourcing and Development	146	100	142
<b>Corporate Development</b>	<b>1,384</b>	<b>1,333</b>	<b>1,410</b>
Service Management	73	85	86
IT & E-Government	1,527	1,631	1,710
Facilities Management	377	379	383
Customer First	7,100	6,829	6,456
Estates / Asset Management	(605)	(589)	(438)
<b>Corporate Infrastructure and Customer First</b>	<b>8,472</b>	<b>8,335</b>	<b>8,197</b>
<b>Total Corporate Services</b>	<b>13,581</b>	<b>13,724</b>	<b>13,522</b>

	<b>2013/14 Original Budget £'000</b>	<b>2013/14 Revised Budget £'000</b>	<b>2014/15 Budget £'000</b>
Service Management	91	91	91
Charges outside General Fund	(129)	(129)	(129)
<b>Service Management</b>	<b>(38)</b>	<b>(38)</b>	<b>(38)</b>
Housing Services Management	102	103	63
Revenues and Benefits	(3)	32	62
Housing Needs	151	159	156
Homelessness	NIL	167	167
Private Sector Housing	232	238	197
Bereavement	(905)	(915)	(954)
<b>Direct Assistance</b>	<b>(423)</b>	<b>(216)</b>	<b>(309)</b>
Community Development	110	123	110
Community Involvement	70	71	70
Community Grants	350	408	374
<b>Community Activity</b>	<b>530</b>	<b>602</b>	<b>554</b>
Housing / Homelessness Strategy	61	80	67
Solarbourne	(276)	(277)	(277)
<b>Strategic Partnership</b>	<b>(215)</b>	<b>(197)</b>	<b>(210)</b>
<b>Total Community Services</b>	<b>(146)</b>	<b>151</b>	<b>(3)</b>

<b>Tourism &amp; Leisure Services</b>	<b>2013/14 Original Budget £'000</b>	<b>2013/14 Revised Budget £'000</b>	<b>2014/15 Budget £'000</b>
Service Management	98	99	98
Sport & Leisure	298	306	314
Theatres	746	749	720
Tourism	462	488	551
Events & Devonshire Park	573	577	491
Towner	655	673	681
<b>Total Tourism &amp; Leisure Services</b>	<b><u>2,832</u></b>	<b><u>2,892</u></b>	<b><u>2,855</u></b>

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Dept	Proposed Savings Service	Proposal	2014/15 Dec Cabinet £'000	2014/15 Feb Cabinet £'000	
<b>Efficiency Savings</b>					
CorpS	High Level Service	SSDS (Future Model Phase 1)	(300)	(300)	
CorpS	Financial Services	Pay Review - New scheme embedded. Historical budget	(15)	(15)	
CorpS	Financial Services	Cash Collection contract savings	(1)	(1)	
CorpS	Financial Services	Financial Services Restructure - Overachievement of 2013/14 restructure target	(20)	(20)	
CorpS	Strategic Development	Cease subscription to Local Futures data source	(5)	(5) *	
CorpS	IT and E Government	IT Contract savings	(11)	(11)	
CFirst	Specialist Advisory Team	Waste contract savings - provisional sums not required	(170)	(170)	
ComS	Bereavement Services	Reduced Gas consumption	(30)	(30)	
ComS	Housing	Management changes - vacant post	(43)	(44)	
ComS	Housing	Shared initiatives post no longer in operation	(10)	(10)	
TS	Events	Purchase of new racking system reducing hire costs for the Beer Festival	(2)	(2)	
<b>Efficiency Savings Total</b>			<b>(607)</b>	<b>(608)</b>	
<b>Income Generation</b>					
CorpS	High Level Service	Wi-Fi Project	(25)	(25)	
ComS	Bereavement Services	RPI Fee Increase base cremation	(39)	(39)	
ComS	Bereavement Services	RPI Fee Increase other services	(3)	(3)	
ComS	Bereavement Services	RPI Fee Increase memorial	(5)	(5)	
ComS	Bereavement Services	RPI Fee Increase burial	(15)	(16)	
ComS	Revenues & Benefits	Housing Benefit Overpayment Income - Increased recovery on outstanding debt - based on current performance	(60)	(60)	
ComS	Revenues & Benefits	Single Person Discount Review increasing collectable Council Tax. Other preceptors also receive benefits	(40)	0	This item is reflected in the CTAX base
TS	Events	Increase in participation in Beachy Head Marathon	(4)	(4)	
TS	Events	Increased income for Spring Event.	(12)	(12) *	
TS	Events	Additional income/saving from Banners	(6)	(6) *	
<b>Income Generation Total</b>			<b>(209)</b>	<b>(170)</b>	
<b>Other Changes</b>					
CorpS	Financial Services	Unfunded pensions - Reduction in cpi prediction for 13/14 and fall out of pensioners	(23)	(23)	
ComS	Housing	Brighton Housing Trust Grant	(5)	(5)	
ComS	Community Development	Reduction in Rent Support Grant	(2)	(2)	
<b>Other Changes Total</b>			<b>(30)</b>	<b>(30)</b>	
<b>TOTAL SAVINGS</b>			<b>(846)</b>	<b>(808)</b>	
<b>Non Recurring Savings</b>					
ComS	Revenues & Benefits	New Homes Bonus paid for 6 years from initial claim. Other preceptors also receive benefit - Council currently treats as one off	(150)	(150)	This item is reflected in New Homes Bonus

\* Linked savings &amp; growth items

Dept	Recurring Growth Service	Item	2014/15 Dec Cabinet £'000	2014/15 Feb Cabinet £'000
<b>Corporate Inflation</b>				
Corporate	Corporate	Pay Award, contractual increments and pension auto enrolment	170	170
Corporate	Corporate	Inflation on external contracts and other inflation	260	260
<b>Corporate Inflation Total</b>			<b>430</b>	<b>430</b>
<b>Changes in Income targets</b>				
CFirst	Neighbourhood First Team	Unachievable Hyde Gardens parking income target	25	25
CFirst	Neighbourhood First Team	Unachievable fixed penalty notice income target	6	6
ComS	Bereavement Services	Reduction in burial income due to Ocklynge and Langney cemeteries space restriction	28	28
<b>Changes in Income Total</b>			<b>59</b>	<b>59</b>
<b>Other Growth</b>				
CorpS	Financial Services	Licence and support costs moving to hosted solution for ICON system	9	9
CorpS	Financial Services	Valuation costs to carry out annual desktop review of all non-current assets, including Heritage Assets	5	5
CorpS	Strategic Development	Subscription to ESD toolkit for national based data	1	1
CorpS	IT and E Government	Wi Fi Upgrade - Existing Devonshire Park wifi is no longer fit for purpose. This will support a robust, fit for purpose corporate public wifi solution with content filtering for legal compliance.	5	5
CorpS	IT and E Government	Government Connect - To fund additional security devices and specialist security consultancy to meet ongoing Government Connect requirements.	10	10
CorpS	Systems Administration and Support	Future Model Phase 2 systems annual support and maintenance - essential to maintain systems that underpin the model (part of original business case).	90	90
CFirst	Specialist Advisory Team	Evidence and background studies provided by external consultants to inform production of our Local Plans in accordance with the Local Development Scheme	20	20
CFirst	Specialist Advisory Team	Marketing budget for CEPE to engage on active, healthy and low carbon lifestyles	20	20
CFirst	Service Improvement and Development	Mosaic Public Service - Improved tool to replace Local Futures (offered as saving under Corporate Services) and provide detailed demographic data to ensure service improvement work is evidence based and as effective as possible.	5	5 *
ComS	Bereavement Services	Increase in cost of boiler maintenance /servicing and replacement of main chapel loop system	5	5
ComS	Revenues & Benefits	DWP/LCT Admin Grant reduction	80	80
TS	Events	Cost of the new Walking Festival which presents a risk as costs are not fully known and income is dependent on good weather.	7	7 *
TS	Tourism	Finance officer - The Catering service was brought back in house without the transfer of finance staff, this will build this requirement back into the service.	25	25
TS	Tourism	Tennis Catering Contract - The contract for providing catering to the AEGON International was not part of the transfer to in house provision	80	80
<b>Other Growth Total</b>			<b>362</b>	<b>362</b>
<b>TOTAL PROPOSED RECURRING GROWTH</b>			<b>851</b>	<b>851</b>

**Non Recurring Service Investments**

Group	Service	Proposal		
CorpS	Estates Management	Future years subject to re-structure to Corporate Landlord model	177	177
CFirst	Specialist Advisory Team	Review EB Park Flood Storage Scheme	65	65
CFirst	Specialist Advisory Team	Green Flag Parks management plans	15	15
CFirst	Specialist Advisory Team	Activating Eastbourne - To enable the Big week of Work and 50+ employment workshop to take place	5	5
CFirst	Specialist Advisory Team	Risk assessment of Eastbourne's vulnerabilities to a changing climate - consultants report to understand impact of changing climate on the town	25	25
CFirst	Specialist Advisory Team	Environmental enhancements for provision of shade and additional pollinating insect habitat	15	15
CFirst	Neighbourhood First Team	Prevention activities to fund literature, branding, conference facilities to enable the Neighbourhood First Team to build stronger links with communities, engaging with specific groups on specific problems	7	7
ComS	Housing	Contribution to Intensive Family Intervention Project	12	12
ComS	Revenues & Benefits	Bailiff contract - Specialist advice to draw up contract specification	5	5
ComS	Revenues & Benefits		30	30
ComS	Revenues & Benefits	Increase in Capita telephone contract costs - phase 2 implementation will reduce cost New Homes Bonus - Invest to increase income - to fund review of empty properties to ensure maximum uptake of New Homes Bonus	35	35
ComS	Revenues & Benefits	Liberata overpayment software - Invest to increase income - to fund software to maximise overpayment recovery	7	7
ComS	Community Development	Funding to continue fixed term Community Post for full year pending implementation of Future Model phase 2	12	11
TS	Events	Purchase plastic chairs, tables and patio heaters to replace broken stock and improve bar catering offer	1	1
TS	Events	Samsonite folding seats to replace rusting/ broken stock for use during tennis tournaments and events	5	5
TS	Events	Hand held radios	2	2
TS	Events	Pedestrian Sprayer	5	5
TS	Events	Lamppost banner advertising - Invest to save	6	6 *
TS	Sport and Leisure	Tennis Development to support the coaching aspects of the Capital development bid to the Tennis Foundation - which will provide information, advice and guidance, booking software and court improvements.	6	6
TS	Tourism	Beach House water connections to provide their own water supply enabling them to open in the winter. We receive an income from their lease.	4	4
TS	Tourism	Engine for the Lifeguards boat - engine is now ten years old and showing signs of failure.	3	3
TS	Tourism	Additional showers on the seafront to improve the visitor offer - we currently offer just two beachfront showers	5	5
<b>TOTAL NON RECURRING INVESTMENTS</b>			<b>447</b>	<b>446</b>

\* Linked savings &amp; growth items

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**Summary of Capital Programme 2013 to 2017**

	<b>Projected Outturn 2013/14</b>	<b>Total 2014/15</b>	<b>Total 2015/16</b>	<b>Total 2016/17</b>
<b><u>Capital Programme</u></b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Community Services	1,138	6,368	7,841	6,000
Customer First	754	1,569	1,946	300
Tourism & Leisure	37	481	-	-
Corporate & Core Services	3,426	4,946	4,070	80
Asset Management	717	1,984	581	500
<b>Total Programme</b>	<b>6,072</b>	<b>15,348</b>	<b>14,438</b>	<b>6,880</b>
<b><u>Financed By:-</u></b>				
Capital Receipts GF	679	1,301	446	-
Grants and Contributions	995	6,715	9,341	6,300
Revenue Contribution to Capital	514	1,092	495	-
Section 106 Contributions	473	368	-	-
Borrowing	3,411	5,872	4,156	580
<b>Total Financing</b>	<b>6,072</b>	<b>15,348</b>	<b>14,438</b>	<b>6,880</b>

