

Cabinet

Minutes of meeting held on Wednesday 19 October 2011 at 6.00pm

Present:-

Councillor **David Tutt** (Chairman and Leader of the Council)

Councillor **Gill Mattock** (Deputy Chairman and Deputy Leader of the Council)

Councillors **Margaret Bannister, Neil Stanley, Troy Tester and Steve Wallis**

51 Minutes

The minutes of the meeting held on 7 September 2011 were submitted and approved and the Chairman was authorised to sign them as a correct record.

52 Disclosures of interests by members under the code of conduct

No disclosures were made.

53 Local development framework: Eastbourne Park supplementary planning document (SPD)

- 53.1 Cabinet considered the report of the Senior Head of Development and Environment. The draft SPD had been prepared to establish a clear strategy for the future management of Eastbourne Park as an ecological, archaeological and leisure resource that benefits both residents and visitors. It provided details on the interpretation of the policy D11 in the proposed submission core strategy: *"By 2027, Eastbourne Park will provide a unique, accessible and sensitively managed 'green heart', which makes a significant contribution to the social, economic, environmental and physical well-being of the community"*.
- 53.2 The draft SPD had undergone extensive pre-consultation including a range of events and other activities undertaken. An initial stakeholder event in July 2009 had provided local organisations, landowners and other groups with an opportunity to inform the development of options. The preparation of the draft SPD had been led by a steering group consisting of cross-party councillors and supported by an officers' working group. Councillors and officers had also undertaken visits to other wetlands to investigate potential wetland management approaches that could be followed in Eastbourne Park. Individual meetings, informal discussions and consultations had been held with key landowners. Discussions and meetings had also taken place with other stakeholders including English Heritage, the Environment Agency and Natural England. Various research studies had also helped provide useful background information. These included the Eastbourne Biodiversity Assessment, the Eastbourne and South Wealden Flood Risk Assessment, the

Eastbourne Surface Water Management Plan and the Eastbourne Landscape Character Assessment.

- 53.3 The draft SPD was also due to be considered by the Planning Committee on 25 October 2011. As this meeting would be held after Cabinet it was suggested that the senior head of service be given delegated authority to make minor amendments. A 12-week consultation was then planned to commence on 4 November 2011 and would run until 27 January 2012. Landowners and stakeholders would have an opportunity to make formal comments as would residents, visitors and those with an interest in the future of Eastbourne Park. Comments received would be published on the Council's website. A report would then be brought to a future meeting of the Cabinet to consider the representations received and to agree the final version of the SPD. Full Council approval would then be sought. It was also noted that the SPD could not be formally adopted until such time as the local development framework core strategy had also received final approval.
- 53.4 In the interests of economy the full plan document had not been printed with the agenda. Copies had been sent to relevant lead and opposition councillors and members of the Planning Committee, placed in the Members' Room, at the Town Hall Reception and on the Council's website.
- 53.5 **Resolved (key decision):** (1) That the draft Eastbourne Park SPD is approved prior to the commencement of a 12-week consultation period.
- (2) That authority is delegated to the Senior Head of Development and Environment, in consultation with the lead Cabinet member, to make any necessary minor amendments before the commencement of the 12-week consultation period.

54 Cultural development framework (Cabinet 20 October 2010, page 177, minute 73).

- 54.1 Cabinet considered the report of the Senior Head of Tourism and Leisure. In line with other local authorities, the Council had previously produced a local cultural strategy in March 2002. These were subsequently superseded by community strategies, which were intended to include specific references to culture. Significant success had been achieved in Eastbourne in terms of implementing actions from these strategies, thanks to a sustained policy to secure funding for events, leisure and cultural facilities and marketing, due to the economic dependencies on tourism and the visitor economy. Cabinet, last October, had noted that these priority areas would benefit from an updated, contemporary development plan and that the new Cultural Strategy Working Group were progressing plans to appoint a specialist consultancy to produce the plan in a timely and inclusive way. Following the appointment process, Tom Fleming Consultancy had been appointed and a programme of work was initiated in January 2011.

