Cabinet

EASTBOURNE
Borough Council
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Minutes of meeting held on Wednesday, 16 July 2014 at 6.00 pm

Present:-
Councillors **David Tutt** (Chairman and Leader of the Council), **Gill Mattock** (Deputy Chairman and Deputy Leader of the Council), **Margaret Bannister**, **Carolyn Heaps, Troy Tester and Steve Wallis.**

Mr Ian Fitzpatrick. The chairman announced that Mr Ian Fitzpatrick, the council's Senior Head of Community had been appointed Chief Executive of Eastbourne Homes Limited. Members congratulated Mr Fitzpatrick on his appointment.

11 Minutes of the meeting held on 14 May 2014

The minutes of the meeting held on 14 May 2014 were submitted and approved and the chairman was authorised to sign them as a correct record.

12 Declarations of interests

Declarations of disclosable pecuniary interests (DPIs) by members as required under Section 31 of the Localism Act and other interests as required by the Code of Conduct and regulation 12(2)(d) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012:

(a) Councillor David Tutt declared a personal (and non-prejudicial) interest in matters reported in minute 20 (Housing Futures) as he was a council appointed non-executive director of Eastbourne Homes Limited. He chose to withdraw from the meeting.

(b) Councillor Troy Tester declared a pecuniary interest in matters reported in minute 23 (Retail Rates Relief and Business Rates Re-occupation Relief) as his employer might be a beneficiary of the policies for which approval was being sought. He withdrew from the meeting.

13 Annual Accounts and Budget Outturn 2013-14

13.1 Cabinet considered the report of the Financial Services Manager presenting the annual accounts and final budget outturn figures for 2013/14 for the information of the cabinet. Under the Accounts and Audit Regulations 2011 the deadline for the Council to approve the annual account was 30 September, after the external audit had been completed.

13.2 A report to the cabinet meeting on 14 May 2014 had set out the provisional outturn for 2013/14. The forecast was for a credit variance of £190,000 on service expenditure. Since that time the work on closing

the accounts had been completed and the final outturn confirmed. The outturn formed part of the draft statement of accounts reported to the Audit and Governance Committee on 25 June 2014. The committee will be asked to formally approve the accounts at their September meeting.

13.3 The main change from the details of the service variances reported to the May cabinet related to the difference on the final housing benefits subsidy claim and the technical change required for the calculation for bad debts which had been previously based on a prudent judgement but now had to reflect historical evidence. The variance on funding increased by £714,000 due to additional government grant received to support small business rate relief and the budgeted levy due on business rates not required. The general fund balance at 31 March 2014 was £4.687m Details of other reserves were included in the accounts. Transfer of £744,870 was made to the capital programme reserve in line with the budget strategy representing the balancing mechanism on capital financing costs. This included savings on external interest payable due to the continued use of internal balances and the actual timing of capital spending incurred compared to the expected cash flow profile.

13.4 The housing revenue account (HRA) figure previously reported to the cabinet in May had been a favourable variance of £274,000. The final net expenditure for the year was £525,00; a variance against budget of £178,000. This movement in variance was due to the technical change in the way the allowance for future bad debt had been calculated. The HRA balance as at 31 March 2014 was £2.704m. Transfer of £532,125 was made to the housing regeneration and investment reserve in line with the budget strategy and the 30 year housing business plan. This represented the variance between the budgeted and actual depreciation allowance.

13.5 An overview of the accounts was appended to the report. The full accounts was available to view on the council's website. Councillor Mattock expressed her appreciation for the work undertaken by the Financial Services Manager and her team for their work in presenting the annual accounts.

13.6 Resolved: (1) That the final outturn for 2013/14 be noted.

(2) That the transfer to reserves and provisions as set out in paragraphs 2.3 and 3.2 of the report be approved.