Scheme	Total Scheme Approved	Budget agreed Cabinet Sept	Revised Budget 2013-14	Revised 2014-15	2015-16	2016-17
<b>COMMUNITY SERVICES</b>						
Cremator Replacement	1,935,100	36,650	36,650	0		
Memorial Safety Cems	40,000	34,000	0	34,000		
Digitalise Burial Records	10,000	10,000	0	10,000		
Crematorium - Main Chapel	21,000	21,000	0	21,000		
Disabled Facilities Grants	Ongoing	638,800	388,800	807,650	663,000	tbc
BEST Grant (housing initiatives)	Ongoing	141,100	106,100	213,000	178,000	
<b>Social Housing Enabling</b>						
3-17 Jevington Gardens - GF	435,000	575,000	435,000	0		
Housing Regeneration - Block Allocation	18,081,000	5,081,000	0	5,081,000	7,000,000	6,000,000
Willingdon Trees Multi Gym	20,000	20,000	0	20,000		
Solar Panels	3,400,000	172,000	172,000	0		
<b>Ocklynge Cemetery Chapel</b>	<b>150,000</b>		<b>0</b>	<b>150,000</b>		
<b>Barbican Memorial Scheme</b>	<b>5,000</b>		<b>0</b>	<b>5,000</b>		
<b>Main Chapel Refurb - Phase 2</b>	<b>26,000</b>		<b>0</b>	<b>26,000</b>		
<b>Total Community Services</b>		<b>6,729,550</b>	<b>1,138,550</b>	<b>6,367,650</b>	<b>7,841,000</b>	<b>6,000,000</b>
<b>CUSTOMER FIRST</b>						
Contaminated Land	185,000	102,000	5,000	97,000		
Coast Defences Beach Management Strategy	Ongoing	295,150	495,150	300,000	300,000	300,000
Cycling Strategy	45,000	40,600	0	40,600		
Park and Ride	50,000	50,000	0	50,000		
Princes Park (schemes to be decided)	210,000	183,000	0	183,000		
Play Area Sovereign Harbour	27,000	27,000	0	27,000		
Allotment Upgrade	114,000	14,100	14,100	0		
Hampden Park Skate Park	150,000	150,000	0	150,000		
Planning Software	50,000	7,950	7,950	0		
Five Acre Field - Improvements	55,000	52,500	52,500	0		
Upperton - Play Equipment	60,000	60,000	60,000	0		
RoSPA Play Equipment	15,000	15,000	15,000	0		
Churchdale Road Allotments	38,000	38,000	0	38,000		
Play Equipment - Bodium Cres	80,000	80,000	80,000	0		
Software - Grounds Maintenance	24,000	24,000	24,000	0		
Sovereign Harbour - Legal Advice	20,000	20,000	0	20,000		
Terminus Road Improvements	500,000	500,000	0	500,000		
<b>Christmas Light</b>	<b>25,000</b>		<b>0</b>	<b>25,000</b>		
<b>CIL - Software</b>	<b>14,000</b>		<b>0</b>	<b>14,000</b>		
<b>Five Acre Field - Railings</b>	<b>20,000</b>		<b>0</b>	<b>20,000</b>		
<b>Beachy Head Visitor Centre WC</b>	<b>40,000</b>		<b>0</b>	<b>40,000</b>		
<b>Sov Harbour Community Centre</b>	<b>1,600,000</b>		<b>0</b>		<b>1,600,000</b>	
<b>Highfield Allotments</b>	<b>25,000</b>		<b>0</b>	<b>25,000</b>		
<b>Hyde Gardens WC</b>	<b>40,000</b>		<b>0</b>	<b>40,000</b>		
<b>Cross Levels Way BMX Track</b>	<b>46,000</b>		<b>0</b>	<b>0</b>	<b>46,000</b>	
<b>Total Customer First</b>		<b>1,659,300</b>	<b>753,700</b>	<b>1,569,600</b>	<b>1,946,000</b>	<b>300,000</b>
<b>TOURISM &amp; LEISURE</b>						
Redoubt Fortress Gates	20,000	5,400	5,400	0		
Redoubt Fortress Gates (2013)	22,300	22,300	22,300	0		
Volleyball Court	25,000	25,000	0	25,000		

Scheme	Total Scheme Approved	Budget agreed Cabinet Sept	Revised Budget 2013-14	Revised 2014-15	2015-16	2016-17
Signage	40,000	16,100	0	16,100		
Sports Park Flood Lights	30,000	30,000	0	30,000		
ILTC Seat replacement	5,000	5,000	5,000	0		
Re-surface Tennis Courts	170,000	170,000	0	170,000		
Wish Tower - Catering Outlet	40,000	4,000	4,000	0		
Bandstand Seating	15,000	15,000	0	15,000		
<b>ILTC - Air Conditioning</b>	<b>60,000</b>		<b>0</b>	<b>60,000</b>		
<b>ILTC - Public Address System</b>	<b>20,000</b>		<b>0</b>	<b>20,000</b>		
<b>ILTC - Electrical System</b>	<b>10,000</b>		<b>0</b>	<b>10,000</b>		
<b>ILTC - Fire Alarm</b>	<b>10,000</b>		<b>0</b>	<b>10,000</b>		
<b>ILTC - Replacement Seating</b>	<b>100,000</b>		<b>0</b>	<b>100,000</b>		
<b>ILTC - Replacement Showers</b>	<b>25,000</b>		<b>0</b>	<b>25,000</b>		
<b>Total Tourism &amp; Leisure</b>		<b>292,800</b>	<b>36,700</b>	<b>481,100</b>	<b>0</b>	<b>0</b>
<b>CORPORATE SERVICES</b>						
Carbon Reduction Works	467,500	467,500	0	467,500		
Agile phase 2	555,000	153,000	153,000	0		
6 Saffrons Road Renovations	117,000	34,850	34,850	0		
Town Hall Roof	511,000	356,450	356,450	0		
Invest to Save	80,000	80,000	80,000	80,000	80,000	80,000
Redesign of CCC at 1 Grove Road	300,000	264,100	16,100	248,000		
IT Replacement - Icon	42,500	9,200	9,200	0		
Future Model Phase 1	1,250,000	358,600	358,600	0		
Future Model Phase 2	2,990,000	1,000,000	1,000,000	1,000,000	990,000	
Investment Capital	7,150,000	1,150,000	1,150,000	3,000,000	3,000,000	
IT - Block Allocation	Ongoing	268,000	268,000	150,000		
<b>Total Corporate Services</b>		<b>4,141,700</b>	<b>3,426,200</b>	<b>4,945,500</b>	<b>4,070,000</b>	<b>80,000</b>
<b>Asset Management</b>						
Devonshire Park Review	700,000	700,000	43,000	657,000		
Congress Theatre redesign & restoration	850,000	850,000	15,000	835,000		
Wish Tower Groundworks and site Preparation (from block allocation)	140,000	140,000	140,000	0		
Wish Tower Catering Temporary Provision (Invest to Save)	160,000	160,000	160,000	0		
Downland Water (Valve insertions)	25,000	25,000	25,000	0		
Bandstand Restoration	245,000	245,000	245,000	0		
8 Saffrons Rd - Boiler replacement	4,000	4,000	4,000	0		
Town Hall Boilers	85,000	85,000	85,000	0		
Asset Management - Block Allocation	1,743,000	0	0	492,300	581,000	500,000
<b>Total Asset Management</b>		<b>2,209,000</b>	<b>717,000</b>	<b>1,984,300</b>	<b>581,000</b>	<b>500,000</b>
<b>GENERAL FUND TOTAL</b>		<b>15,032,350</b>	<b>6,072,150</b>	<b>15,348,150</b>	<b>14,438,000</b>	<b>6,880,000</b>

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- BODY:** **SCRUTINY**
- DATE:** **3 February 2014**
- SUBJECT:** **Corporate Performance - Quarter 3 2013/14**
- REPORT OF:** **Deputy Chief Executive**
- Ward(s):** All
- Purpose:** To update Members on the Council's performance against Corporate Plan priority actions, performance indicators, targets and the strategic risk register for Quarter 3 2013/14.
- To inform Cabinet of the Council's provision financial outturn for Quarter 3 2013/14.
- Contact:** William Tompsett, Strategic Performance Manager  
Tel 01323 415418 or internally on ext 5418
- Pauline Adams, Financial Services Manager  
Tel 01323 415979 or internally on ext 5979.
- Recommendations:** Members are asked to:
- i) Note the performance against national and local Performance Indicators and Actions from the 2010/15 Corporate Plan (2013 refresh).
  - ii) Note the General Fund, HRA and Collection Fund financial performance for the quarter ended December 2013, as set out in sections 4,5 & 6.
  - iii) Note the virements and transfers to and from reserves as set out in Appendix 3
  - iv) Note the amended capital programme as set out in Appendix 4.
  - v) Note the Treasury Management Performance as set out in section 7.

## **1.0 Introduction**

- 1.1 The 2010/15 Corporate Plan was refreshed for 2013 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 2013 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.

## **2.0 Performance Overview**

- 2.1 **Appendix 1** is a detailed report on the 2013/14 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 in quarter 3 of 2013/4 and any incomplete milestones from earlier in the 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 37 Key Performance Indicators reported in the Corporate Plan this quarter, 8 are currently showing as “Red,” 17 are showing as “Green,” 4 are showing as “Amber” and 8 are “data only” or contextual PIs. The off target PIs are...

- TL\_041 Number of visitors (day visitors and staying trips)
- ECSP\_004 Violent crime in a public place
- TL\_014 Towner visitors
- CD\_008 Decent Homes programme
- CD\_052 Number of homes where Category 1 hazards have been remedied
- CD\_055 Number of completed adaptations
- CD\_056 Average number of days for assistance with adaptations
- CS\_011 Telephone call abandonment rate

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
ECSP_016 Serious Acquisitive Crime (robbery, car crim...	-23.2%	-3%	
DE_005 JSA Claimant Count	1,807	2,500	
TL_017a Redoubt visitors - paying visitors	10,629	5,600	
CD_050 Empty privately owned homes returned to oc...	159	90	
CD_181 Time taken to process Housing Benefit/Coun...	7.4 days	10.5 da...	
TL_043 Total day visitor spend	£000,1...	£000,1...	
DE_154 Net additional homes provided	85	57	
CD_051 Number of difficult problem properties reme...	32	22	
DE_192 Percentage of household waste sent for reus...	35.77%	33.00%	
DE_004 Town centre vacant business space	9.89%	12%	

2.11 Devolved Budget spend is reported at the end of the appended performance report. The table lists the projects supported and the overall spend per ward. Management of Devolved Budget projects is co-ordinated on Covalent and more detail on specific projects and activities is available on request or direct from the Covalent system.

### 3.0 Financial Performance – General Fund

3.1 General Fund performance for the year to 31 December 2013 is shown in the table below:

Department	Full Year Budget £'000	Profiled Budget £'000	Actual to 31 Dec 13 £'000	Variance to date £'000	Projected Outturn £'000
<b>SUMMARY</b>					
Corporate Services	11,635	9,519	9,508	(11)	(15)
Community Services	151	35,216	35,130	(86)	(34)
Tourism & Leisure Services	2,892	2,412	2,650	238	261
<b>Total Service Expenditure</b>	<b>14,678</b>	<b>47,147</b>	<b>47,288</b>	<b>141</b>	<b>212</b>
Contingencies etc	428	319	138	(181)	(242)
Capital Financing and Interest	1,661	1,108	1,108	-	-
Contributions to/(from) Reserves	754	754	754	-	-
<b>Net Expenditure</b>	<b>17,521</b>	<b>49,328</b>	<b>49,288</b>	<b>(40)</b>	<b>(30)</b>

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

3.2 The position to the end of December is a positive variance of (£40,000) on net expenditure which is a movement of (£118,000) compared to the position at the end of the second quarter in September.

3.3 Service expenditure has a variance of £141,000 a positive movement from September of (£40,000). The main reasons for this improvement are:

	To Sept 13 £'000	To Dec 13 £'000	Movement £'000
Main Variances over £50k			
Refuse Collection Contract Savings	(80)	(115)	(35)
Cremation and cemetery income over target	(40)	(67)	(27)
Cremation utilities savings from installation of new cremators	(53)	(53)	
Grounds maintenance additional costs from contract dispute	105	105	
Revenues and Benefits additional administration costs	71	71	
Shortfall in Catering income	100	128	28

This service overspend is off set by the saving on the contingency fund.

3.4 The projected outturn shows a favourable variance of (£30,000). This is within 0.17% of the net budget and is within an acceptable tolerance level. However management continues to manage this position to ensure that this is achieved.

3.5 The contingency allowance currently stands at £241,529 and has been used to offset service expenditure. Therefore there is no further funding available for any future unforeseen one off areas of expenditure during the year.



3.6 Financial procedure rules require all virements requests over £10,000 for revenue expenditure to be approved by Cabinet. There is one request for this quarter as set out in **Appendix 3** and related to the approved phased reduction in the grant payable to the Allotments Society.

3.7 Cabinet's approval is also being sought for the transfer from reserves as set out in **Appendix 3**. These transfers are in line with the approved financial strategy.