54.2 The aspiration was for a strategy that established a framework for partnerships, community leadership and long term ambition, but which was flexible and adaptable to contemporary trends and new opportunity in the long term. The framework range included, but was not exclusive to:

- Heritage: historic houses and gardens, historic areas, heritage sites and museums.
- Arts venues: galleries, theatres, live music venues and cinemas.
- Other creative space: creative workspace and commercial exhibition spaces.
- Community facilities: libraries, schools and leisure centres.
- Community assets: other community spaces used for cultural activity, village halls, community centres, pubs and cafes.
- Parks and open spaces: urban, sub urban and rural open spaces, both designated parks and public open spaces such as town squares and waterways.
- Festivals and events: small or large, community, council, fairs.
- Creative businesses, organisations and activities: from design to music, fashion to visual arts.
- Sport and leisure: infrastructure, organisations and activities.

A broad ranging development plan had been developed which set out some 46 actions. The framework document was in 2 parts (part 1: background document and part 2: themes and actions) and was available to view on the council's website.

54.3 An extensive consultation programme had been undertaken with workshops and other events held across the town and the emerging framework document was placed on the Council's website to give a further opportunity for comment. Full details of the consultation process and contributors were given in the report.

54.4 It was expected that the framework would greatly assist the development stronger partnerships and attract greater investment in the borough's overall profile and offer for residents, visitors and tourists. It was intended to be a 'living' document and should be allowed to develop, expand and contract. Strong leadership and decisions were needed to ensure prioritisation and delivery mechanisms. It would be steered and governed by a refreshed working group/board and would provide a basis for energising and motivating partners and council services, rather than being a 'to do' list which was restrictive and dogmatic. Measures for success were to be refined and developed with partners and the board to ensure the document was monitored and delivered agreed objectives.

54.5 Members expressed their thanks to the head of service and her team, the Tom Flemming consultancy, the members of the steering group and all those

who had helped develop the framework or who had contributed at the various consultation events.

54.6 **Resolved (key decision):** (1) That the process undertaken in producing a new cultural development framework be noted and endorsed.

(2) That the framework be adopted as the strategic development plan for culture in Eastbourne.

55 Sustainable service delivery strategy (SSDS) – programme update
(Cabinet 13 July 2011, page 68, minute 26).

55.1 Cabinet considered the report of the Deputy Chief Executive outlining progress to date in the realisation of the strategy and the status of each of the 5 core alternative service delivery methods. These were detailed in the report and summarised below:

55.2 *1. Equity based partnership with the private sector.* It was recommended that, for the reasons given in the report, this work-stream, insofar as it related to the identification and procurement of a private sector partner for the development of a large scale service delivery vehicle, is paused for the time being. The Council had, however, successfully secured an equity based partnership with a private sector partner to deliver high speed wireless broadband connectivity to the commercial sector in Eastbourne. Other opportunities to deliver specific project outcomes and/or generate potential income streams for the Council would continue to be sought and might be pursued on an equity partnership basis under this stream of the SSDS.

55.3 *2. An outsourcing/commercially contracted service provision with the private or other sector.* The most significant project under this alternative initiative remained the East Sussex joint waste collection contract. Significant progress had been made with the project including setting up a joint governance structure and a cross council partnership for the preparation of the complex tender documents. The Council was also is currently in exploratory discussions with another local authority on becoming the lead on the joint procurement of a grounds maintenance contract. The Council's relationship with the YMCA to deliver youth services was proving to be a successful partnership initiative. Reference was also made to the plans to establish trusts to take over the Royal Hippodrome Theatre and the Towner.

55.4 *3. Structured shared service with one or more public sector organisations.* The building control service was now delivered in partnership with Wealden District Council. Discussions were ongoing with potential partners both within East Sussex and outside the region. These discussions sought to identify viable partner organisations within the public sector with a view to delivering large scale shared service initiatives. This process had to be both comprehensive and rigorous in order to ensure compatibility between

potential partners. The Council was also working with Sussex Police to enable the use of the recently refurbished and equipped 1 Grove Rd as a service hub for both organisations. While this would ensure a continued police presence in the town centre, it would also reduce asset costs across the public sector in Eastbourne.