14 Medium Term Financial Strategy 2014-2019

14.1 Cabinet considered the report of the Chief Finance Officer. The councils medium term financial strategy (MTFS) was a rolling 4 year strategy that took into account:

- The external financial environment
- The overall financial demands of services
- The council's existing and projected financial resources
- The council's political priorities and stated aims
- The council's sustainable service delivery strategy

- The council's corporate plan
- The major service strategies and plans

14.2 Over the life of the current parliament the coalition government had effectively reduced the general support to the council by some 40% in cash terms which equated to over 50% in real terms. In order to protect front line services the council had put in place a priority based budget system that had kept pace with the scale of cuts to funding and made provision for reinvestment in services. The council aimed to become less dependent on day to day revenues to run services, instead opting to use any spare financial capacity to enhance the capital programme. In 2013/14 the council had invested more in its capital programme than its general fund revenue activities.

14.3 The council's DRIVE programme provided a programme to deliver efficiencies that supported the council's corporate plan. The MTFS and capital strategy identify and direct resources at a strategic level, which were then compounded via the service and financial planning and budget setting process. In setting the last 5 yearly budgets the council had met its budget requirement from on-going resources in each year.

14.4 The council was working in partnership with Eastbourne Homes Ltd. (a wholly owned subsidiary) to deliver efficiency savings in partnership using shared services. All savings accruing to the housing revenue account were being reinvested in housing services.

14.5 The effect of inflation meant that there was a gap of c£400k per annum that needed to be met from efficiencies (approximately 2.5% of net spend) if services were to be protected. This was on top of the austerity programme reductions outlined above. Given the current reduction in grant and the inability to raise council tax in real terms, the council had to look to longer term measures to maintain sustainable finances. These include measures under the sustainable service delivery strategy (SSDS) and the growth of income streams.

14.6 The report set out the council's strategy in relation to dealing with the effects of inflation in the costs of goods and services and pay, pension costs, fees and charges, interest rates, council tax, government grants and retained business rates, savings, the scope for new or enhanced service provision the housing revenue account, reserves and the mitigation of risks. Appendix 1 to the report set out the potential risks and mitigating measures available to the council. Appendix 2 provided a summary of the MTFS 2014/2019. In order to maintain sustainable finances and fund its ambitions, the council would need to make new efficiency savings or income streams averaging £0.7m per annum for the next four years.

14.7 Resolved (key decision): (1) That the updated medium term financial strategy and associated plan 2014-19, as summarised in appendix 2 to the report, be approved.

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

(3) That the emerging budget proposals for 2015/16 be brought to cabinet in December prior to detailed consultation.

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

15 Sustainable Service Delivery Strategy (SSDS) - Update

15.1 The Chief Executive presented the report of the Deputy Chief Executive on key initiatives carried out under the SSDs (future model phase 2, the adoption of the corporate landlord model for asset management and moves to shared corporate services). The future model programme aimed to improve service delivery whilst delivering savings estimated at £1.7m to £2m across the organisation. The current phase, phase 2, was estimated to save £1.2m - £1.5m.

15.2 Since the last report to cabinet in February 2014 good progress had been made against a number of the scheduled programme milestones, including:

- Channel shift plan.
- On-going channel shift activities.
- Detailed plan for consultation with residents and tenants.
- First data migration for revenues and benefits.
- Induct Eastbourne Homes staff into future model programme.
- Further development of organisation design including both corporate management structures.

However, during February and March 2014, progress on the areas of the programme that were behind schedule was not satisfactory. This led the programme board to agree to suspend the business process create and construct work-stream whilst detailed plans and solutions were developed to address technology and other issues. The overall impact of the re-planning work was to extend the programme by 6 months. A revised timetable was given in the report indicating completion of staff recruitment and transition to the new model of working by June 2015 and 'go live' by August 2015. Staff had been kept fully informed of these developments. This extension would have an impact on the programme costs, which would be borne by all three delivery partners, with the majority of these costs being absorbed by the commercial partners. It was not anticipated that this would have a material impact on the benefits realisation and confidence remained that the principles of the business case as taken to cabinet in July 2013 still applied.

