ELMBRIDGE BOROUGH COUNCIL

CABINET

REPORT of a meeting held on 13 January 2016

Members of the Cabinet:

* J. O’Reilly (Leader)
* T.G. Oliver (Deputy Leader)

* J. Browne
* Mrs. C.J. Cross
* G.P. Dearlove
* Mrs. C. Elmer
* A. Kelly
* Mrs. D.M. Mitchell
* Mrs. R. Mitchell
* Mrs. M.C. Sheldon

Also present:


46/15 DECLARATIONS OF INTEREST

In respect of agenda item 4 (Minute No. 51/15 refers) – Proposals for Spend of the Affordable Housing Enabling Fund, whilst not a disclosable pecuniary interest or other interest under the Code of Conduct, J. Browne wished that it be noted that he had previously acted professionally for the Catalyst Housing Group.

Mrs. R. Mitchell declared an interest under the Code of Conduct in respect of agenda item 4 (Minute No. 51/15 refers) – Proposals for Spend of the Affordable Housing Enabling Fund, by virtue of being one of the Council nominated representatives on the Board of Elmbridge Housing Trust which was a subsidiary of the Paragon Community Housing Group.

47/15 MINUTES OF THE CABINET MEETING HELD ON 18 NOVEMBER 2015

The Minutes of the Cabinet meeting held on 18 November 2015 were agreed as a correct record and signed by the Leader.

RECOMMENDATIONS TO COUNCIL ON 24 FEBRUARY 2016

48/15 FEES AND CHARGES PROPOSALS 2016/17 - LEISURE FACILITIES

(Link to Council Priorities: P1, P2, P3)

The Portfolio Holder for Leisure and Culture introduced the report that sought agreement of the core pricing proposals for the Elmbridge Xcel Leisure Complex & Hurst Pool for 2016/17 and outlined the implications of the introduction of the new Living Wage in 2016.
The Cabinet was reminded that within the contract with Places for People (PfP) for the management of the Elmbridge Xcel Leisure Complex and Hurst Pool (2006 to 2021), the Council retained the ability to set maximum fees and charges for swimming; indoor bowls (Xcel only); Sports Hall activities (Xcel only); and the Crèche (Xcel only), with the remaining fees and charges being set at the discretion of PfP.

Members noted that whilst the terms of the contract required the fees and charges for the Council controlled core activities to be increased by the Retail Price Index (RPIX) annually, in December 2014, the Council approved that, for future years, the RPIX figure would be automatically applied (with rounding) as an annual uplift for Leisure and Cultural Services fees and charges. Only where proposed fees exceeded the RPIX figure, would Member approval be sought.

However, as a significant feature of the Government’s recent budget was to implement the recommendations of The Living Wage Commission and introduce the Living Wage for all employers, PfP had undertaken a detailed review of the financial impact that the Living Wage would have on its contracts and on increased National Insurance and Pension contributions. In order to mitigate the increases, PfP felt that the only way forward was to consider increases in fees and charges above indexation levels which would affect the core prices for both the Elmbridge Xcel Leisure Complex and Hurst Pool, the details of which were set out in Appendix A of the report.

To minimise the impact of the Living Wage, PfP was proposing that any increase to the More Card core pricing be limited to the 1.1% RPIX and that increases in excess of 1.1% be only applied to non-More Card core pricing and prices outside the Council’s control e.g. gym and swim lessons.

The Portfolio Holder advised that as the leisure management contract for the Elmbridge Xcel Leisure Complex and Hurst Pool had a gain/surplus share arrangement, unless measures were taken to mitigate the impact of the Living Wage, then the increased staff costs would have a significant adverse effect upon the surplus share mechanism and would correspondingly diminish the benefit of the arrangement currently enjoyed by the Council.

Members noted that all other fees and charges in Leisure and Cultural Services, including public halls, would be increased by the 1.1% RPIX inflationary figure.

Prior to consideration of the item, the Leader invited Councillor Mrs. J.R. Turner, Group Leader of the Hinchley Wood Residents’ Associations Political Group to address the meeting. Whilst it was understood that the increases in the fees and charges were for the non-More Card holders only, Councillor Mrs. Turner commented that she was concerned that five of the proposed increases were, in percentage terms, above 10% and that these were in respect of junior swimming charges and the crèche facility.
The Portfolio Holder acknowledged the concerns raised and advised that despite the increases for these activities and specifically junior swimming charges, the charges continued to compare favourably with neighbouring Boroughs.