- 55.5 *4. Structured sharing of individual roles with one or more public sector organisations.* Opportunities were being progressed as they were identified; however, there were currently no new proposals under this work-stream that were likely to result in a financial saving. Discussions were also taking place with East Sussex County Council with regard to sharing asset management capacity and capability.
- 55.6 *5. Continued direct service provision by EBC.* The development of a first phase business case for the implementation of the Future Operating Model for the Council across Development and Environment and Infrastructure was at an advanced stage. It was proposed that the outcome and details of this business case would be considered at a future meeting of the Cabinet. It would also form part of proposals within the service and financial planning process for the teams (as listed above) affected in the proposed phase 1 implementation. The nature of the transformation outlined by the Future Operating Model was considered to be entirely consistent with the principles and philosophies of the Council's DRIVE (Delivering Real Innovation and Value for Eastbourne) programme.
- 55.7 **Next steps.** In the absence of a viable partner the most appropriate way forward for the Council would be to progress the implementation of the Future Operating Model. This would enable the Council to continue to meet the demands of its medium term financial strategy in the coming periods. It was likely that during the implementation of the Future Operating Model there would be no scope for large scale partnership work with the private sector. However, in the event that public sector partner(s) emerge who were willing to also adopt the Future Operating Model there might be merit in enlarging the implementation to include such partner(s) under certain circumstances. Should this be the case, a future report would outline options, costs, risks and implications for Cabinet. On the conclusion of the work under option 5, there might be a need to keep under review the opportunities for contractual outsourcing where the delivery of specific services or processes were consistent with the merits of this type of arrangement.
- 55.8 As reported to Cabinet and the SSDS strategic board in February 2011, the corporate management team had been working closely with Trowers and Hamlins for the provision of specialist legal advice on joint venture structures and governance and Ignite Consulting, a specialist management consultancy, in progressing the SSDS programme. However, an exemption to contract procedure rules was not explicitly sought at the time and therefore there was

now a need to regularise the position with regard to the continued instruction of these organisations for any future activities required to successfully implement the programme.

55.9 The approved programme budget was £130,000. To date net expenditure of approximately £67,000 had been incurred in progressing the initiatives outlined above. Consultation with UNISON concerning the implementation and likely impacts of the strategy was ongoing along with dialogue between the senior management and the "Managers Forum" which had representation of all service areas across the Council.

55.10 **Resolved (key decision):** (1) That progress made to date with regard to the implementation of the strategy be noted.

(2) That the proposed next steps as set out in section 3 of the report (and summarised in paragraph 55.7above) be approved.

(3) That an exception to the contract procedure rules be approved to allow the continued instruction of Trowers and Hamblins and Ignite.

56 Improvement and Efficiency South East (iESE) – incorporation proposals

56.1 Councillor Patrick Warner addressed the Cabinet questioning the need for the Council's participation in this initiative.

56.2 Cabinet considered the report of the Deputy Chief Executive on proposals for the Council to become a member of a new company being created to undertake the activities and objects previously undertaken by Improvement and Efficiency South East (iESE).

56.3 To date, iESE had operated as one of the Regional Improvement and Efficiency Partnerships (RIEPs) funded by central government with the objective of identifying, fostering and delivering improvements and efficiencies across the public sector. iESE had established a leading profile in this regard and were now proposing to continue their work under the umbrella of an independent company inheriting the same objectives and purposes. The new entity would be incorporated as a non-profit distributing company limited by guarantee with a maximum of 20 public sector bodies being offered the opportunity to become founder members. Being a founder member would involve each council/public sector body guaranteeing the company to a limit of £1. They would also have the right to appoint a director of the company.

56.4 There were no budget implications for the Council arising from this proposal, other than the entering into of a guarantee for the sum of £1. This guarantee would only be operational should the company be wound up. As

the company as non profit distributing, any trading surpluses generated within the company or its subsidiaries would be retained for the development of future service provision by the company.

56.5 Cabinet considered this to be a welcome opportunity to enhance the Council's emerging reputation for innovation and service excellence through the association with iESE Limited, as well as the other founder member organisations. The Deputy Chief Executive confirmed that the Council's involvement would not require the participation of council officers but that should this be desired at some future time a further report would be made to Cabinet seeking authorisation.

56.6 **Resolved (key decision):** (1) That the principle of Eastbourne Borough Council becoming a founder member of iESE Limited be approved.