15.3 Good progress had been made on the development of a detailed implementation plan for the adoption of the corporate landlord model since Cabinet gave the go ahead in December 2013. A programme for the migration of all asset management activities, where it was efficient and effective to do so, to a 'centralised' model would be achieved. The introduction of the model would be cost neutral from April 2015 moving towards a net income contributor as the model matured. Capital receipts from the asset challenge programme would be aligned with the medium term financial strategy. The plan was fully aligned with the future model

target operating model, including incorporation of opportunities arising through closer collaboration with Eastbourne Homes Ltd. and associated procurement strategies as well able to integrate with any future recommendations for shared services. The plan provided for annual performance reviews through the Strategic Property Board with a full re-evaluation of the model in 2018 to tie in with the recommendations of the procurement strategy. Work had been undertaken with the council's strategic procurement partners to prepare a procurement strategy for the implementation of the corporate landlord model ready for go live in 2015.

15.4 The iESE brief to explore the potential opportunities for sharing corporate services between Eastbourne and Lewes was progressing well. At this stage, iESE believed that efficiencies in the region of 10-15% were possible by sharing services between the authorities. They also recommended that the councils adopt a phased approach to the next, more detailed, exploration of potential, focussing on human resources, legal and property in the short term. Finance and information and communication technology would follow, though opportunities to merge some roles in these units might emerge in the short term. Approval had already been given to progress the development of full business cases and potential implementation plans for human resources, legal and property and it was anticipated that these would be reported back to cabinet with recommendations later this year.

15.5 The future model programme was currently on budget. Additional costs would be incurred during the extended programme period, with the majority of these costs being absorbed by the commercial partners, and the overall impact on the business case would be immaterial. Any change to the overall budget would be reflected in the council's capital programme. The corporate landlord implementation and associated procurement strategy would be cost neutral, with additional staff costs and the planned maintenance programme being funded through increased yield and procurement savings. This would be addressed as part of service and financial planning process for 2015/16.

15.6 Resolved (key decision): (1) That the updates to the future model programme plan (phase two) including revised programme milestones be noted.

(2) That progress made in relation to alternative service delivery models for corporate services be noted and the development of a detailed business case and implementation plans as outlined in the report be approved.

16 Devonshire Park Project

16.1 Cabinet considered the joint report of the Senior Head of Tourism and Leisure and Senior Head of Development informing members on the costs and programme for the Congress Theatre Façade restoration and Devonshire Park design stage and seeking agreement to the revisions and amendments as necessary.

16.2 The project was currently on track and the consultants had completed the first stage of the procurement process for the design team and quantity surveyor (QS). The procurement process had been run in accordance with European Union procurement regulations with shortlists drawn from a pre-qualification questionnaire process including financial checks. The tender briefs had been issued and tenders for both the conservation architect led design team and QS were due back this month with appointments due to be made in August. In addition the conservation management plan had been tendered and was due for completion later this month.

16.3 The replacement of the Congress Theatre façade had had a full design team in place for some time. The full specification of the works had been completed in consultation with English Heritage and the tenders had been returned and analysed. The listed building application for the works had also been submitted.

16.4 Previously, in December 2012, cabinet approved, amongst other matters, the allocation of up to £700,000 to progress the Devonshire Park project to RIBA Stage C (this is the 'concept' stage to determine the general approach to layout, design and construction – now referred to as stage 2) and in May 2013, the release of £850,000 to enable the repair of the Congress Theatre façade. The predicted costs of both projects were based on estimates from the consultants employed at the time. Since that time, external project managers had been appointed for each of the projects and had carried out detailed analysis of the required work. This analysis had shown that further works and consultancy services were needed.

16.5 The original estimate of £850,000 for the works to the Congress Theatre façade had been based on estimates prepared in 2012 for a like for like replacement of the façade. The works were limited to only the south façade and excluded the ground floor. Following detailed analysis and the advice of English Heritage the extent of the works had expanded. The works now involved extra areas of expenditure which were:-

- With the agreement of English Heritage, to double glaze the whole of the front elevation. The cost would be partly offset by energy savings (estimated to be in the order of 20% each year) and a better environment for the theatre users.
- The structure supporting the façade would now be included with the cathodic protection system which would be extended to cover the ground floor decorative columns.
- Works would now extend to the east elevation at the request of English Heritage. Works would be limited to essential repairs until a decision was made on the larger scheme.
- Replacement signage using the latest LED technology.
- Works would extend to the canopy which was at roof level. It was decided sensible to include this work now and link it to the cathodic protection work.

