



Eastbourne Borough Council Budget 2009/2010

Notes of Business, Voluntary and other Stakeholders Consultation Meeting

Town Hall, Eastbourne – Wednesday 28 January 2009 at 6.00 p.m.

Present:

Business, Voluntary and other Stakeholder Representatives:

(Representatives from some 25 local organisations and institutions had been invited)

Chief Inspector Dick Coates, Sussex Police

Mr Jeffrey Cooper, Our Lady of Ransom RC Church

Mr Ray Mason, EDEAL (Eastbourne and District Enterprise Agency)

Canon Tom Mendel, St Mary's (C of E) Parish Church, Old Town

Ms Violet O'Brien, Federation of Small Businesses

Mr Colin Slaughter, Federation of Small Businesses

Mr Alan Wenham, EAVS (Eastbourne Association of Voluntary service)

(Apologies for absence were recorded from Brighton and Hove Bus Company, Citizens' Advice Bureau, East Sussex Fire and Rescue Service, Eastbourne & District Chamber of Commerce, Sussex Downs College, Victoria Drive Baptist Church and Mr Nigel Waterson, Member of Parliament).

Eastbourne Borough Council:

Presenting:

Councillor David Tutt, Leader of the Council and Chairman of the Cabinet

Councillor Gill Mattock, Cabinet Member for Finance

Mr Martin Ray, Chief Executive

Mr Neil Fuller, Director of Housing, Health and Community Services

Mr Peter Stabb, Interim Chief Finance Officer

Also in attendance:

Councillor Margaret Bannister, Cabinet Member for Housing, Health and Community Services

Councillor Colin Belsey, Opposition Spokesperson for Special Projects

Councillor Barbara Goodall, Opposition Spokesperson for Housing, Health and Community Services

Councillor Sandie Howlett, Deputy Leader of the Opposition Group

Councillor Graham Marsden, Chairman of the Scrutiny Committee and Opposition Spokesperson for Finance

Councillor Steve Wallis, Cabinet Member for Economy, Tourism and Environment

Mr Mark Probyn, Assistant Director, Amenities and Contract Management

Mr Adrian Ash, Assistant Director, Economy, Tourism and Planning

1.0 Introduction and welcome

- 1.1 Councillor Tutt welcomed everyone to the meeting and explained some of the key background features to the Council's budget for 2009/10. These included a continuing need to identify significant savings each year to achieve a balanced budget; the changed economic climate nationally; the administration's desire to maintain front line services and support to the voluntary sector at current levels; and their desire to work in partnership with other stakeholders in the town. (Cabinet was due to consider budget proposals on 11 February with final approval by full Council due on 25 February. When published, meeting papers could be viewed at <http://www.eastbourne.gov.uk/council/meetings/>)

2.0 Budget 2009/10 headlines

- 2.1 Councillor Mattock presented an overview of the 2009/10 budget proposals. She explained that although government grant to local authorities had increased by 4.2% nationally, Eastbourne had only received a 0.5% increase. This compared with the 3.3% increase due to be received by East Sussex County Council. To "stand still" the Council would need to achieve savings of £1.5m taking into account unavoidable cost pressures. The administration had no wish to impose a significant increase in council tax and recognised the burden that council tax imposed on those on limited incomes. It was intended to keep the increase below that proposed by the county. A 3.45% increase would equate to £7.30 a year (or 14p per week) increase for a Band D household. This was below the inflation rate of 5% which the Council had experienced in its costs over the last year.
- 2.2 Net revenue spending was forecast to be 2.9% up on the current year. Expenditure increases included items over which the Council had no control such as the national concessionary fares scheme where the government did not fully reimburse the Council for its costs. Significant on-going efficiency savings were expected in the light of a major restructuring of the Council's organisation, management and staffing. These would be delivered through a programme known as "DRIVE" (see paragraph 4.1 below). The aim would be to deliver balanced budgets over the coming years and to maintain reserves at or above the minimum recommended level.
- 2.3 Councillor Mattock reviewed the key messages received following the extensive citizen and stakeholder consultation which had been undertaken in the run up to setting the previous budget. This had included support for investment in recycling and this was an area where the administration planned to increase expenditure next year with the introduction of free kerbside recycling of green garden waste and the addition of plastic to the box collection scheme. She acknowledged that although there had been widespread support for charging for the Airbourne event, this had not worked in practice. Plans were being made for a free event in 2009 with support anticipated from the local hospitality and business sector (see also paragraph 7.1 below). She added that there were no plans to make material reductions in services and that savings would be achieved through efficiencies.

3.0 Voluntary Sector Grants 2009/10

- 3.1 Councillor Mattock advised that the overall budget for Council support to the voluntary sector would be maintained at the current level plus an inflation increase bringing the expected total for 2009/10 to £194,800. She noted that there had been an increase in the amount of funding sought and that this greatly exceeded the budget available. As a result some groups were likely to be disappointed. She added that a 3-year funding commitment would be re-instated for certain core voluntary organisations. The recommendations of the Grants Task Group were due to be considered by the Cabinet at the beginning of March (once the Council budget had been set) and applicants would be advised the outcome of their applications at that time.