#### 4.0 Financial Performance – HRA

4.1 HRA performance for the year to 31 December 2013 is as follows:

	<b>Current Budget £'000</b>	<b>Profiled Budget £'000</b>	<b>Actual to 31 Dec 13 £'000</b>	<b>Variance to date £'000</b>	<b>Projected Outturn £'000</b>
<b>HRA</b>					
Income	(14,994)	(11,053)	(10,987)	66	12
Expenditure	15,097	6,032	5,722	(310)	(430)
<b>Total HRA</b>	<b>103</b>	<b>(5,021)</b>	<b>(5,265)</b>	<b>(244)</b>	<b>(418)</b>

4.2 The HRA surplus variance is due to a reduction in income from rents and services changes due to the delay in the expected completion of the sheltered accommodation remodelling schemes, off set by savings in the provision for Bad Debts.

4.3 A prudent increase in the provision for Bad Debts was included in the 2013/14 budget to offset any effect of the new benefits regime. Rent collection performance has continued at prior year levels, and therefore the expected increase in rent arrears has not materialised as expected. The bad debt provision has been decreased to reflect this situation.

4.4 The projected outturn is showing a surplus of (£418,000) mainly due to the change in the bad debt provision and lower than anticipated interest rates on new and replacement debt taken during the year.

#### 5.0 Financial Performance – Capital Programme

5.1 The detailed capital programme is shown at **Appendix 4**. Actual expenditure at 52% of the budget is lower than expected as a number of schemes have been delayed in starting or have not yet started in particular in the following areas but expenditure is expected in the next quarter:

- Housing Major Works schemes
- Support Housing in Eastbourne Programme
- Coastal Defence Works
- Play Equipment
- IT software upgrades
- Bandstand works.

5.2 The 2013/14 programme has now been re-profiled to reflect start dates and planned works.

## 6.0 Financial Performance – Collection Fund

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

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

	<b>Council Tax £'000</b>	<b>Business Rates £'000</b>
Balance B/fwd	(169)	-
Debit due for year	(52,110)	(33,580)
Payments to preceptors	52,212	33,699
Allowance for cost of collection		127
Provision for backdated appeals		140
Write offs and provision for bad debts	168	329
<b>Estimated balance 31.3.14</b>	<b>101</b>	<b>715</b>
Allocated to:		
CLG		
East Sussex County Council	73	358
Eastbourne Borough Council	14	286
Sussex Police	9	64
East Sussex Fire & Rescue	5	7
	<b>101</b>	<b>715</b>

6.3 This represents a variance over the quarter two monitoring of £61,000 and £7,000 for Council Tax and Business Rates respectively.

6.4 The Council Tax deficit is due to higher than budgeted take up of the Council Tax Reduction Scheme less a reduction in the number of Single Persons Discounts awarded. The deficit represents 0.19% of the gross debit due.

6.5 Business Rate income is down on that expected due to the number of successful appeals having been settled in the year and lower than anticipated growth in rateable values. The deficit represents 2% of the gross debit due.

6.6 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 Council is required to estimate the Collection Fund Balance as at 15 January each year and inform major preceptors for distribution in 2014/15. This has now been done for Council Tax based on the quarter three monitoring and major preceptors informed. There has however been a delay in receiving the necessary documentation from DCLG in regard the Business Rates calculation and the deadline for returning the information to preceptors is now 31 January.

6.7 Collection performance is as follows:

<b>Cash Collection Rates</b>	<b>Council Tax</b>	<b>Business Rates</b>
Q3 Actual	84.25%	87.58%
Q3 Target	85.40%	88.30%

## **7.0 Treasury Management**

7.1 The Annual Treasury Management and Prudential Indicators 2014/15 is being considered by Cabinet elsewhere on this agenda. Below is a summary of the main points from the current economic background and interest rate forecasts.

## **7.2 Economic Background**

The World Bank announced that the global economy is at a “turning point” and this rosy outlook was reflected in a string of positive data releases for the UK and the US but not for the Eurozone. Encouraging inflation and retail sales figures from both the UK and US have been received, but the Eurozone’s inflation outlook is somewhat more troubling.

For the first time in four years, UK inflation figures hit the Bank of England’s (BoE) target level. December’s Consumer Price Index (CPI) grew 2.0% according to the Office for National Statistics (ONS), a result that eases pressure on both the BoE and the Government. The fall in inflation reinforces the Bank’s strategy of maintaining interest rates at their record low of 0.5% whilst the economy continues to pick up speed.

UK retail sales, are showing the fastest growth in 9 years. The 2.6% percent increase in sales in December contributed to a 5.3% annual rise which is the best growth figure seen since October 2004. This news was somewhat unexpected as economists had forecast growth to be similar to that seen in November at around 0.4%.

Latest data release showed a hefty increase in the number of people employed within the UK workforce, whilst the ILO unemployment figure (calculated quarterly) fell from 7.6% to 7.4%.

## **7.3 Interest Rate Forecast**

Capita have decided to maintain their central Bank Rate view, for the moment at least, that an apparently strong 2014 economic recovery built upon consumer spending will taper off somewhat in the medium term and that the clamour for interest rates to rise prior to 2015 may well be replaced by concerns that the economy is still too weak to be subject to any significant rise in interest rates.

Interest rates are therefore expected to remain unchanged, but then increase in Quarter 2 2016 to 0.75% (previously Q3 2016) and then again in Quarter 3 2016 to 1%.

## 7.4 Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2013/14, which includes the Annual Investment Strategy, was approved by the Council on 20 February 2013. It sets out the Council's investment priorities as being:

- Security of Capita;
- Liquidity;
- Yield

A full list of investment held as at 31 December 2013 is shown in the table below:

Counterparty	Amount £	Interest Rate %	Maturity
Royal Bank of Scotland	3,900,000	0.70	Call
Santander	1,075,000	0.40	Call
Bank of Scotland	2,000,000	0.40	Call
Royal Bank of Scotland	100,000	0.80	90 day Account
Bank of Scotland	2,000,000	0.95	3.2.14
	9,075,000		

Following the downgrading of the Co-op Bank to BB- in May, the advice from Capita was for the council to minimise exposure, in light of this a maximum operational balance of £500,000 is being kept in the Reserve account at any one time. This has had consequences on the ability to invest elsewhere due to the limited number of counterparties available that met the criteria set out in the TMSS and the limit of £4m as a maximum amount to be held with any particular bank or building society. This limit was breached once over the quarter by £1m for 4 nights (15-18 November).

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

## 7.5 Investment Performance

Investment performance for the quarter ending 31 December 2013 is as follows:

Benchmark	Benchmark Return	Council Performance	Interest Earning
7 day	0.36%	0.68%	£45,000

As illustrated, the authority out performed the benchmark by 0.32. The Council's budgeted investment return for 2013/14 is £50,000 and performance for the year is likely to exceed this.

## 7.6 **Borrowing**

New borrowing during the quarter has been undertaken as follows:

Start Date	End Date	Lender	Amount	Interest Rate
19.12.13	19.6.18	Neath Port Talbot Council	£4,000,000	2.20%

Cash flow predictions indicated that further borrowing will be required during quarter four. The exact timing and nature of this borrowing will be considered at that time, however to maintain a sustainable maturity profile it is anticipated that new borrowing will be at maturity dates between 5 and 10 years.

## 7.7 **Compliance with Treasury and Prudential Limits**

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

During the quarter to 31 December 2013 the Council, apart from that mentioned above at section 7.4, 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.

## 8.0 **Consultation**

8.1 Not applicable

## 9.0 **Implications**

9.1 There are no significant implications of this report.

## 10.0 **Conclusions**

10.1 This report provides an overview of performance against the authority's priority actions and indicators as at the end of Quarter 3 2013/14. Progress against the key projects and indicators is updated on the online Covalent system on a regular basis and provides a "live" view of the Council's performance accessible at any time.

10.2 The variances within both the General Fund and HRA budget are well within tolerance levels, however risks within the budget will continue to be carefully monitored.

10.3 Capital expenditure is low compared to the budget but this is expected as some major schemes have yet to commence.

10.4 The Collection Fund forecast for Council Tax and Business Rates are showing deficits of £101,000 and £715,000 at the end of quarter 3. These balances represent 0.19% and 2% of the gross debits due and will be allocated to the major precepting authorities during 2014/15.

- 10.5 Treasury Management performance is on target and apart from one occasion when the investment maximum allowed to any one counterparty was breached all other activities were within the approved Treasury and Prudential Limits.

**William Tompsett**  
**Strategic Performance Manager**

**Pauline Adams**  
**Financial Services Manager**

**Background Papers:**


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

*Corporate Plan 2010/15 (2013 refresh)*  
*Covalent performance management system reports*  
*Budget monitoring working papers as at 31.12.13*  
*Capita Treasury Solution weekly newsletter 17.1.14*

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

## Completed Corporate Plan Actions 2013/14



Priority Theme	Project	Status	Actions
Priority Theme 1 Prosperous Economy	CP13_1_01 Deliver a Sustainable events programme		Deliver the Council led events programme for 2013/14

## Quarter 3 Milestones 2013/14

Parent Action	Action	Description	Due Date	Note	Completed
CP13_1_02 Tourism Marketing and Development	CP13_1_02_01 Work on the relationships introduced by Sponsor-finder to develop a mutually beneficial package	Quarter 3 update	31-Dec-2013	Sponsorship leads are being followed up on a reactive basis.	Yes
CP13_1_02 Tourism Marketing and Development	CP13_1_02_03 Develop the digital strategy for tourism marketing and information.	Prepare draft digital marketing strategy for discussion with the Marketing Group	31-Oct-2013	A brief for the digital requirements is being prepared, which will consider how some of the current services could be delivered through technology. i.e. TIC	Yes
CP13_1_02 Tourism Marketing and Development	CP13_1_02_04 Refresh the seafront strategy – aligning with other strategies for culture, sports, leisure, employment and health	The action plan for the existing seafront strategy will be revisited and current actions will form the basis of the new action plan	31-Dec-2013	Tourism are working with the Economic Development Team to deliver a 'Tourism And Economic Development Strategy' the seafront strategy will form part of the action plan	Yes
CP13_1_03 Employment - Town Centre Masterplan	CP13_1_03_02 Assist development with CPO powers	Resolve to use CPO powers.	11-Dec-2013	The owners of the Arndale Centre have submitted a revised planning application so work on the CPO has been delayed for one Cabinet cycle.	No
CP13_1_03 Employment - Town Centre Masterplan	CP13_1_03_03 Progress plans for the environmental improvement to Terminus Road to be completed in 2015	Complete consultation on draft design.	06-Dec-2013	Consultation completed on time on 6 December 2013.	Yes
CP13_1_04 Employment - Sovereign Harbour Business Park	CP13_1_04_01 Sovereign Harbour Business Park	Encourage landowners to bring forward the business land for development.	30-Nov-2013	Two planning applications submitted for both outline consent by the landowner and detailed consent by Seachange Sussex for the Innovation Mall.	Yes
		Encourage landowners to submit planning application for remaining development sites.	30-Nov-2013	Two planning applications submitted for both outline consent by the landowner and detailed consent by Seachange Sussex for the Innovation Mall.	Yes
CP13_1_06 Eastbourne Loyalty Scheme	CP13_1_06_01 Establish Loyalty Scheme for Eastbourne	Cabinet decision on implementation.	30-Oct-2013	Project feasibility completed and considered too expensive to implement. Consideration being given to an alternative solution using existing investment in wifi technology.	Yes
		Complete procurement process to see if project is viable.	30-Oct-2013	Project cancelled.	No
CP13_1_07 Support Secondary Shopping Areas	CP13_1_07_01 DPG (Difficult Properties Group) to continue with success of improving	Legal authorisation to pursue action and/or direct action identified for properties not complying with notices.	31-Oct-2013	Took direct action at DPG cost for redecoration and site clearance No 5 Seaside.	Yes