- Carrying out the works whilst maintaining business as usual would mean building a protective screen inside the building while the façade works were undertaken. This was considered essential to ensure no impact on theatre revenue.

16.6 This is now a larger and different project than the one on which the original estimate was prepared and had the support of English Heritage. It also took into account the impact of keeping the theatre open during the works, and it brought forward work that would have been necessary in later stages making a saving on future works and reducing future costs. Some of the costs would be recouped in the form of energy savings in perpetuity from the new glazing being installed. These extra costs amounted to £1.1 million as compared with the original allocation of £850,000. Despite the extra work the programme was expected to be completed in April 2015 with a start on site this coming August.

16.7 In terms of meeting the extra costs for the Congress Theatre works the council had recently received an unapplied capital receipt of £750,000 and together with the savings arising from the project of about £10,000 per annum which would support £200,000 of capital financing, which together amounted to £950,000. The balance (£150,000) would be met from the capital programme reserve, which currently stood at £1m. Therefore there was no significant effect on the Council's underlying financial position. Also by protecting the business continuity arrangements included in the tender, the Council would avoid approximately £800,000 of potential loss of income/damages claims for cancellations.

16.8 The assessment had also indicated that there was likely to be a shortfall in the £700,000 budget originally agreed to carry on the Devonshire Park design work to RIBA Stage 2. As the work was currently out to tender the actual cost was as yet unknown. To prevent delay in awarding contracts it was recommended that a further sum of £250,000 be made available should it be needed.

16.9 Resolved (key decision): (1) That the progress on the main Devonshire Park project and the related project for the replacement of the Congress Theatre Façade be noted.

(2) That a variation to the capital programme of £1.1million for the additional works to the Congress Theatre be approved bringing the total budget to £1.95m.

(3) That up to £250,000 from the capital programme reserve be utilised for the scheme costs to achieve RIBA Stage 2 to develop a concept plan for the Devonshire Park Complex be approved bringing the total budget to £950,000.

17 Little Chelsea - Traffic Survey

17.1 Cabinet considered the report of the Senior Head of Development on the findings of a consultation undertaken by Little Chelsea traders in

the local community about traffic in their neighbourhood. The survey had almost 200 respondents and the full results were contained in an appendix to the report. In summary the key findings were:-

- Around 90% would like to see more temporary closures of Grove Road and South Street for special events (a view strongly supported at a public meeting held on 26 June).
- At least 60% would like traffic volumes and speeds reduced along these streets. Through traffic ought to be diverted back to Gildredge Road which had plenty of capacity and was originally designed as a two way street.
- At least 65% thought that running buses along these streets hadn't benefited them.
- Some businesses and residents needed vehicle access so full pedestrianisation was impractical. A 'shared space' option where pedestrians, cyclists and vehicles rub along together was considered the most popular.
- Nearby parking remained important and more short stay loading bays were essential.

17.2 It was believed that the ideas and suggestions generated by the Little Chelsea traffic survey could fit with both the East Sussex County Council transport strategy and the local plan for the town centre. Notwithstanding this, when considering transport proposals it was important to look at the wider impacts and the wider needs of all modes of transport. This was considered to be a timely piece of data that should be fed into the wider work that was currently being undertaken on reviewing the strategy for Eastbourne town centre, including the ring road. It is also recommended that the two councils look to support the Little Chelsea area in their desire to see more temporary road closures to allow special events take place.

17.3 Resolved: (1) That East Sussex County Council be asked to take into account the Little Chelsea Traffic Survey data in their work in reviewing the transport network in Eastbourne town centre, which includes the ring road.

(2) That the Senior Head of Development work with East Sussex County Council on behalf of the Council and otherwise assist the Little Chelsea traders to temporarily restrict traffic in the area to facilitate the holding of occasional community events, where legal grounds for doing so exist.

(3) That the Little Chelsea traders be thanked for their initiative in undertaking the survey and publishing the results.

18 Eastbourne Brand Development: A Shared Identity

18.1 Cabinet considered the report of the Senior Head of Tourism and Leisure on proposals to appoint an experienced brand development professional to work with the council, its stakeholders and community representatives to help define the 'Eastbourne Brand', as a credible and authentic identity that will set the scene for the overarching marketing

and communications plan for the borough. Implementation of proposals from March 2015 was desired.