(2) That the Chief Executive in consultation with the Leader of the Council be given delegated authority to approve and execute any documentation necessary to give effect to resolution (1) above.

(3) That the Leader of the Council be nominated as the Council's director and/or voting delegate.

57 Strategic asset management (Cabinet, 6 February 2008, page 313, minute 106).

57.1 Councillor Nigel Goodyear addressed the Cabinet in his capacity as Chairman of the Scrutiny Committee. He expressed concern regarding the significant asset management issues as outlined in the CIPFA report and asked that the Scrutiny Committee play a role in monitoring progress in implementing the recommendations in the recent Chartered Institute of Public Finance and Accountancy (CIPFA) report. The Chairman indicated that he would welcome the Committee's involvement.

57.2 Councillors Annabelle West and Patrick Warner addressed the Cabinet making reference to previous reports to Cabinet on asset management in 2006 and 2008 and asking why there had been little apparent progress. Councillor Warner asked that the Head of Infrastructure or Corporate Property Manager should submit regular reports to the monthly meeting of the Chairman and Deputy Chairman of Scrutiny and also that, for the time being, arrangements should be made for councillors to have the opportunity of questioning the lead Cabinet member at meetings of full Council.

57.3 The Chairman commented that since his administration had taken office in 2007 they had faced significant issues and challenges. There had been a need to prioritise measures to stabilise the Council's finances and development a management structure capable of the major transformation programme now underway as evidenced by the agile working programme and

the sustainable service delivery strategy. Effective asset management was a challenge for all local authorities and Eastbourne's position was by no means unique. The administration had taken this matter very seriously by prioritising asset management within the corporate plan, creating of the post of Head of Infrastructure and appointing a Corporate Property Manager last year. Subsequently, CIPFA had been commissioned to review the property team's capabilities and capacities and provide recommendations for further action. Asset related initiatives already completed or underway included the carrying out of condition surveys at 1 Grove Road and the Town Hall to inform the agile working programme and consultants would shortly report in respect of a future strategy for the Devonshire Park complex.

- 57.4 Cabinet considered the report of the Head of Infrastructure. By 2015, it was intended that the Council would benefit from a sustainable asset base contributing effectively to the delivery of public services. As reported above, CIPFA had been commissioned to undertake a review and the finding had been the subject of a presentation to councillors on 26 July 2011. Key findings of the review and recommendations were set out in the report to Cabinet. The business case for implementing the CIPFA recommendations estimated potential savings/additional income of more than £584,000 per annum. However, before these savings could be realised, it would be necessary to invest significantly in the management and maintenance of the portfolio.
- 57.5 CIPFA had proposed a combination of re-resourcing and limited or short term outsourcing within the strategic, estates, buildings and maintenance and project management/delivery functions. However, given the substantial cost of the additional resources required, alternative options for the future service delivery had been explored. The recommendation from this review was that the Council enter into a service level agreement (SLA) with East Sussex County Council (ESCC) to assist in implementing the CIPFA recommendations. The draft SLA was appended to the report.
- 57.6 In order to ensure effective delivery of the recommendations, it was proposed to establish a strategic property board to monitor progress and make decisions on the prioritisation of works. This board would consist of the senior heads of service, Chief Finance Officer, Head of Infrastructure, Corporate Property Manager and lead Cabinet member for finance and assets. Monitoring and reporting would be undertaken through Covalent with regular reports to Cabinet and Scrutiny. A new financial report would be developed and included in regular financial monitoring packs to show all property related income and expenditure as profit and loss, to enable monitoring of progress towards the goal of a self-sustaining asset portfolio.
- 57.7 **Resolved (key decision):** (1) That the Head of Infrastructure be authorised to implement the recommendations of the CIPFA review.

(2) That a Strategic Property Board be established as described in paragraph 5.1 of the report to monitor progress and make decisions on the prioritisation of works; the board to comprise the senior heads of service, Chief Finance Officer, Head of Infrastructure, Corporate Property Manager and Cabinet portfolio holders for finance and assets.

(3) That the direct award of a 3 year service level agreement (SLA) to East Sussex County Council be approved and that the Head of Infrastructure in consultation with the Strategic Property Board, be given delegated authority to agree and execute the final form of agreement, without going through a tender exercise.