Parent Action	Action	Description	Due Date	Note	Completed
	secondary shopping areas and streets near the town centre with targeted action			Legal action secured prosecution pending seeking legal advice on potential direct action for two outstanding properties in Terminus Road (Numbers 209 and 219).	
CP13_2_05 Transport	CP13_2_05_01 Implement Cycle Routes	Complete phase 2 of Horsey Sewer cycle route.	30-Oct-2013	The cycle route has been completed and the official launch is planned for 25 October.	Yes
CP13_2_07 Pride in our Parks	CP13_2_07_04 New play equipment for Bodium Crescent	Tender supply and build contract.	30-Nov-2013	Supply and build contract tendered on 24 October 2013.	Yes
CP13_2_07 Pride in our Parks	CP13_2_07_06 Improvements to playgrounds in Upperton Ward	Tender supply and build contract.	31-Oct-2013	Supply and build contract tendered on 24 October 2013.	Yes
CP13_3_01 Youth Activities	CP13_3_01_03 Implement Youth Strategy	Monitor progress against Action Plan	31-Dec-2013	December update available to download. This will be discussed further at January 2014 meeting of Youth Partnership.	Yes
CP13_3_01 Youth Activities	CP13_3_01_04 Deliver Healthy Eastbourne Campaign	Resources identified for ongoing development of website	31-Dec-2013	Income to support the website is to be sourced through advertising. To date this has not proved successful and the decision has been taken to ask another company - a social enterprise with strong VCS links - to take this over on the basis that they will then retain any income they secure from advertising to pay for their costs updating the website, Facebook page and Twitter. This will be at no cost to the Council. Separately a regional Lottery award has allowed ESCC to commission 3VA to employ a Health Engagement officer to work with local community and voluntary organisations to promote healthy lifestyles and she will work closely with the Campaign supporting its objectives. The Campaign is also supporting a funding bid by the University of Brighton for research into physical activities amongst those aged 55+.	Yes
CP13_3_02 Improving Neighbourhood Delivery	CP13_3_02_02 Launch Ward Walks	Programme of events agreed with partners / stakeholders for 2014	24-Dec-2013	Outcomes from both pilots have been shared with neighbourhood panels and stakeholders in the activity. Action plans have been agreed with Kingsmere/Kings Park area panel. A presentation covering the pilots will be made to CMT in December 2013 by community involvement manager and the Police Inspector for neighbourhood policing teams, after which work will begin on planning joint agency events in 2014.	Yes

Parent Action	Action	Description	Due Date	Note	Completed
CP13_3_02 Improving Neighbourhood Delivery	CP13_3_02_03 Support development of youth services and activities	Links developed with organisations providing skills, training and employment services to young people	31-Dec-2013	Sussex Downs College and other training providers have attended meetings in 2013 and meeting with SDC set up to discuss opportunities for joint work.	Yes
		YMCA youth activities monitored	31-Dec-2013	Meeting with YMCA on 11th November reviewed progress and agreed amendments to Conditions of Grant in light of learning in 2014. A meeting on January 7th with ESCC Targeted Youth Support Service reviewed concerns about lack of engagement in Shinewater and options for addressing this. TYS will attend free football sessions in both Shinewater and Hampden Park to engage with Young People there and YMCA will meet Police and Causeway to identify ways of engaging with young people in the area. YMCA have developed new Fit and Funky sessions in Langney and in Devonshire in the last few months, and three Wise Up groups for girls aged 10 to 16. These are informal issue based groups involving discussions and arts and crafts to explore health and self esteem. Staff from both TYS and YMCA will meet to discuss the young people they are working with and ways of working together more to support them. Latest YMCA monitoring report is available to download. Other activities in the last quarter included the Youth Fair, a Youth Forum hour on the Youth Radio including musical performances, ad Christmas Party, Carol Concert and art work project for Tesco.	Yes
CP13_3_02 Improving Neighbourhood Delivery	CP13_3_02_04 ECSP Programme Delivery Plan	Monitoring quarter 3	31-Dec-2013	The ECSP plan has been refreshed and updated for 2013/4 to align more closely with the PCC and ESCC Community Safety Plans whilst keeping focussed on local priorities and issues. Currently of the 37 actions, 20 are currently showing green and this includes the majority of local actions with the exception of full integration of the County ASB/Hate crime reporting system which is an integral part of phase 2 of future model and the "street community action plan" both which are currently showing amber. The remainder of amber actions are reliant on East Sussex safer Communities Partnership developing and implementing higher level actions with particular reference to Domestic Violence and Reducing Reoffending. Having said that all actions are on track in relation to their respective timelines and Eastbourne's overall crime continues to reduce year	Yes

Parent Action	Action	Description	Due Date	Note	Completed
				on year.	
CP13_3_03 Maximising our Housing Assets	CP13_3_03_01 Finish Decent Homes for Retirement Courts	Design agreed for Retirement Court remodelling of Archery Court.	31-Oct-2013	It has been agreed by EHL that due to previous work undertaken at Archery Court and financial costs that the project will not be for a complete remodelling of the building but it will be to meet Decent Homes Standards, with some additional works. These flats requiring DH work have been identified and the additional works have been discussed and agreed between EHL, EBC and FFT, the development agent.	Yes
		Planning permission approval received for Retirement Court Remodelling of Archery Court	30-Nov-2013	As previously agreed and reported in a prior Milestone, Archery Court is no longer being fully remodelled and there are no longer any major structural works planned and subsequently full planning permission is not required. The tenders for the "renewal of kitchens and bathrooms and internal alterations" works to be undertaken at Archery Court were received on 20th November 2013. An analysis of the tender returns was made week commencing 25th November 2013 and a recommendation to appoint the most competitive return has been suggested and will occur.	Yes
CP13_3_03 Maximising our Housing Assets	CP13_3_03_05 Housing and Economic Development Project	Programme update provided	31-Dec-2013	The full Financial and Structure Report has been considered by the HEDP Project Board and a decision has been taken to pause further work on the vehicle structures pending the discussions around the scope of future developments. The future role of the HEDP will also need to be considered in the context of the Strategic Economic Plan (SEP) being developed by the Local Enterprise Partnership, which is to be submitted to Government in April 2014. The Council's Housing Services Team has played a leading role in developing the Coastal Communities Group contribution of the housing elements of SEP.	Yes
CP13_3_03 Maximising our Housing Assets	CP13_3_03_06 Review Housing Management options	Initial review of high level options	31-Oct-2013	High level options have been shared with the Project Board for consideration, with further work taking place with Eastbourne Homes Limited to explore the viability of managing the future shape of the Council's landlord role alongside the Council's Future Model Project.	Yes
		In-depth review of preferred options	31-Dec-2013	Discussions have taken place between the Council and EHL about how best Housing Services can be improved through the introduction of the Council's	Yes

Parent Action	Action	Description	Due Date	Note	Completed
				future operating model. A number of provisional recommendations have been agreed to streamline back office support, in a way that will enhance efficiency of both housing and non housing services. EHL and the Council have participated in the Housing Lifecycle Workshops which will form the foundation for the housing elements for the target operating model and so the future structure of both EHL and the Council's Housing Services. This work will start in earnest in the final quarter of 2013/14.	
CP13_3_04 Support to Vulnerable Households	CP13_3_04_01 Social Security Changes (Welfare Reform)	Quarter 3 demand % impact update provided	31-Dec-2013	We continue to promote the East Sussex Welfare Reform advice line. A pop-up display is on show at 1 Grove Road reception and we will be placing an advert in the local press. Work continues on gathering data to help identify the consequences, and inform the remedial action needed, of Welfare Reform. We are on track to spend our allocated Discretionary Housing Payment Fund. The claimant commitment came into force in October. A Jobcentre Plus manager will be delivering a briefing session to staff on how this will work in practice. A key area of work will be to help people avoid falling foul of the commitment.	Yes
CP13_3_04 Support to Vulnerable Households	CP13_3_04_04 Homelessness Strategy	Assess current homelessness and housing options services against the DCLG Toolkit.	30-Nov-2013	A decision has been taken to extend the implementation of the Gold Standard until 2015-16. This is to allow the development of Future Model to reflect research undertaken as part of the Gold Standard self assessment. It will allow post Future Model services to those who are homeless to be properly informed and tested and so be compliant of both the Gold Standard and Future Model.	Yes
CP13_3_05 Town Hall Community Hub	CP13_3_05_01 Community Hub	Implementation update quarter 3	31-Dec-2013	Ongoing discussions are taking place with partners to develop a sustainable option. Alongside this work is taking place to consider how a lift can be located and funded within the context of a historic listed building.	Yes
CP13_3_06 Cultural Development (1)	CP13_3_06_07 Enable the transfer of Towner to independent governance within the context of the Devonshire Park Development	Recruit Chair and Trustees	31-Oct-2013	Chair appointed (David Dimbleby). 2 further trustees appointed in November 2013.	Yes
CP13_3_06 Cultural Development (1)	CP13_3_06_09 Support Eastbourne Society to	Ensure the Heritage Centre operates within the terms of the agreed lease - Q3	31-Dec-2013	Regular meetings are taking place with the Heritage Centre, promotional opportunities are being	Yes

Parent Action	Action	Description	Due Date	Note	Completed
	promote the Heritage Centre			progressed and new opening times have been implemented	
CP13_3_07 Cultural Development (2) - Devonshire Park	CP13_3_07_02 Organisational development plan and governance appraisal for Devonshire Park – including a sustainable business plan for all services	Assess viability and develop future governance options and associated staffing structure.	31-Oct-2013	Interim report was received from DCA including details on the overall scope of the services to be included in the Devonshire Park functions, with indicative organisational (functional) structure attached. The impact of this on the business case and governance options was presented to the Project Board on 15th October.	Yes
CP13_4_01 Efficiency (Future Model Phase I)	CP13_4_01_01 Future Operating Model Phase I	Ongoing review of technologies - quarter 3	31-Dec-2013	Regular technology reviews have been ongoing.	Yes
		Performance data gathered for all services and reviewed - quarter 3	31-Dec-2013	Performance data is emailed on a weekly and monthly basis. Work is ongoing to improve the quality and range of management reports.	Yes
CP13_4_03 Assets	CP13_4_03_01 Asset Management Plan	Review of existing AMP and incorporation of CIPFA recommendations – first draft and CMT approval	31-Dec-2013	Cabinet approved the CIPA recommendations to implement the Corporate Landlord Model on 12 December. This authorisation will now trigger the work on the AMP which will be progress in 2014.	Yes

## Overarching commentary : Prosperous Economy - Q3



Significant progress has been made on all the major development projects. A revised planning application for the Arndale Centre extension has been submitted, growing the investment to an £85m scheme by adding a 9 screen cinema and 7 restaurants. The additional leisure offer is welcomed and policy compliant. The application is likely to be put before the planning committee in the spring. Meanwhile work continues with the land assembly. L&G continue to purchase property by private treaty while the back up CPO indemnity agreement is now completed.

The draft plans for the improvement to Terminus Road have been published and the consultation completed. Early indications are that the design has been well received and the results will be published next quarter. The improvement works are expected to be completed during 2015 to coincide with Phase 1 opening of the new Arndale extension.

The new Local Plan for the Town Centre has now been adopted as formal policy giving confidence to developers to come forward with their plans for other opportunities in the town centre.

The planning application for the proposed Innovation Mall at Sovereign Harbour has been submitted. This project is on track to complete the building in early 2015. Meanwhile the Council has completed work on a new Employment Land policy to allocate sites for new jobs. This complements the Innovation Mall with allocating a total of 20,000 square metres of business space at Sovereign Harbour so that it remains a strategic site for employment. The new draft policy is currently out for consultation.

### **Tourism and Events**



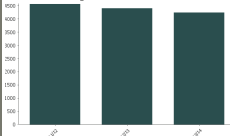

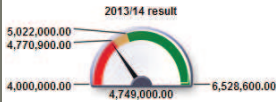
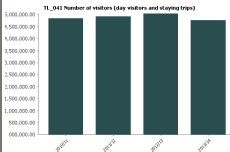
Another positive quarter for Tourism and Events saw VisitEastbourne reach 22 million page views by end December and a 44% increase on accommodation bookings for the year. The mobile website reached over half million page views for the year, plus in December alone there were 100 accommodation referrals and 3,078 business referrals (click-throughs) alongside a 284% increase in online guide requests for December 2013 (compared to 2012). We achieved 4.6 out of 5 stars rating on our new Facebook app and thousands of people downloaded vouchers and entered our online competitions.


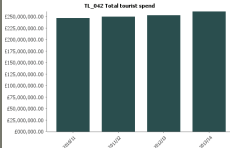

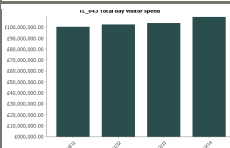

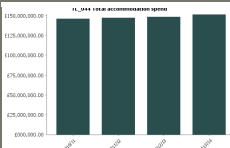
The winter season of events began with the Eastbourne bonfire procession on Sat 5th October with a procession attended by 17 bonfire societies and 4 bands, facilitated by EBC's events team, followed by the Beer Festival on 10th -12th October. 4221 visitors attended over the 3 days, with over 150 beers on sale along with ciders, perries, bottled beer and wine and 13616 pints of real ale were drunk during the festival. At the end of the month, first place in the Beachy Head Marathon went to Jeff Pyrah from Iden, with another 1,557 finishers. The first staging of the Beachy Head 10k took place with 187 finishers, demonstrating the opportunity to grow this aspect of the event. The team also assisted a number of Christmas shopping events during the festive season by facilitating "Meads Magic" on Fri 29th November, "Little Chelsea" on Fri 6th December and "Historic Old Town Christmas" on Sat 14th December.