The Cabinet discussed the proposed increases in the fees & charges and it was noted that for the majority of the fees and charges, the increases were very small with the use of a “rounding factor” having been applied. However, whilst it was acknowledged that the increases in respect of junior swimming charges and the crèche facility would be relatively small in value i.e. 25p and 35p respectively, concern was raised that these increases could disadvantage children and families from using the facilities. It was noted that PfP were trying to find a substantial amount of income in order to offset the implications following the introduction of the Living Wage and these particular activities had been highlighted as areas where an increase in income could be achieved.

The Portfolio Holder commented that residents could purchase a More Card (adults £10 and a child or full-time student £5) and in this regard the increase in junior swimming charges and the use of the crèche facility would be pence. It was also noted that for those Elmbridge residents who were on a low income or received benefits, they were entitled to a free More Card.

On consideration of the report, the Cabinet supported the core pricing proposals for Elmbridge Xcel Leisure Complex & Hurst Pool for 2016/17 and requested the Portfolio Holder to discuss the fee structure with PfP in order to encourage them to avoid a similar increase in the fees and charges for children’s activities in 2017/18.

It was further considered appropriate that additional information, specifically in respect of a comparison with other Boroughs in respect of junior swimming charges and crèche facilities, be provided for Members at the Council meeting on 24 February 2016.

**RECOMMENDED:** THAT THE PROPOSED CORE PRICE INCREASES, AS ATTACHED AT APPENDIX A TO THE REPORT, INCLUDING THOSE WHICH EXCEEDED THE 1.1% RETAIL PRICE INDEX (RPIX), BE AGREED.

49/15 **OXSHOTT HEATH CAR PARK REGULATION ORDER**

(Link to Council Priorities: A5, A6, P4, P5)

The Portfolio Holder for Leisure and Culture introduced the report that sought support to a request from the Oxshott Heath Conservators to introduce a parking regulation Order in their car park adjacent to Oxshott Train Station. The Oxshott Heath Conservators had requested that the car park be incorporated into the list of the Council’s ‘Recreational’ category car parks, thereby restricting the time visitors could stay.
The Cabinet noted that the formal request in this regard had been received by the Council in July 2014 and a draft Order setting out the proposed controls and charging schemes had been prepared in accordance with the Road Traffic Regulation Act 1984 (as amended). A Public Notice advertising the draft Order had been published in the local press and similar Public Notices were displayed in prominent positions in and around the car park throughout the three week consultation period, which had commenced on 5 June 2015.

The Portfolio Holder advised that one response to the consultation had been received specifically questioning the use of horse boxes within the car park and pointing out that height barriers in a number of surrounding car parks made access to the countryside by horse riders difficult. In this regard, following discussions with the Oxshott Heath Conservators, the Traffic Regulation Order had been amended to allow the use of horse boxes within the car park.

The Traffic Regulation Order sought to stop commuter parking and therefore preventing local residents using Oxshott Heath. The Order would not apply a cost to any parking but would impose a limitation of a 4 hour maximum stay between the hours of 10.00 a.m. and 4.00 p.m.

Members noted that enforcement in this regard would be carried out by Elmbridge’s existing Enforcement Officers in the Parking Services Team who currently visited existing car parks managed by Leisure and Cultural Services once a week.

The Cabinet discussed the request from the Oxshott Heath Conservators and whilst concern was raised regarding the amendment of the Order to allow the use of horse boxes within the car park, thereby increasing the possibility of traveller incursions on the site, Members supported the request and accordingly

RECOMMENDED: THAT THE OXSHOTT HEATH CAR PARK BE INCORPORATED WITHIN THE COUNCIL’S RECREATIONAL CAR PARKS SUBJECT TO PARKING REGULATION AND, IN EXERCISE OF STATUTORY POWERS AND FOLLOWING CONSULTATION, THE OXSHOTT HEATH PARKING PLACE ORDER BE MADE.

MATTERS OF REPORT

50/15 ENTERPRISE ELMBRIDGE ACTION PLAN 2015-2017 UPDATE

(Link to Council Priorities: All)

The Portfolio Holder for Community Development introduced the report and reminded Members that in 2012, the Council had made a commitment to prioritise work related to economic development through the Enterprise Elmbridge Action Plan 2012-2015. In June 2014, the Council made a further commitment by supporting the permanent recruitment of an Economic Development Officer post and in March 2015, an updated Enterprise Elmbridge Action Plan 2015-2017 was approved together with the extension to the
Elmbridge Civic Improvement Fund until 2017 and the creation of a new £50,000 start-up fund.