(4) That the Head of Infrastructure be given delegated authority to award works and services contracts under the OJEU threshold in accordance with the SLA and the Council's contract procedure rules.

(5) That the recommended approach to reporting and monitoring property related income and expenditure be approved and that regular reports on progress be made to Cabinet and Scrutiny.

58 Agile working phase 2 (Cabinet 13 July 2011, page 70, minute 27).

- 58.1 Cabinet considered the report of the Head of Infrastructure presenting a summary of the findings of the reviews undertaken to determine the feasibility and business case for a second phase of the agile working programme which would take-in staff working at the Town Hall, elected members and the various Devonshire Park venues as well as upgrading telephony links to all other sites such as the tourist information centre, seafront sites, sports centres and crematorium which were otherwise outside the scope of phase 2. This phase would also involve a detailed review of finance processes where significant efficiencies were anticipated from new technologies now available.
- 58.2 Projected accommodation and technology costs of £555,000 were anticipated. The return on this investment for phase 2 flowing from expected savings and efficiencies was estimated at £282,000 over 5 years, after a discounted cash flow analysis. The full analysis of the costs and benefits was presented in an appendix to the report.
- 58.3 **Resolved (key decision):** (1) That phase 2 of the agile working programme as described in the report, including a specific work-stream on agile working for councillors, be approved.
- (2) That the governance structure outlined in the report be approved.
- (3) That the programme resources and budgets outlined in the report be

approved to a maximum of £555,000.

(4) That the Agile Working Programme Board be given delegated authority to approve the programme plan, run the programme within the allocated resources, including varying the balance of internal and external resources to reflect priorities, and report to Cabinet quarterly on progress, or for exceptions.

(5) That the Chief Finance Officer and Head of Infrastructure in consultation with the Cabinet portfolio holder for finance be given delegated authority to agree the final allocation of costs between capital, revenue and the transformation fund.

*59 Pay and reward policies

- 59.1 The Deputy Chief Executive presented the report of the Head of Human Resources seeking Cabinet endorsement for updated pay and reward policies and procedures. The Council had introduced a new pay and grading structure in 2008 designed to ensure the Council had a fair, robust and fit for purpose job evaluation system for the grading of posts; mechanisms for the introduction of contribution pay; flexibility within pay structures to address to recruitment and retention pressures; and that pay provisions promoted equity and transparency of treatment and demonstrated corporate commitment to equal pay.
- 59.2 Appendices to the report summarised the policies and procedures for pay and reward. Formal approval by full Council would also be sought having regard to regulations limiting the allocation of certain functions and responsibilities to a council's executive. Further work would be scheduled upon completion of the second phase of agile and Ignite projects to ensure that the grading structure remained fit for purpose in a time of continuous change. The policies and procedures had been the subject of a range of consultation exercises over the last 2 years.
- *59.3 **Resolved (key decision):** That full Council be recommended to adopt the updated policies and procedures for pay and reward in Eastbourne Borough Council as outlined in the report.

60 Exclusion of the public

Resolved: That the public be excluded from the remainder of the meeting as otherwise there was a likelihood of disclosure to them of exempt information as defined in schedule 12A of the Local Government Act 1972. The relevant paragraphs of schedule 12A and descriptions of the exempt information are shown beneath the items below.

61 Summary of confidential proceedings for information

(Note: The full minutes of the under-mentioned items are set out in the confidential section of these minutes. The reports remain confidential.)

- 61.1 **Disposal of 46 Brampton Road (key decision)** (Cabinet, 26 May 2010, page 32, minute 16.1). Cabinet approved the sale of the freehold interest in this property to Eastbourne Car Auctions agreed subject to planning consent. The sale would allow the company to relocate thereby safeguarding a significant number of jobs and would also provide the company opportunity for growth and creation of further jobs as well as providing Council with a capital receipt. The premises had remained under utilised for many years and although various parties had previously proposed commercial development, these had not progressed.

Exempt information reason 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

- 61.2 **Alternative employment procedure.** Cabinet noted the position of employees subject to the procedure and agreed the associated financial implications.

Exempt information reasons 1 and 2 – Information relating to an individual or likely to reveal the identity of an individual.

The meeting closed at 7.15 p.m.

Councillor David Tutt
Chairman

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