# Prosperous Economy PIs (tourism) Q3 2013 / 14



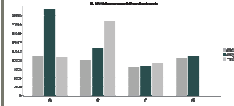
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Amber	2
Green	3

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	TL_040 Beer Festival - Tickets sold	Not measured for Quarters		4300		The ticket sales/admissions for the 2013 Beer Festival were 4228 generating net ticket revenue of £22,871.	Tracey McNulty
	TL_041 Number of visitors (day visitors and staying trips)	Not measured for Quarters		5,022,000.00		<p>In previous years we have put in place plans to convert day visitors to staying visits, with a higher spend per head and the trend demonstrates these were effective. The results of the Visitor Economy study, which took place over the summer 2013 also demonstrates a growth in first time visitors to the resort, with a younger age group discovering the resort. The new strategy will be to sustain their patronage and convert these to overnight stays.</p> <p>In 2012 the number of day visitors dropped due to the excessive rain up to July which would have put</p>	Tracey McNulty


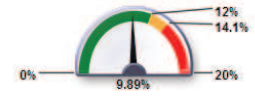
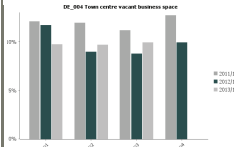


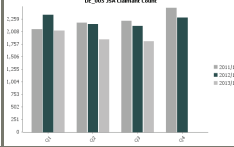
Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
						<p>people off from travelling to Eastbourne followed by the Olympics which would have put a lot of people off travel on the Southern Rail network. Furthermore a number of people stayed at home to watch the Olympics.</p> <p>While there has been a decrease in day visits, spend has increased by 5.4% to £109,230,000. There was also an increase in staying trips (729,000 to 721,000 of the previous year).</p>	
✓	TL_042 Total tourist spend	Not measured for Quarters		£252,097,000.00		In line with other destinations, visitors generally made fewer trips but made the most of their trips by spending more. Again the weather played a part in this, with people cancelling trips up until July due to poor weather and then making the most of the nice weather when it finally arrived.	Tracey McNulty
✓	TL_043 Total day visitor spend	Not measured for Quarters		£103,643,000.00		This figure represents a 5.4% increase on 2011.	Tracey McNulty
✓	TL_044 Total accommodation spend	Not measured for Quarters		£148,454,000.00		The figure represents a 1.7% increase on 2011.	Tracey McNulty



Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	TL_060 Online accommodation referrals made	9,178	<p>Cumulative result for 2013/14 as of Q3 2013/14</p> 	56,384		Q3 is showing an increase compared with Q3 for the previous year. The use of the mobile website has increased with half a million users this year and December alone saw 100 accommodation referrals.	Tracey McNulty

# Prosperous Economy PIs (employment and local economy) Q3 2013 / 14

Rows are sorted by Code

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Traffic Light Icon	Code & Short Name	Q3 2013/14 Value	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	DE_004 Town centre vacant business space	9.89%	Latest result for 2013/14 as of December 2013 	12%		The town centre vacancy rate continues to buck the national trend. Eastbourne vacancy rate is 9.89% for December 2013, which is 4.21% below the national average.	Jeff Collard
	DE_005 JSA Claimant Count	1,807	Latest result for 2013/14 as of November 2013 	2,500		The number of JSA claimants in November 2013 was 1,807. The rates for 2013 are lower than 2012 and show signs of continuing improvement.	Jeff Collard

## Overarching commentary : Quality Environment - Q3



Recycling rates have been sustained so far through the implementation of the new waste contract. Work is continuing throughout the year to work with neighbourhoods to identify and clear grot spots, with 55 cleared so far this year.

The planning application for new allotments will be submitted during Q4 but due to the results of the ecological study the allotments will not be completed until autumn 2014, assuming planning permission is granted.

Good progress has been made with the approval of the Community Declaration for the Community Environment Partnership for Eastbourne (CEPE) and four (rather than five) CEPE events will be completed this year.

The biodiversity report for Hampden Park lake will be procured during Q4 to start in April 2014 and will run for a year, as an essential input into the future park management plan and Green Flag application. Consultation on the Hampden Park Skate Park has resulted in a number of issues being raised, necessitating specialist reports, which will be completed to feed into a planning application in summer 2014. Playground schemes/equipment for Bodiam Crescent and Upperton will be delivered on target, as will the Five Acre field improvements, weather permitting.


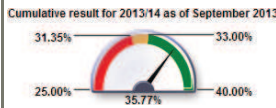
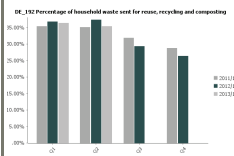

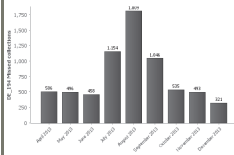
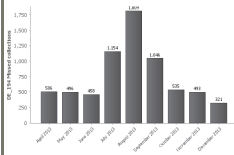
The planning application for the remaining major development sites at Sovereign Harbour has been submitted by the land owner. As expected the proposals closely follow the approved Supplementary Planning Document. (SPD). Besides allocating land for employment, leisure care home and housing, it confirms the sites for the much needed community facilities such as children's play space and open space but also the community centre, which remains a top priority for delivery.

The next stage of implementing the Eastbourne Cycling Strategy has moved into the consultation phase. Six routes have been designed and ESCC are seeking public comment on the proposals. Meanwhile another section of phase 2 of the Horsey Sewer cycle route from Churchdale Road to Lottbridge Drove was opened during this quarter.

# Quality Environment PIs Q3 2013 / 14

Rows are sorted by Code

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Data Only	1

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	DE_192 Percentage of household waste sent for reuse, recycling and composting		 <p>Cumulative result for 2013/14 as of September 2013 31.35% 33.00% 25.00% 35.77% 40.00%</p>	33.00%		<p>Although the complete quarterly figures available are to Quarter 2 (see gauge and chart) the recycling rate increased slightly in October from the previous quarter as customers get used to the new collection system and become more familiar with the wide range of materials that can be recycled. The greater variety of materials that can now be recycled under the co-mingled service has led to an improved level of recycling in comparison with the level achieved using the previous kerbside sort system.</p>	Henry Branson
	DE_194 Missed collections	1,349	 <p>Cumulative result for 2013/14 as of December 2013 6,818</p>			<p>The number of missed collections has greatly reduced as the new collection service beds in. A lot of work has been done by staff at the local waste depot in collaboration with Eastbourne Borough Council to reduce the number of missed collections, specifically missed assisted collections.</p>	Henry Branson





## Overarching commentary : Thriving Communities - Q3

### Community

In relation to the collection of council tax, the change allowing people to pay over 12 months, as opposed to over 10 months, with the last payment being made in March rather than in January, will skew current performance. Therefore although collection is slightly behind target, it is anticipated that the gap between target and outturn will be reduced before the end of the financial year. All cases with arrears are being proactively pursued, as can be evidenced by a 10% increase in the number of reminders sent out when compared to the same period in 12/13. In addition, a Single Person Discount Review and a New Homes Bonus Review have both been carried out this last quarter.

The Community Grants Programme has £64,200 to be allocated under its small grants programme. Twenty four community groups made eligible applications to the Community Grants programme. The applications have been reviewed and assessed and 19 are being recommended to receive grant funding.

The latest comparable figures for crime reduction show that Eastbourne has remained as the lowest or second lowest over the past two years compared with our most similar group in respect of overall crimes per 1,000 population. This is a creditable achievement. As a result of implementing a detailed action plan and an effective partnership policing delivery, crime types that have reduced substantially include shoplifting; robbery; and major car crime.

A joint action plan implemented last quarter between the Housing Standards team and Customer First has stated to make progress on bringing performance on the delivery of Disabled Facilities Grants on track within the Council's target time to reduce inconvenience to disabled clients.

Although this period shows that we have a 1% increase in the number of homes not meeting the decent homes standard, this is a reflection on the way this is recorded. The asset management system used by the Council's managing agent Eastbourne Homes Limited Keystone assesses decency by looking at the year of installation of components and therefore at midnight on the 31st of December components become a year older. The report for Period 9 was run in January because of the Christmas Holiday. The change of calendar year generates a change in the decency assessment for the stock, however over the next few months the decency figure will move closer to 100% decency again as improvement work is undertaken on the non decent properties.

Demand for housing options services continues to be high, with the Housing Options team having to deal with an increasing demand. The high level of cases prevented from being formally homeless has helped manage the number of homelessness applications. Interestingly, homelessness due to mortgage arrears remains extremely low, with only one application of this nature this year.

### Devonshire Park

Devonshire Park Project continues to progress. The specialist consultant has confirmed the viability of the project and the report shows a reduced subsidy is possible while carrying out the significant development proposals. Appointment of the Project Manager, a critical role for developing a sound procurement strategy and taking the project to RIBA Stage C, is well advanced

with the Expressions of Interest stage completed and the shortlisted companies currently submitting their tenders. Meanwhile the issues with state aid have been resolved allowing the project to move safely to the concept design stage unencumbered.

Phase 1 of the project, which is the replacement of the Congress Façade, has moved forward with the full appointment of the team who are working on the design stage. Options for repair and replacement will be developed and costed before moving to a preferred solution that will then be taken forward with a comprehensive specification for tender and listed building consent. The project is on track to be completed by February 2015.

### **Tourism and Leisure**

The Redoubt enjoyed its best winter season to date, proving the decision to remain open over the winter to be sound and the 'Twilight Tours' were featured in The Telegraph in October, promoting the venue to a wider audience. The restoration work to the bandstand saw the Christmas concerts moved to the museum and these were full to capacity, with record breaking income takings at the café as a result. The Winter Gardens also saw the new custom through the introduction of Christmas parties and over 2,000 guests enjoyed a variety of themed party nights throughout December. The theatres sustained its strong audiences with over 100,000 attendees enjoying smash hits such as Cabaret, the London Philharmonic and The Butterfly Lion. Opening figures for this year's panto, "Aladdin" at the Devonshire Park, realised the ambition for the most successful Pantomime ever, both in terms of audience numbers and income, and by the end of December it had already surpassed the most income taken for a pantomime, and in excess of 30,000 patrons. The Royal Hippodrome has enjoyed a hugely successful programme, with a packed house enjoying Miranda Hart's warm up performance and a number of family friendly shows bringing in new audiences.

The sports centres and swimming pools were also well attended, although Hampden Park has been affected by the lack of squash courts due to wall damage and we saw a drop in participation in junior football, netball and badminton clubs at the Centre. Conversely the adult netball league now has 24 teams and the junior tennis and trampoline sessions are now up and running successfully. The 3G pitch at the Sports Park continues to be popular and 'Soccer Sixes' had over 200 participants in its Christmas Cup. In analyzing the drop in visitor numbers we have identified that the electronic counter has been faulty, recording only 50% of visitors and rectifying this is a priority.

Towner's winter programme was a success with a combination of contemporary art installations, new commissions and displays of the collection attracting press coverage from ITV Meridian and The Guardian. A grant of £15,000 from the V&A has enabled a new purchase for the Collection, by Uriel Orlow and £36,000 has been achieved from Artsworld for education and outreach projects. 52 schools have already signed up for the Annual Schools Exhibition in 2014, double last year's figures. Further press coverage was achieved by the news that David Dimbleby agreed to be the new Chair for Towner when it transfers to Charitable Trust and other trustees are in the process of being signed up.