The Portfolio Holder provided a detailed progress update in respect of the implementation of the Enterprise Elmbridge Action Plan 2015-2017 and took the opportunity to highlight the further projects that had been identified to support priority areas in 2016.

The Cabinet discussed the update and Members were pleased to note that Elmbridge had the largest business base across Surrey & the Enterprise M3 Local Enterprise Partnership area. Whilst noting the latest economic statistics for the Borough, the definition of “spending retention rate” was queried. The Economic Development Officer advised that the spending retention rate was the amount of money that was spent in the Borough’s High Streets and accordingly retained within the Borough.

With regard to the number of votes and nominations received in the 2015 Elmbridge Independent Retailer of the Year Awards, the Portfolio Holder for Community Development agreed to arrange for an e-mail to be sent to Cabinet Members advising them of this information outside of the meeting.

The Cabinet welcomed the excellent update and acknowledged the range of initiatives that Enterprise Elmbridge had completed in 2015 including the Food Festival and the awarding of £126,350 of Elmbridge Civic Improvement Fund grants to local businesses. In this regard, the Cabinet thanked the Economic Development Officer and the Organisational Development Team for all the hard work that had been undertaken in supporting and assisting businesses in the Borough. It was acknowledged that this was an important issue for the Council and where additional funding could be secured, either through the Local Enterprise Partnerships or through the Devolution agenda, this would be of great support to businesses.

RESOLVED that the progress made with the implementation of the Enterprise Elmbridge Action Plan 2015-2017 be noted.

51/15 PROPOSALS FOR SPEND OF THE AFFORDABLE HOUSING ENABLING FUND

(Link to Council Priorities: H1)

The Portfolio Holder for Housing introduced the report which sought agreement to invest monies from the Council’s Affordable Housing Enabling Fund to support the continuation of the Elmbridge Homeownership Assistance Scheme (EHOAS) with Catalyst Housing Group and the Perfect Fit Scheme with Paragon Community Housing Group (PCHG), recognising the contributions that both schemes made in meeting local housing need.

Members were reminded that the EHOAS helped households who were living and / or working in Elmbridge and who aspired to become home-owners to achieve this, where otherwise they would not be able to afford it. The Scheme offered a 2.5% interest equity loan of up to £90,000 to bridge the gap between
what a household could raise through a deposit & mortgage and the purchase price. The Portfolio Holder advised that as an equity loan, half of the value of redeemed loans was returned to the Council. In this regard, the Cabinet was pleased to note that since summer 2014, seven loans had been redeemed and whilst the Council’s share of the original loans on these payments was just under £230,000, with house price inflation, the Council had received back just over £290,000, which represented a return on investment of around 21%.

The Portfolio Holder advised that Officers had been in discussion about replenishing the loan-pot so as to allow more households to be assisted in the Scheme. Members noted that Catalyst Housing Group staff had indicated that, given the Scheme’s success to date, they would be willing to invest a further £400,000 into the loan-pot, subject to the Council matching this commitment.

In this regard, it was proposed to allocate a further £425,000 from the Council’s Affordable Housing Enabling Fund to support the extension of the Scheme which included £25,000 to fund the administration fees payable to Catalyst Housing Group. The commitment of both parties to provide additional funding would be formalised through a Deed of Variation to the original legal agreement adopted in 2011.

The Cabinet noted that the Affordable Housing Member Panel had been briefed on this proposal at its last meeting in November 2015 and had given its support to further investment being committed in this regard.

With regard to the Perfect Fit Scheme, the Portfolio Holder advised that it was proposed to allocate a further £160,000 from the Council’s Affordable Housing Enabling Fund to support the continuation of the Scheme with Paragon Community Housing Group (PCHG) up to the end of March 2018.

The Perfect Fit Scheme had been launched as a year-long pilot in April 2012 to encourage Elmbridge Housing Trust (EHT) tenants under-occupying their homes to downsize so as to free up the property for a family needing accommodation of that size. The Scheme offered payments of up to £4,000 to tenants freeing up two or more bedrooms and up to £2,500 for those giving up one bedroom and was extended following the successful pilot, with the current funding agreement ending in March 2016.

PCHG had confirmed its willingness to continue to both run the Scheme and to continue to commit staff resources to administer the Scheme as well as providing support to residents as part of its wider objectives around making best use of its stock.