18.2 The aims were to:

- Conduct an agreed number of consultations with elected members and stakeholders to fully understand the context and scope of opportunity, generate ownership, 'buy-in' and support.
- Undertake an audit of the variety of logos, straplines, marketing collateral and platforms in use by the council and stakeholders at any given time.
- Assess the council and its partners' performance against existing 'brands', key messages and marketing.
- Develop and produce a recognisable 'brand' for Eastbourne that embodies the spirit of the town, its attractions and aspirations which is credible and able to be owned by its communities and stakeholders.
- Develop and present a suite of marketing materials to demonstrate how the brand can be communicated to diverse audiences through design and marketing campaigns.

18.3 The objectives would be, as much as possible, to:

- Develop a credible and authentic identity for Eastbourne which embodies and conveys the ambition of the borough, its heritage and uniqueness.
- Deliver clear recommendations on brand, use of multiple platforms and campaigns regarding the diverse audiences and purpose of communication.
- Produce a design guide for the council which is suitable for print, digital and multi-media campaigns.

18.4 Resolved: (1) That the Senior Head of Tourism and Leisure be given delegated authority, in consultation with the lead cabinet member, to procure a suitably experienced brand agency to undertake the work proposed in the report.

(2) That approval is given to expenditure of up to £30,000 from the economic regeneration fund to fund this work.

19 Housing Investment Plan

19.1 Cabinet considered the report of the Senior Head of Community providing an update on the council's housing investment plans and seeking approval for first stage development of a new housing delivery company and to extend the scope of the Solarbourne green energy initiative. If the council was to maintain its current progress on the housing and economic development fronts it would need to consider how to invest in ways that did not impact adversely on the housing revenue account (HRA), find new ways to help subsidise affordable housing and also generate surpluses for investment in socially necessary projects.

19.2 Delivery to date had focused on 3 areas:

- Local authority new build. Providing new housing on mainly council owned land. A first phase was underway to provide 35 new homes by December 2015.
- Empty homes programme. Bringing empty properties back into use, including redundant retail units. Phase 1 comprised 20 affordable homes supported by £360k of grant secured from the Homes and Communities Agency and the refurbishment and commercial letting of 3 retail units. To date 7 properties have been acquired to deliver the 20 new homes and 3 retail units in the Devonshire ward identified as priorities from a neighbourhood improvement perspective with completion of all homes by March 2015.
- Driving Devonshire Forward (DDF). A ward focused neighbourhood improvement project. A local steering group had been established to co-ordinate delivery and to prioritise and bring forward initial projects. In addition to the retail units highlighted above, these included public realm improvements to key areas and working with the local business community to improve the Seaside Road retail offer.

Delivery of Phase 1, creating a total of 55 new homes and 3 commercial units, had been passed to Eastbourne Homes Limited (EHL) which had assigned the work to the Housing and Economic Development Project (HEDP) team. The HEDP was a joint initiative between Eastbourne Borough Council and Eastbourne Homes Ltd.

19.3 An extensive programme of work for the period 2014-2018 had been developed by the council, which would form a second phase of the housing investment plan. Two new bids for funding had been made within the last six months, the first to the Local Growth Fund (LGF) and the second to the National Affordable Housing Programme (NAHP). Details of the scale of bids and overall phase 2 work was summarised in the report and would realise a total of 116 units at a total scheme cost of £14,348,626. Delivery of the programme was subject to successful outcome of bids and the overall development programme being self-financing.

19.4 The HRA business plan (2012 – 2042) was currently being reviewed in the light of the first 2 years of the government's new 'self-financing' regime. This would take into account the developments mentioned above and increased incidence of right-to-buy since increased discounts were introduced in 2012. The business plan with detailed 10 year projections would be updated in the autumn, when the outcome of the bids to the LGF and NAHP programmes were known.