# Thriving Communities PIs (community) Q3 2013 / 14









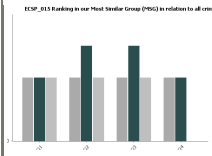


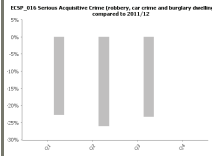


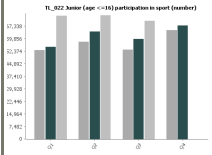
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Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	CD_060 Number of young people engaged in positive activities	170	Latest result for 2013/14 as of Q3 2013/14 170		<p>CD_060 Number of young people engaged in positive activities</p>	Willington Trees - 10 attend regular youth sessions and 8 attend Fit and Funky sessions, 6 attend Wise Up group (new provision); Langney Village - 25 attend regular youth sessions and 5 attend Fit and Funky sessions (new provision), 6 attend Wise Up group (new provision); Old Town - 12 attend Young Women's Group and 9 attend boys' club, 8 attend Wise Up group (new provision); Devonshire - 12 to 15 attend Music Club and 8 attend Fit and Funky sessions (new provision); Hampden Park - 18 attend football projects; Freestyle Gymnastics - 40 regular participants	Ian Fitzpatrick
	CD_061 Number of people engaged in the Youth Forum	10	Latest result for 2013/14 as of Q3 2013/14 10		<p>CD_061 Number of people engaged in the Youth Forum</p>	Numbers vary. 15 young people are registered as members of the Youth Forum - attendance is generally between 8 and 10 young people each fortnight.	Ian Fitzpatrick




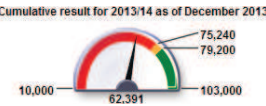
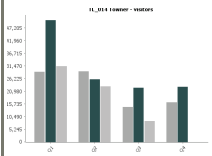

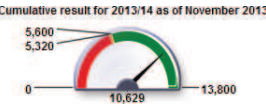
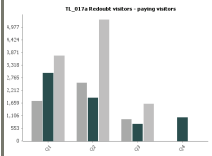
Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	ECSP_002 Shoplifting rate compared to 2011/12	-6.1%	Latest result for 2013/14 as of December 2013 	-3%		As a result of implementing a detailed action plan this crime type has reduced substantially compared to current target	Ian Fitzpatrick
	ECSP_004 Violent Crime in a Public Place rate compared to 2011/12	-1.1%	Latest result for 2013/14 as of December 2013 	-3%		This aspect of violent crime has shown reductions in Q2 from Q1 and if progress against this target continues to be made it will be showing green by end of Q4. It must also be reviewed in the context of major target reductions in the previous performance year for this crime type.	Ian Fitzpatrick
	ECSP_015 Ranking in our Most Similar Group (MSG) in relation to all crime	2	Latest result for 2013/14 as of November 2013 	4		Eastbourne has remained as the lowest or second lowest over the past two years compared with our most similar group in respect of overall crimes per 1000 population. A creditable achievement.	Ian Fitzpatrick
	ECSP_016 Serious Acquisitive Crime (robbery, car crime and burglary dwelling) rate compared to 2011/12	-23.2%	Latest result for 2013/14 as of December 2013 	-3%		It can be seen this crime category has seen major % reductions so far this year, highlighting an effective partnership, effective partnership plan and effective local policing delivery.	Ian Fitzpatrick
	TL_022 Junior (age <=16) participation in sport (number)	70,414	Cumulative result for 2013/14 as of December 2013 	246,600		Swimming lessons at the Sovereign and Motcombe Pool are increasing all the time. Gymnastics, H2O and the October holidays were well attended for this period. At Eastbourne Sports Park Junior football, tennis and athletics are well attended. At Shinewater dance classes, gymnastics and tumble tots are thriving. At Hampden Park	Tracey McNulty



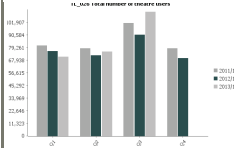
Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
						Football, Netball and badminton for juniors are down from last year. At Cavendish Street Dance, cheer leading and little kickers and rugby are well attended. Generally all is going well.	

# Thriving Communities PIs (cultural development) Q3 2013 / 14

Rows are sorted by Code

Traffic Light	
Red	1
Green	2



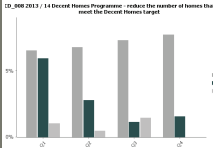


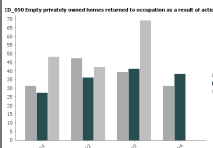
Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	TL_014 Towner - visitors	8,401		95,200		Although visits appear lower than expected, we know that there is a problem with the electronic counter, as also experienced at the sports centres, which has only accounted for 50% of visitors. The company have confirmed the fault and will rectify this month. All other data and booking evidence demonstrates that visitor numbers have remained steady, with all talks and tours being sold out.	Tracey McNulty
	TL_017a Redoubt visitors - paying visitors	1,605		5,600		It has been an incredibly successful year for the Redoubt and the Heritage Service in general. Having undergone what has proved to be an extremely well thought out restructure, a stunning rebranding, produced brand new signage and marketing and opening an on site café the staff still had a lot to prove this year. In a year where so many Heritage Sites and Visitor Attractions both local and national have reported a slump in visitors,	Tracey McNulty



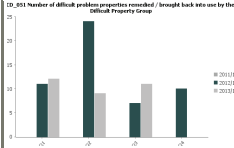

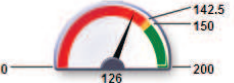
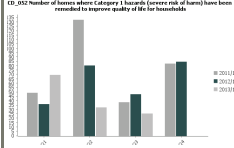
Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
						<p>the Redoubt has well and truly bucked that trend. The Season end total for 2013/14 stands at 10,629 paying visitors, however to get the real figure we should add the 1,019 people who visited when we opened in March 2013, giving a figure of 11,648 paying visitors. When you compare that to a real figure of 5566 for 2012/13 you can see that the number of visitors have doubled this season. With the current economic environment this achievement must be even more significant.</p> <p>The Redoubt closed to the public on November 17th 2013 so there are no paying visitors recorded for December. The Redoubt remains closed until April 1st 2014.</p>	
	TL_026 Total number of theatre users	111,144	<p>Cumulative result for 2013/14 as of December 2013</p> 	300,000		<p>Well above target, along with a successful theatre provision, strong conference/event and meeting usage, overall high level of usage.</p>	Tracey McNulty

# Thriving Communities PIs (housing) Q3 2013 / 14

Rows are sorted by Code

Traffic Light	
Red	2
Green	2



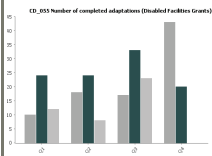


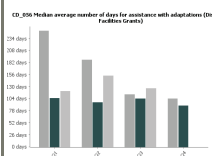


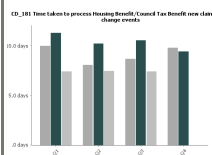
Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	CD_008 2013 / 14 Decent Homes Programme - reduce the number of homes that do not meet the Decent Homes target	1.42%	<p>Latest result for 2013/14 as of Q3 2013/14</p> 	0%		At Quarter 3 the indicator shows a 1% increase however planned works are in place to achieve the programme as per target by year end.	Ian Fitzpatrick
	CD_050 Empty privately owned homes returned to occupation as a result of action by EBC	69	<p>Cumulative result for 2013/14 as of Q3 2013/14</p> 	120		This is a higher than anticipated figure for quarter three 2013/14 and can primarily be credited via the Council's landlord incentive scheme having a very positive effect and as this contributes to 44 of the 69 properties brought back into use during quarter three 2013/14. The remaining work is reflective of both effective work from the Private Housing team in offering advice and guidance about licensing of properties and also the effects of Council Tax premium now being charged on empty properties.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	CD_051 Number of difficult problem properties remedied / brought back into use by the Difficult Property Group	11	<p>Cumulative result for 2013/14 as of Q3 2013/14</p> 	30		The Difficult Properties Group have successfully completed and remedied 11 units in Quarter 3 of 2013-14.	Ian Fitzpatrick
	CD_052 Number of homes where Category 1 hazards (severe risk of harm) have been remedied to improve quality of life for households	25	<p>Cumulative result for 2013/14 as of Q3 2013/14</p> 	200		The work to remedy Category One Hazards is to a large degree dependent upon cases being reported to the Housing Standards team. The number of such cases which have been resolvable within the three month period has not been as high as expected. It should be noted that a pre-emptive programme of spot checks on Homs has helped encourage and support landlords to prevent problems arising that require more formal action by the Council.	Ian Fitzpatrick

# Thriving Communities PIs (vulnerable households - benefits/support) Q3 2013 / 14

Rows are sorted by Code

Traffic Light	
Red	2
Green	1


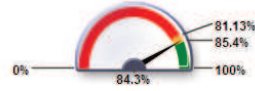
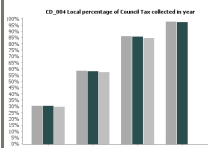


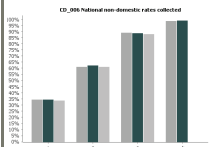
Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	CD_055 Number of completed adaptations (Disabled Facilities Grants)	23	<p>Cumulative result for 2013/14 as of Q3 2013/14</p> 	108		Following action in Quarter 2 to improve performance, this indicator is now starting to move in the right direction. The team are working through cases with the Occupational Therapy Team and it is anticipated this indicator will be near target by the end of the year.	Ian Fitzpatrick
	CD_056 Median average number of days for assistance with adaptations (Disabled Facilities Grants)	126 days	<p>Latest result for 2013/14 as of Q3 2013/14</p> 	100 days		A joint action plan implemented last quarter between the Housing Standards team and Customer First has stated to make progress on bringing performance on the delivery of Disabled Facilities Grants on track within the Council's target time, which has been set to minimise inconvenience to disabled clients.	Ian Fitzpatrick
	CD_181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	7.4 days	<p>Latest result for 2013/14 as of October 2013</p> 	10.5 days		In the quarter new claims were processed in 17.7 days and changes in 7.2 days which are both below their individual targets of 18 days and 8 days respectively. Performance remains ahead of target and better than the national	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
						average.	



# Thriving Communities PIs (vulnerable households - revenues) Q3 2013 / 14

Rows are sorted by Code


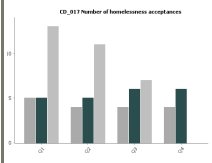

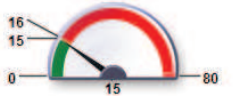
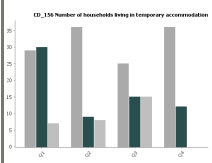
Traffic Light							
Amber				2			
Traffic Light Icon	Code & Short Name	Q3 2013/14 Value	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
	CD_004 Local percentage of Council Tax collected in year	84.3%	Latest result for 2013/14 as of December 2013 	97.25%		A Single Person Discount Review and a New Homes Bonus Review have both been carried out this quarter. They resulted in an increase of c£150,000 in the amount to Council Tax to collect. Whilst this has had an adverse impact on in-year collection looking forward it will result in additional revenue to the Council. The introduction this year of 12 monthly instalments, along with changes to welfare benefits and discounts and exemptions have created a challenging environment for the collection of council tax. Performance is slightly behind target and will be putting in place actions over the remainder of the year to close the gap as far as possible.	Ian Fitzpatrick
	CD_006 National non-domestic rates collected	87.64%	Latest result for 2013/14 as of December 2013 	98.7%		Whilst the gap between the target and outturn has reduced slightly, the conditions for collection of business rates remain challenging. The team are actively pursuing all those accounts in arrears and are currently at the relevant point in the recovery cycle.	Ian Fitzpatrick

# Thriving Communities PIs (vulnerable households - homelessness) Q3 2013 / 14

Rows are sorted by Code

Traffic Light	
Green	1
Data Only	3

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	CD_014 Number of incidents of homelessness prevented and relieved	157 households	Cumulative result for 2013/14 as of Q3 2013/14 438 households			In 2013-14 the demand of people approaching the Council for help has increased from previous years. To date we have been able to maintain a high rate of prevention but this has been dependant upon the availability of schemes to financially support people to access accommodation provided by private landlords. In preparation for 2014-15 additional financial controls are to be introduced to make sure that the limited financial funds available are deployed throughout the year. Relief work continues to be effective as a result of the Housing Services team developing their skills in these areas.	Ian Fitzpatrick
	CD_016 Number of homelessness applications	41	Cumulative result for 2013/14 as of Q3 2013/14 116			The high level of Preventions has helped us to maintain a firm grip on the number of homelessness applications.	Ian Fitzpatrick

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	CD_017 Number of homelessness acceptances	7	Cumulative result for 2013/14 as of Q3 2013/14 31			Homelessness Acceptances have continued to increase despite the effectiveness of our homelessness preventions work. This is a result of a steady increase in demand from households effected by such things as the benefit cap and a more discerning approach being taken by private landlords to the tenants they will take. It is worth noting that currently homelessness due to mortgage arrears remains extremely low. This may change in the future should interest rates increase.	Ian Fitzpatrick
	CD_156 Number of households living in temporary accommodation	15	Latest result for 2013/14 as of Q3 2013/14 	15		As a snapshot, on the 30th September 2013, the last day of Quarter 2, there were 8 placements in B&B accommodation. Throughout the entire of Quarter 2 of 2013/2014 there have been 38 placements within B&B accommodation.	Ian Fitzpatrick

## Overarching commentary : Sustainable Performance - Q3



After an extremely challenging Q2, contact centre performance has largely returned to normal levels. Telephone call volumes returned to normal overall in Q3 and service performance returned to Q1 levels both in terms of call answering times and call abandonment rates. Call abandonment rates were the best so far this year, with 96% of calls handled. Although we were just short of the target for call answering times in Q3, we have now seen three consecutive months of improving statistics and met the target in December.