4.0 Corporate Plan and DRIVE

- 4.1 Neil Fuller outlined the Corporate Plan and its key priority of stabilising the Council's finances. He highlighted the Plan's principles for the Council to value people and be sustainable and efficient.

The DRIVE initiative (Delivering Real Innovation and Value for Eastbourne) had commenced early last year with an extensive information gathering exercise. This initiative was focussed on customers and culture; people and performance; infrastructure; capacity and structures; and communication and relationships. It was anticipated that the planned senior management restructuring would achieve £250,000 in on-going savings. Following on, other changes could be expected with reviews of accommodation, ways of working, shared services and partnership working. It was also expected that reductions would be made in agency staff costs.

5.0 Business Improvement District

- 5.1 Martin Ray explained the background to the proposed business improvement district for the town centre or BID. Many councils had now introduced BID areas with the support of local businesses. A BID would involve specified non-domestic ratepayers in a defined area paying a levy on top of their business rates into a special fund. This fund would be used to promote and enhance the business activities of the area. The Eastbourne BID was being sponsored by the Town Centre Management Initiative (a partnership between the Council and local business). Consultation with businesses in the town centre area had been completed last autumn and this had shown support for a BID. It was also noted that it was important that BID money was used to supplement and not replace existing Council spending on services in the area. Part of the preparations would include an agreement with the BID management body setting out the baseline Council services.
- 5.2 The next stage would be formal submission of the BID proposals to the Council and a ballot of businesses. It was understood that the proposal would affect those businesses with rateable values in excess of £10,000 and entail a levy of 1.5%. The ballot should be completed by early

May 2009 and if the vote was in favour, the BID management body established soon after and the levy commenced from April 2010. It was noted that the Council was also a business ratepayer and would pay its share of the levy.

6.0 Business Rate Revaluation

6.1 Peter Stabb reported on the impending revaluation of business premises. The Government's Valuation Office Agency (VOA) carried out revaluations every 5 years. The next valuation was due to come into effect on 1 April 2010 and would be based on market values as at 1 April 2008. The VOA would publish new rateable values in September 2009 allowing 6 months for businesses to check and make appeals. A VOA leaflet would be issued with the 2009 rates bills and further information could be obtained from the following websites:

www.voa.gov.uk/business_rates

www.eastbourne.gov.uk/business/rates

6.2 Peter Stabb gave details of the 5% increase in multipliers which would apply in 2009/10 (2008/09 figures in brackets). These would be 48.1p (45.8p) for small businesses and 48.5p (46.2p) as standard. (The local authority works out the business rates bill by multiplying the rateable value of the property by the appropriate multiplier. The Government sets the multipliers for each financial year in line with inflation and to take account of the cost of small business rate relief.)

7.0 Comments by stakeholder representatives

7.1 Airbourne

A number of questions were asked about funding for the 2009 Airbourne event and sponsorship. Councillor Tutt indicated that £160,000 had been budgeted to meet the full cost of the event. However, the business plan would include a range of initiatives which it was hoped would offset much of the cost. If the eventual net cost was below £160,000, the surplus would be ring-fenced and reserved to support the event in future years. He was grateful to the support given by the business community in developing options to increase revenues at the event, including sponsorship, fund raising and advertising. He acknowledged that no one single large sponsor had been found to date despite exhaustive efforts and that it was highly unlikely that one would be forthcoming. He was however open to any suggestions for pursuing sponsorship ideas.

Councillor Tutt was asked if reducing the number of event days from 4 to say 2 would save costs. Councillor Tutt did not think this would be significant given that many of the costs were related to event infrastructure (e.g. traders' costs and road closures) which would be little affected. He added that the Council was looking to build the event programme to broaden the appeal, particularly to local people.

7.2 Support to local business

Ray Mason asked if the Council would follow Rother's example in allocating £2m plus to boost local business in Bexhill.

Councillor Tutt said that the Council did not have large reserves available but would seek to work in partnership with stakeholders and statutory agencies to find ways to assist business and develop the local economy.

7.3 Community Safety

Chief Inspector Coates was given an assurance that no reduction would be made in the Council's contribution to the Crime Reduction Partnership budget.

7.4 Income projections

Alan Wenham was concerned in case income levels were not achieved. Councillor Tutt said that the risk was recognised. It might be that spending per head by visitors might reduce, however, there was good reason to believe that visitor numbers could increase. He added that Eastbourne had a strong offer and was well placed in comparison with its competitors.

7.5 New Towner

Ray Mason asked about the level of Council funding for this development. Councillor Tutt noted that the original business plan had required the Council to meet the shortfall in capital funding not met by grants from national and regional funding bodies and other sources. He said that money had already been earmarked for this purpose.

Councillor Tutt closed the meeting and thanked everyone for their attendance. He said he would welcome further questions - these could be e-mailed to him at councillor.tutt@eastbourne.gov.uk