19.5 The HDEP had been asked by the council to investigate options to extend delivery, taking advice on partnerships and having regard to what other councils were doing. Other Councils considering new housing development had in a majority of cases opted for a simpler delivery vehicle structure rather than more complex partnership arrangements. Examples were detailed in the appendix to the report. Accordingly the board recommended that further work be undertaken on the viability and practicality of the council establishing a new wholly owned investment

subsidiary which would be able to take forward and deliver investment in housing and other related areas of activity. The advantages and disadvantages of this approach were set out in the report. If the scope of delivery or levels of funding required change then there would still be opportunity to consider partnerships at a later date or to establish development specific joint venture arrangements for individual schemes or specialist housing.

19.6 On balance, establishing such a company offered more advantages than disadvantages to Eastbourne. Strategic oversight and direction of the company and its activities would remain firmly with the council, making sure that the company's activities are in line with corporate priorities, policies and strategies. A detailed assessment of the risks and the legal and financial options available would be necessary and matters to be considered included the company structure and governance; legal and financial issues, including risks to the council; branding; operating budget and funding; delegations; and ownership and management of properties developed by the company.

19.7 The council occasionally received requests from owner occupiers to buy back homes sold to them under right-to-buy. As the offer value of these homes was normally at full market value, even though they might have been sold at a substantial discount, the current policy was to reject such requests given the council's limited resources and poor value for money. However, there were a limited number of cases where the exercise of the right-to-buy was undertaken in good faith but the purchaser had become seriously vulnerable due to circumstances beyond their control, such as deteriorating health. In such cases, the household might be threatened with homelessness if they could not maintain mortgage payments on the property. In such exceptional cases, the council could buy full or part share in such a property, leaving the resident in situ as a shared ownership occupier or tenant. If such a scheme was adopted, certain criteria and safeguards would be required to mitigate any risk to the council as outlined in the report.

19.8 In 2011/12 the council undertook a programme to install solar panels on a council homes and commercial properties. This scheme was extremely popular with residents as electricity generated during the day offset the household's energy cost. For the council the scheme had provided an income in excess of £100k per annum from the government's feed in tariff (FIT) and has assisted reduce the town's carbon footprint. In November 2011, the government reduced the FIT rate new installations from April 2012. At that point an assessment of the viability of systems identified that the programme was no longer financially viable. Over the past two years photo voltaic (PV) systems had decreased in cost. Whilst FIT rates had also reduced, a recent viability assessment indicated that it was now feasible to restart the programme. As there were a number of issues affecting viability there was a need to continually assess the business case at short intervals before investing.

19.9 Resolved (key decision): (1) That up to a total of £14,348,626 for housing investment in the period 2014 through 2018 be provisionally released (subject to successful bids) from the housing regeneration allocation within the capital programme.

(2) That the Senior Head of Community be given delegated authority, in consultation with the lead Cabinet member, to undertake preparatory work to set up a council owned housing delivery company and report back to cabinet in the autumn.

(3) To approve provision of £200,000 for a housing rescue emergency fund to help vulnerable people avoid the loss of their home by funding the purchase of properties originally built and provided by the council where strict criteria are met.

(4) To approve provision of £500,000 to commence a second ('Solarbourne') photo-voltaic (PV) programme.

(5) That the Senior Head of Community be given delegated authority, in consultation with the Chief Finance Officer and lead cabinet member for finance, to commence a second PV programme on the basis that market conditions (cost and FIT rate) result in systems being self-financing (including provision of a sinking fund to cover reduced warrantees).

20 Housing Futures

20.1 Cabinet considered the report of the Senior Head of Community proposing a new agreement for Eastbourne Homes Limited to continue as the council's arm's length management organisation (ALMO) to manage the majority of Council owned homes.

20.2 The council was responsible for the homes of nearly one in ten of Eastbourne's households, made up of a mixed portfolio of 3,554 residential and 614 leasehold properties with a programme to add in 2014-2016 to that number a further 43 properties. The council's housing stock was currently managed by Eastbourne Homes Limited (EHL). The current management agreement had been in place since 2005 and was due to end on 31 March 2015.

20.3 A review of the future of the council's role as a social landlord was formally launched in May 2013 with a Housing Futures Board set up to oversee this important project. Details of the consultation outcomes were summarised in the report and showed that the majority of tenants supported the council's preferred option of a continued partnership with EHL. The report on the consultation process and outcomes was appended to the report.