Waiting times for customers seen face to face at 1 Grove Road continue to be slightly longer than we would like due to staff vacancies and sickness, which has been addressed through the recruitment of three new customer advisors. We are working to address this in Q4 through ongoing training for the newer members of the team and rotating advisors between the areas to gain knowledge and experience.

Work on the remaining Future Model Phase I services which are not yet live continues, with a revised target to complete this work before March.



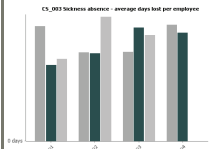


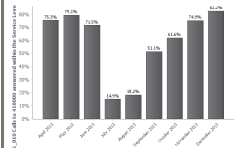
Future Model Phase II is progressing satisfactorily with Eastbourne Homes formally agreeing engagement in the project during Q3. A first wave of workshops have been completed and we are benefitting from lessons learnt in Phase I. There will be a formal update report to Cabinet in February.


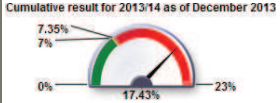
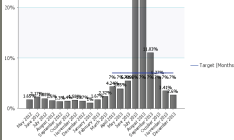

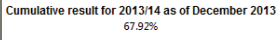
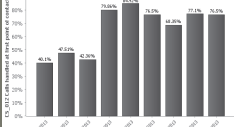
Creating a sustainable asset portfolio has moved a step closer. Following specialist advice on potential ways forward, Cabinet has approved the creation of a Corporate Landlord Team to be in place by April 2015. The team will be resourced to deal with all matters on the management of the Council's assets. This will pull into one central team all the planned maintenance and compliance work currently carried out across the asset portfolio by the building managers. The team will, as now, continue dealing with all strategic asset management work such as land sales and lease reviews. Work is also currently being undertaken on the best options to deliver the Facilities Management function.

# Sustainable Performance PIs Q3 2013 / 14

Rows are sorted by Code





Traffic Light	
Red	1
Green	1
Data Only	2

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
	CS_003 Sickness absence - average days lost per employee	1.45 days	 <p>Cumulative result for 2013/14 as of Q3 2013/14</p>	5.8 days		Sickness entered for the third quarter is slightly down on the same period last year (1.45 compared to 1.55), and reduced from the last quarter. There have been reminders to managers to ensure they are recording absence but this doesn't seem to have resulted in a spike. We remain on track at this stage, but based on past Q4 sickness and further Q3 sickness still to be entered we may be fairly close to the 5.8 days at year end. Further analysis is being undertaken on reasons for absence.	Julian Osgathorpe
	CS_010 Calls to 410000 answered within the Service Level Agreement	71.21%	 <p>Cumulative result for 2013/14 as of December 2013</p>	57.7%		The SLA was set to 80% of calls answered within 30 seconds until 1st December 2013 when it was changed to 80% of calls answered within 20 seconds. Issues with bin stock and start of the garden waste service from 1st September has impacted on the volume of calls	Henry Branson

Traffic Light Icon	Code & Short Name	Q3 2013/14	Year to date	Annual Target 2013/14	Comparison with previous year's quarter / previous year's value if annual PI.	Latest Note	Portfolio Owner
		Value					
						received.	
	CS_011 Telephone call abandonment rate	4.39%	 <p>Cumulative result for 2013/14 as of December 2013 7.35% 7% 0% 17.43% 23%</p>	7%		Performance has improved hugely during Q3. All three months were within target, with the abandonment rate just 2.3% in December. Unfortunately, due the exceptional issues experienced during Q2, it will not be possible to get the annual figure back on target.	Henry Branson
	CS_012 Calls handled at first point of contact	73.33%	 <p>Cumulative result for 2013/14 as of December 2013 67.92%</p>			Go live of some planning scripts has seen an increase in calls being handled at the first point of contact.	Henry Branson

# Devolved Budgets 2013/14

Ward	Supported Schemes	Total Spend
Devonshire Ward	<ul style="list-style-type: none"> <li>• Matthew 25 Project</li> <li>• Parade Bowls Club</li> <li>• Whitley Road Green Space Improvements</li> <li>• Tree in Pevensey Road</li> <li>• Sports for All</li> <li>• Cotton Candy</li> <li>• Trees Elms Avenue</li> <li>• Leaf Hall Roof</li> <li>• Parade Bowls Club</li> <li>• Venton Centre</li> <li>• The HOME volunteers Christmas event</li> </ul>	<p>Cumulative result for 2013/14 as of December 2013</p>  <p>£9,770.40</p>
Hampden Park Ward	<ul style="list-style-type: none"> <li>• Summer Sports Event Old Town Recreation Ground</li> <li>• Willingdon Trees Community Games</li> <li>• Sports for All</li> <li>• Lindfield School</li> <li>• Counselling Plus Community</li> <li>• Parkland Infant School</li> <li>• Duke of Edinburgh Open Awards Centre</li> <li>• Brodrick Road Community Centre</li> <li>• St Peter's Church</li> </ul>	<p>Cumulative result for 2013/14 as of December 2013</p>  <p>£7,865.00</p>

Ward	Supported Schemes	Total Spend
Langney Ward	<ul style="list-style-type: none"> <li>• Sports for All</li> <li>• Shinewater Park</li> <li>• Pensford Drive</li> <li>• Shinewater Park Picnic Benches</li> </ul>	Cumulative result for 2013/14 as of December 2013  £870.00
Meads Ward	<ul style="list-style-type: none"> <li>• Vision for Eastbourne</li> <li>• Christmas Lights</li> </ul>	Cumulative result for 2013/14 as of December 2013  £1,774.00
Old Town Ward	<ul style="list-style-type: none"> <li>• Summer Sports Event Old Town Recreation Ground</li> <li>• Picnic Bench Motcombe Gardens</li> <li>• St Michael and All Angels</li> <li>• Sports for All</li> <li>• Victoria Drive</li> <li>• Skate Hockey</li> <li>• Cobbold Avenue</li> <li>• Victoria Drive 2</li> </ul>	Cumulative result for 2013/14 as of December 2013  £5,518.31
Ratton Ward	<ul style="list-style-type: none"> <li>• Trees within the Ward</li> <li>• Bulbs within the Ward</li> <li>• Trees Selemeston Road</li> <li>• Trees Rowan Avenue</li> <li>• Christmas Tree Willingdon Roundabout</li> <li>• Trees Chatfield Crescent</li> </ul>	Cumulative result for 2013/14 as of December 2013  £8,750.00



Ward	Supported Schemes	Total Spend
St Anthony's Ward	<ul style="list-style-type: none"> <li>• Scout Group Archery Youth Centre</li> <li>• Tree in Bowood Avenue</li> </ul>	Cumulative result for 2013/14 as of December 2013  £1,784.00
Sovereign Harbour Ward	<ul style="list-style-type: none"> <li>• Haven Church of England and Methodist Primary School</li> <li>• Kingsmere Community Association</li> <li>• Short Mat Bowls</li> <li>• Kings Park Community Hall</li> </ul>	Cumulative result for 2013/14 as of December 2013  £5,402.80
Upperton Ward	<ul style="list-style-type: none"> <li>• Epilepsy Group</li> </ul>	Cumulative result for 2013/14 as of December 2013  £450.00

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	Current Budget	Profiled Budget	Actual to 31st Dec	Variance	Outturn	Comments
	£'000	£'000	£'000	£'000	£'000	
<b>Corporate Management</b>	<b>255</b>	<b>277</b>	<b>280</b>	<b>3</b>	<b>3</b>	
Service Management	150	120	95	(25)	(32)	Outturn includes additional income anticipated from EHL and New Burdens grant
Performance and Risk Management	123	111	111	-	-	
Civil Contingencies	26	19	19	-	-	
Finance Management and Operational Costs	524	553	555	2	5	
Corporate Finance Costs	426	384	392	8	5	
Payroll and Information	106	82	66	(16)	(15)	
Pensions	357	253	249	(4)	(7)	
<b>Financial Services</b>	<b>1,712</b>	<b>1,522</b>	<b>1,487</b>	<b>(35)</b>	<b>(44)</b>	
Service Management	237	201	197	(4)	(8)	Outturn includes additional resources for priority work in Legal Services
Civic Services (including Printing)	443	375	362	(13)	(8)	
Elections and Local Land Charges	24	12	15	3	3	
Strategic Performance	94	77	79	2	-	
Legal Services	220	188	199	11	29	
Human Resources Management and Admin	98	67	65	(2)	1	
Employee Relations	64	53	54	1	1	
Member Development	53	40	35	(5)	(4)	
HR Resourcing and Development	100	81	82	1	1	
<b>Corporate Development</b>	<b>1,333</b>	<b>1,094</b>	<b>1,088</b>	<b>(6)</b>	<b>15</b>	
Service Management	85	64	65	1	2	Includes additional Parks and Gardens contract costs off set by Cleansing contract savings
IT & E-Government	1,631	1,511	1,503	(8)	(10)	
Facilities Management	379	308	316	8	8	
Customer First	6,829	5,150	5,176	26	11	
Estates / Asset Management	(589)	(407)	(407)	-	-	
<b>Corporate Infrastructure and Customer First</b>	<b>8,335</b>	<b>6,626</b>	<b>6,653</b>	<b>27</b>	<b>11</b>	
<b>Total Corporate Services</b>	<b>11,635</b>	<b>9,519</b>	<b>9,508</b>	<b>(11)</b>	<b>(15)</b>	
<b>COMMUNITY SERVICES</b>						
<b>Service Management</b>	<b>(38)</b>	<b>68</b>	<b>72</b>	<b>4</b>	<b>-</b>	
Housing Services Management	103	124	104	(20)	(15)	
Revenues and Benefits	32	34,720	34,738	18	34	

	Current Budget	Profiled Budget	Actual to 31st Dec	Variance	Outturn	Comments
	£'000	£'000	£'000	£'000	£'000	
Housing Needs	159	159	178	19	37	Outturn includes agency cover for maternity leave and property repair costs
Homelessness	167	167	147	(20)	(7)	
EH Private Sector Housing	238	169	185	16	12	Cremation income and other related income/savings within Bereavement Services
Bereavement	(915)	(604)	(720)	(116)	(124)	
<b>Direct Assistance</b>	<b>(216)</b>	<b>34,735</b>	<b>34,632</b>	<b>(103)</b>	<b>(63)</b>	
Community Development	123	98	109	11	14	
Community Involvement	71	54	54	-	-	
Community Grants	408	408	408	-	-	
<b>Community Activity</b>	<b>602</b>	<b>560</b>	<b>571</b>	<b>11</b>	<b>14</b>	
Housing / Homelessness Strategy	80	100	103	3	15	
Solarbourne	(277)	(247)	(255)	(8)	-	
Energy Efficiency	-	-	7	7	(7)	
Crime Reduction Partnership	-	-	-	-	7	
<b>Strategic Partnership</b>	<b>(197)</b>	<b>(147)</b>	<b>(145)</b>	<b>2</b>	<b>15</b>	
<b>Total Community Services</b>	<b>151</b>	<b>35,216</b>	<b>35,130</b>	<b>(86)</b>	<b>(34)</b>	
<b>TOURISM AND LEISURE</b>						
Service Management	99	76	74	(2)	-	Current variance includes £24k for show accounts.
Sport & Leisure	306	348	333	(15)	-	
Theatres	749	698	752	54	19	Current variance includes £126k for Catering (£188k for outturn)
Tourism	488	345	534	189	247	
Events & Devonshire Park	577	476	484	8	(5)	
Towner	673	469	473	4	-	
<b>Total Tourism &amp; Leisure Services</b>	<b>2,892</b>	<b>2,412</b>	<b>2,650</b>	<b>238</b>	<b>261</b>	
<b>TOTAL SERVICE EXPENDITURE</b>	<b>14,678</b>	<b>47,147</b>	<b>47,288</b>	<b>141</b>	<b>212</b>	

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

<b>Item No.</b>	<b>Amount</b>	<b>Reserve Code</b>	<b>Reserve</b>	<b>Reason</b>
1	£10,000	z10125	Strategic Change Reserve	Insurance Valuation for CIPFA final accounts compliance
2	£13,274	z10127	Capital Programme Reserve	Pavilion Tea Rooms - R & M
3	<u>(£29,871)</u>	z10190	General Fund Revenue Account	County Elections
	<u>(£6,597)</u>			

**Virements over £10k for approval**

<b>Item No.</b>	<b>Amount</b>	<b>Service Area</b>	<b>Reason for virement</b>
1	£26,000	Allotments	Phased Allotments Management Grant Reduction
		-£15,000 MRP Loan Repayment	Phased Allotments Management Grant Reduction
		-£11,000 General Fund Reserve	Phased Allotments Management Grant Reduction

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Scheme	Total Cost of Scheme	Total spend to 31.3.13	Approved Budget 2013 14	Revised Budget 2013 14	Spend as at 31.12.13	Variance to Revised Budget	Funding of Budget 2013-14	Comments
<b>HOUSING REVENUE ACCOUNT</b>								
Decent Homes Works		1,921,310	284,000	567,900	245,783	-322,117	RCCO/Borrow	Riverbourne/Upwick & New Derby works completed
Sheltered Remodelling:		2,451,908	2,400,000	2,054,800	1,259,748	-795,052	RCCO/Borrow	Roxborough/Sutherland/Tyrone completed. Archery works started Jan 14 completion due May 14. Winchester started Sept 13 completion expected Aug 14.
Major Works		2,495,119	4,350,300	3,699,600	1,295,695	-2,403,905	RCCO/Borrow	Some delays experienced and re-profiled accordingly
Environmental Improvements		17,779	80,800	80,000	11,967	-68,033	RCCO/Borrow	On target to complete in 13/14
Langney Villas	494,000	460,919	10,000	0	0	0	S106	Complete
Ratton Road	1,625,000	1,382,826	13,300	0	0	0	S106	Complete
Upper Avenue (38)	1,382,000	1,221,017	10,000	0	0	0	S106	Complete
LA New Build 2013-15 (new affordable homes in Seaside) Coventry Ct & Belmont Rd	2,930,000	0	2,930,000	0	0	0	S016/EBC	Preparatory work underway. Re-profile to 14/15
Supporting Housing & Economic Progress Initiative (SHEP)	2,279,000	0	2,279,000	1,170,000	0	-1,170,000	Grant/Borrow	One property planned to be purchased 13/14. Remaining properties due in 14/15
46 Upperton Gardens	240,000	0	240,000	40,000	0	-40,000	EBC	Architects fees & planning permission in 13/14. Majority of works planned for 14/15
Homelessness Change Programme	275,000	0	275,000	200,000	0	-200,000	Grant/EBC	Property identified planned for purchase 13/14
<b>Total HRA</b>		<b>9,950,879</b>	<b>12,872,400</b>	<b>7,812,300</b>	<b>2,813,192</b>	<b>-4,999,108</b>		
<b>COMMUNITY SERVICES</b>								
Cremator Replacement	1,935,100	1,391,080	36,650	36,650	32,227	-4,423	Borrow	Complete
Memorial Safety Cems	40,000	0	34,000	0	0	0	EBC	Re-profile to 14/15
Digitalise Burial Records	10,000	0	10,000	0	0	0	EBC	Re-profile to 14/15
Ocklynge Cemetery	46,000	0	46,000	0	0	0	EBC	Replacement bid to make chapel safe
Crematorium - Main Chapel	21,000	0	21,000	0	0	0	EBC	Re-profile to 14/15
Disabled Facilities Grants (external funding)	Ongoing		638,800	388,800	248,655	-140,145	Grant	Slow start to year, but increasing as new processes embedded.
Disabled Facilities Grants (EBC Funded)	Ongoing		144,150	0	0	0	EBC	Re-profile to 14/15
BEST Grant (housing initiatives)	Ongoing		141,100	106,100	89,064	-17,036	Grant	Planned works to be completed 13/14
3-17 Jevington Gardens - GF	435,000	0	575,000	435,000	304,500	-130,500	S106	Complete awaiting final invoice
St Elizabeth's Church - GF	52,000	0	52,000	0	0	0		
Housing Regeneration - Block Allocation	18,081,000	0	5,081,000	0	0	0	External	Re-profile to 14/15
Willingdon Trees Multi Gym	20,000	0	20,000	0	0	0	EBC	Trustees have not yet appointed an architect. Re-profile to 2014/15
Solar Panels	3,400,000	3,228,031	172,000	172,000	0	-172,000	Borrow	On target to complete 13/14
<b>Total Community Services</b>		<b>4,619,111</b>	<b>6,971,700</b>	<b>1,138,550</b>	<b>674,446</b>	<b>-464,104</b>		
<b>CUSTOMER FIRST</b>								
Contaminated Land	185,000	82,966	102,000	5,000	0	-5,000	Grant	Investigations complete. £5k spend expected 13-14.
Coast Defences Beach Management Strategy	Ongoing		295,150	495,150	251,828	-243,322	Grant	Works anticipated to be completed 2013/14

Scheme	Total Cost of Scheme	Total spend to 31.3.13	Approved Budget 2013 14	Revised Budget 2013 14	Spend as at 31.12.13	Variance to Revised Budget	Funding of Budget 2013-14	Comments
Cycling Strategy	45,000	4,400	40,600	0	0	0	EBC	Consultation due Jan 2014 and results due to be reported to Cabinet march 2014
Park and Ride	50,000	0	50,000	0	0	0	EBC	Review of car parks being currently being completed
Princes Park (schemes to be decided)	210,000	27,000	183,000	0	0	0	S106	Initial planning work carried out
Play Area Sovereign Harbour	27,000	0	27,000	0	0	0	S106	Re-profile to 14/15 pending developments and new areas of open space
Allotment Upgrade	114,000	99,908	14,100	14,100	0	-14,100	EBC/Borrow	On target to complete 2013/14
Hampden Park Skate Park	150,000	0	150,000	0	0	0	S106/EBC	Planning permission expected July 2014 with completion Sept 2014
Planning Software	50,000	42,070	7,950	7,950	0	-7,950	Borrow	On target to complete in 2013/14
Inward Investment Project (Location Service for E Sussex)	60,000	0	60,000	0	0	0	Revenue	Included in Revenue
Five Acre Field - Improvements	55,000	2,510	52,500	52,500	16,498	-36,002	S106/EBC	On target to complete 2013/14, but dependent on weather
Upperton - Play Equipment	60,000	0	60,000	60,000	0	-60,000	EBC	On target to complete 2013/14
RoSPA Play Equipment	15,000	0	15,000	15,000	0	-15,000	EBC	On target to complete 2013/14
Churchdale Road Allotments	38,000	0	38,000	0	0	0	S106	Planning application due Feb 2014. Completion due Oct 2014
Play Equipment - Bodium Cres	80,000	0	80,000	80,000	0	-80,000	EBC	On target to complete 2013/14
Software - Grounds Maintenance	24,000	0	24,000	24,000	8,685	-15,316	EBC	On target to complete 2013/14
Sovereign Harbour - Legal Advice	20,000	0	20,000	0	0	0	EBC	Re-profile to 2014/15
Terminus Road Improvements	500,000	0	500,000	0	0	0	EBC	Re-profile to 2014/15
<b>Total Customer First</b>		<b>258,854</b>	<b>1,719,300</b>	<b>753,700</b>	<b>277,011</b>	<b>-476,689</b>		
<b>TOURISM &amp; LEISURE</b>								
Redoubt Fortress Gates	20,000	14,568	5,400	5,400	0	-5,400	EBC	On target to complete 2013/14
Redoubt Fortress Gates (2013)	22,300	0	22,300	22,300	22,315	15	Borrow	On target to complete 2013/14
Volleyball Court	25,000	0	25,000	0	0	0	EBC	Proposal progressing. Planning application due. Re-profile to 2014/15
Signage	40,000	23,917	16,100	0	0	0	EBC	Re-profile to 2014/15
Bandstand Resurface Walkways	100,000	92,928	6,600	0	0	0	EBC	Complete
Sports Park Flood Lights	30,000	0	30,000	0	0	0	EBC/Grant	Re-profile to 2014/15
ILTC Seat replacement	5,000	0	5,000	5,000	4,902	-98	EBC	Complete
Re-surface Tennis Courts	170,000	0	170,000	0	0	0	EBC/Grant	Re-profile to 2014/15
Towner - Works of Art		185,879	0	0	0	0	Grant	N/a
Wish Tower - Catering Outlet	40,000	36,000	4,000	4,000	0	-4,000	EBC	On target to complete 2013/14
Bandstand Seating	15,000	0	15,000	0	0	0	EBC	Re-profile to 2014/15
<b>Total Tourism &amp; Leisure</b>		<b>353,292</b>	<b>299,400</b>	<b>36,700</b>	<b>27,217</b>	<b>-9,483</b>		
<b>CORPORATE SERVICES</b>								
Carbon Reduction Works	467,500	0	467,500	0	0	0	EBC	On target for completion 2014/15
Agile phase 2	555,000	402,705	153,000	153,000	16,215	-136,785	EBC	On target to complete 2013/14
6 Saffrons Road Renovations	117,000	82,142	34,850	34,850	24,979	-9,871	EBC	Complete
Town Hall Roof	511,000	154,566	356,450	356,450	513,551	157,101	Borrow	Complete. Current spend includes revenue
Invest to Save	80,000	0	80,000	80,000	0	-80,000	Borrow	Budget available for allocation
Redesign of CCC at 1 Grove Road	300,000	35,877	264,100	16,100	15,970	-130	Borrow	Project progressing. Remaining spend expected in 2014/15



Scheme	Total Cost of Scheme	Total spend to 31.3.13	Approved Budget 2013 14	Revised Budget 2013 14	Spend as at 31.12.13	Variance to Revised Budget	Funding of Budget 2013-14	Comments
IT Replacement - Icon	42,500	33,288	9,200	9,200	342	-8,858	EBC	Complete
Future Model Phase 1	1,250,000	891,411	358,600	358,600	347,339	-11,261	Borrow	On target to complete 2013/14
Future Model Phase 2	2,990,000	0	1,000,000	1,000,000	931,989	-68,011	EBC/Borrow	On target to complete 2013/14
Capital Contingencies	Ongoing		0	0	96,542	96,542	EBC	Subject to legal action
Demolition, Infrastructure and Site Security	153,000	143,920	9,100	0		0	Borrow	Complete
Investment Capital	7,150,000	0	1,150,000	1,150,000	1,150,000	0	Borrow	Complete
IT - Block Allocation	Ongoing		268,000	268,000	48,428	-219,572	EBC	On target to complete 2013/14
<b>Total Corporate Services</b>		<b>1,743,909</b>	<b>4,150,800</b>	<b>3,426,200</b>	<b>3,145,353</b>	<b>-280,847</b>		
<b>ASSET MANAGEMENT</b>								
Devonshire Park Review	700,000	0	700,000	43,000	37,692	-5,308	Borrow	Procurement of delivery team in progress
Congress Theatre redesign & restoration	850,000	0	850,000	15,000		-15,000	EBC	Specialist team appointed and surveys commenced. Majority of spend expected in 2014/15.
Wish Tower Groundworks and site Preparation (from block allocation)	140,000	0	140,000	140,000	140,000	0	Borrow	Complete
Wish Tower Catering Temporary Provision (Invest to Save)	160,000	0	160,000	160,000	135,141	-24,859	Borrow	Complete
Downland Water (Valve insertions)	25,000	0	25,000	25,000		-25,000	Borrow	Complete
Bandstand Restoration	245,000	0	245,000	245,000		-245,000	Borrow	On target to complete 2013/14
8 Saffrons Rd - Boiler replacement	4,000	0	4,000	4,000	3,550	-450	Borrow	Complete
Town Hall Boilers	85,000	0	85,000	85,000	2,661	-82,339	Borrow	On target to complete 2013/14
Asset Management - Block Allocation	1,743,000			0		0	Borrow	Allocated to various schemes
<b>Total Asset Management</b>		<b>0</b>	<b>2,209,000</b>	<b>717,000</b>	<b>319,044</b>	<b>-397,956</b>		
							<b>% completed</b>	
<b>General Fund</b>		<b>6,975,166</b>	<b>15,350,200</b>	<b>6,072,150</b>	<b>4,443,072</b>	<b>-1,629,078</b>	<b>73%</b>	
<b>HRA</b>		<b>9,950,879</b>	<b>12,872,400</b>	<b>7,812,300</b>	<b>2,813,192</b>	<b>-4,999,108</b>	<b>36%</b>	
<b>Total</b>		<b>16,926,045</b>	<b>28,222,600</b>	<b>13,884,450</b>	<b>7,256,264</b>	<b>-6,628,186</b>	<b>52%</b>	

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By virtue of paragraph(s) 3, 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

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