20.4 A future agreement with EHL would needs to include:

- Co-location of team members from both EHL and the council at the council's offices at 1, Grove Road to reduce costs.
- Sharing some senior level professionals/managers to reduce costs.

- Integrating 'back office' services including IT, human resources, and financial management and administration across EHL and the council.
- A single customer contact centre at the Grove Road office.
- Potential to generate savings (up to £1.5m) to the council split between the general fund and the housing revenue account (subject to final decisions on level of integration/sharing).

20.5 To make sure that the new management agreement could be drawn up in a timely way, for implementation by/before 1 April 2015, and that it closely reflected the needs of the council, development of the revised agreement would be undertaken by the council's legal and housing teams with external expertise bought-in when required. The proposed agreement was for a 20 year period with a break clause every 5 years. This would provide EHL with security to plan and invest sufficiently far ahead, trade effectively and provide reassurance for subcontractors, whilst allowing the council to consider changes at 5 yearly stages.

20.6 Resolved (key decision): (1) That the outcome of the housing futures consultation undertaken (which is in favour of the 'EHL in Partnership' option for the future management of Council-owned homes) be noted.

(2) That approval is given to the development of a new management agreement for Eastbourne Homes Limited to continue as the council's arm's length management organisation to manage the majority of council owned homes for up to 20 years with a review and break clause every 5 years.

(3) That the Senior Head of Community be given delegated authority, in consultation with the lead cabinet member, to enter into the management agreement once finalised.

(4) That a budget of up to £50,000 to complete the housing futures project be approved.

(Note: See minute 12 above as to the personal interest declared by Councillor Tutt in this matter. Councillor Tutt withdrew and Councillor Mattock took the chair for this item.)

21 Private Housing Renewal Policy 2014-2018

21.1 Cabinet considered the report of the Senior Head of Community setting out a policy to help the council address the issues of housing disrepair and the needs of people with disabilities.

21.2 The housing renewal policy 2014-2018 was drafted to reflect the current economic climate and limited capital finance available to the council. A copy of the policy was appended to the report. The policy included:

- Maintaining an emphasis on delivering loans, where assistance required was in excess of £1,000, through the council's partner organisation Parity Trust.
- Taking enforcement action where necessary to encourage private landlords to improve the quality of the accommodation provided to local households.
- A limited grants programme to help vulnerable households over 60 or who were disabled, with savings of less than £10,000, to maintain their homes.
- Explore and where practicable take advantage of opportunities arising from the Your Energy Sussex (Sussex Energy Saving Partnership) initiative and national energy efficiency initiatives to help reduce fuel bills for people in Eastbourne.
- Encourage the bringing back into use of empty properties to provide more homes.
- Home security and sanctuary schemes targeted towards vulnerable households including those at risk of homelessness due to fear of violence.
- Continued effective joint working with other agencies, for example, continued joint work with the East Sussex Fire and Rescue Service as part of their vulnerable household inspection programme to promote energy efficiency alongside fire safety.

21.3 Since 2010, financial resources have not been made available from the government to the council to directly fund improvements to privately owned homes, with the exception of the disabled facilities grant programme for those with disabilities. As at 31 March 2104, approximately £400,000 was available over the duration of the policy.

21.4 Resolved (key decision): (1) That the housing renewal policy 2014-2018 be approved.

(2) That the arrangements made in 2008 to work with Parity Trust to support loan finance to help property owners maintain their homes for the life of the proposed housing renewal policy 2014-2018 be continued.

22 Review of Community Grants Programme

22.1 Cabinet considered the report of the Senior Head of Community on the findings of a review of the community grants programme policy and procedures and seeking approval to revisions to the community grants policy and priorities for small grants for the year 2015/16. The current policy was agreed by cabinet on 30 May 2012.

22.2 Consultations had included:

- A survey of 3VA members.
- A survey of people who attended the Funding Fair 2013.
- A discussion with the Equality and Fairness Stakeholder Group.
- Liaison with staff and elected members involved in the grants process.
- Discussions with an officer of 3VA who supported and advised groups on applications.

Overall, comments were positive, and the additional support provided by council officers through training workshops and individual advice and support from 3VA, was highly valued. Further detail on comments received was given in the report.

22.3 To ensure organisations did not spend time on ineligible applications, in future, a two-stage process was proposed with a short expressions of interest form (similar to that used by the Big Lottery) which asked critical information to enable officers to identify quickly those applications which would not meet the council's criteria or priorities. Only those which met the eligibility criteria and addressed one of the agreed priorities would then be invited to apply in full. A number of other amendments were recommended by the Grants Task Group and these were set out in the report together with a copy of the revised policy as an appendix.

22.4 The following priorities for funding through the small grants programme in 2015/16 (with relevant council corporate priorities shown in brackets):

- Projects that help groups develop their volunteer base (thriving communities).
- Projects that support health and wellbeing (thriving communities).
- Environmental projects (quality environment).
- Projects which will deliver new activities for young people (thriving communities).

22.5 Resolved (key decision): (1) That the findings of a recent review of the community grants policy and procedures be noted.

(2) That the amendments proposed by the Grants Task Group to the community grants policy as set out in paragraph 3 of the report be approved.

(3) That the priorities proposed by the Grants Task Group for the small grants programme for the year 2015/16 be approved.

23 Retail Rates Relief and Business Rates Re-occupation Relief

23.1 Cabinet considered the report of the Senior Head of Community seeking approval of local policies on retail rate relief and business rates reoccupation relief.

23.2 On 5 December 2013 the government announced 2 initiatives to help businesses. Firstly, that it would provide relief of up to £1,000 to all occupied retail properties with a rateable value of £50,000 or less in each of the years 2014/15 and 2015/16 and secondly that it would provide a 50% business rates discount for 18 months for businesses moving into previously empty retail premises between 1 April 2014 and 31 March 2016. Central government would reimburse councils within the rates retention scheme for the actual costs to them for reliefs that fell under these schemes.

23.3 It would be necessary for the council to have a local policy for each of the reliefs as the powers under which they are granted were discretionary ones. The proposed local polices had been developed in line with government guidance and were appended to the report.

23.4 In short, retail rate relief would be available to properties that were being used for the sale of goods to visiting members of the public (e.g. florists, bakers, greengrocers, butchers, greengrocers, jewellers, stationers, newsagents), for the provision of certain services to visiting members of the public (e.g. hair and beauty services, travel agents, dry cleaners), for the sale of food and/or drink to visiting members of the public (e.g. bars, sandwich shops). A list of the types of hereditaments considered to be retail was contained within the policy. Certain types of business would not qualify for relief including those providing financial services, estate and letting agents, employment agencies, medical services and professional services. Approximately 800 businesses had been contacted that the council believed might benefit from this relief. At the end of April 330 businesses had applied for the relief.

23.5 Properties that would benefit from reoccupation relief would be occupied properties that:

- When previously in use, were wholly or mainly used for retail as set out below.
- Were empty for 12 months or more immediately before their reoccupation.
- Become occupied between 1 April 2014 and 31 March 2016.
- Were being used for any use except as hereditaments being used as betting shops, payday loan shops and pawn brokers.

23.6 For the purposes of the policy, retail was described as hereditaments that were being used for the sale of certain goods and/or services to visiting members of the public. The council did not hold data on the number of businesses reoccupying retail premises therefore it was impossible to give an accurate assessment of the numbers likely to benefit.

23.7 Resolved (key decision): That the proposed local policies on retail rate relief and business rates reoccupation relief as set out in the appendix to the report be adopted.

(Note: See minute 12 above as to the pecuniary interest declared by Councillor Tester in this matter. Councillor Tester withdrew from the meeting.)

Ms Tracey McNulty, Senior Head of Tourism and Leisure. The chairman reported that this would be the last cabinet meting that Ms McNulty would attend prior to her taking up her new appointment with the City and County of Swansea. Members expressed their appreciation for the contribution that Ms McNulty had made in initiatives furthering the borough's ambitions for tourism and cultural development.

The meeting closed at 7.19 pm

Councillor David Tutt
Chairman