It was noted that the Council and PCHG had entered into a series of agreements covering the operation of the Scheme and the conditions attached to the funding provided by the Council. Whilst it was anticipated that the proposed agreement for 2016-2018 would be based on the current agreement, the Portfolio Holder took the opportunity to update Members on the proposed revisions to the Scheme. Whilst retaining the financial incentive of up to £2,500 for those tenants who were giving up one bedroom, in the future, a payment of
£2,500 would also be offered to those tenants who were freeing up two or more bedrooms, unless the tenant was moving into sheltered accommodation. He also reported that although in the past there had been a need for 3 or 4 bedroom properties, currently the greatest need was for two bedroom properties.

Arising from the discussion, it was noted that from April 2012 to September 2015, 124 households had downsized and whilst there was no certainty as to what this figure would have been had the Perfect Fit Scheme not been in place, the Portfolio Holder commented that the recent Welfare Reforms were likely to have had an impact on those households who were actively seeking to downsize. He further commented that the PCHG had an officer in place to provide one-to-one support to help with the process.

Whilst noting that the balance of the Council’s Affordable Housing Enabling Fund was currently over £4.9 million, the Cabinet fully supported the two proposals which would leave a balance of over £4.40 million in the Enabling Fund for use on other projects.

RESOLVED that

(a) a further allocation of £425,000 from the Council’s Affordable Housing Enabling Fund to extend the Elmbridge Homeownership Assistance Scheme be agreed, on the understanding that Catalyst Housing Group commits a further £400,000, to support approximately 11 additional cases;

(b) an allocation of £160,000 from the Council’s Affordable Housing Enabling Fund to provide capital funding to Paragon Community Housing Group be agreed to support the delivery of approximately 60 additional moves through the continuation of the Perfect Fit Scheme in 2016/17 and 2017/18; and

(c) authority be delegated to the Heads of Housing, Finance and Legal Services to vary the existing Legal Agreement with Catalyst Housing Group to reflect the additional funding provided to the Elmbridge Homeownership Assistance Scheme and to enter into a new funding agreement with Paragon Community Housing Group to continue the Perfect Fit Scheme to the end of March 2018, incorporating revisions to the operation of the Scheme to ensure its continued effectiveness.

52/15 GROUNDS MAINTENANCE CONTRACT- UPDATE ON CURRENT PERFORMANCE

(Link to Council Priorities: P1, P2, P3)

The Portfolio Holder for Leisure and Culture introduced the information item that provided Members with a further update on the current performance of the Grounds Maintenance Contract.
Members were pleased to note that Officers continued to work closely with The Landscape Group (TLG) to ensure a continued improvement in service delivery. The Portfolio Holder advised that in recent months, TLG had continued to demonstrate a level of improvement towards achieving the contract standards.

The Portfolio Holder further updated that whilst the level of complaints had been consistent with the reduced rate of growth at this time of the year, TLG were showing a steady and significant service improvement with the recorded complaints down from the peak in June 2015. In addition to the key work areas, Members noted that TLG had organised community planting schemes carried out with Hersham in Bloom; secured a new depot in the Borough ready for the new season; ordered spring / summer bedding; agreed summer hanging basket and trough scheme for 2016; and planned for the recruitment of further staff for the 2016 spring growing season.

Prior to consideration of the report, the Leader invited Councillor Mrs. J.R. Turner, Group Leader of the Hinchley Wood Residents’ Associations Political Group to address the meeting. Councillor Mrs. Turner was delighted to note that the level of complaints had significantly decreased however she had received a number of comments regarding the length of the grass which appeared to be an issue. She commented that whilst she agreed that the grass was high in some areas, care needed to be taken, given the time of year, to avoid grass cutting which could result in the grass being affected by severe frost.

Whilst welcoming the update, the Cabinet acknowledged the unseasonably warm weather and reiterated that the critical point in terms of performance would be in the spring when the grass cutting programme recommenced.

The meeting commenced at 7.00 pm and concluded at 7.47 pm

J. O’REILLY
Leader

Democratic Services Officer
Mrs. T. Hulse
Other Officers in attendance
R. Moran
Mrs. S. Selvanathan
R. Lee
A. Harrison
Mrs. N. Anderson
I. Burrows
D. Perkins
Ms. E. Lewis
Principal Committee and Member Services Officer
Chief Executive
Strategic Director and Deputy Chief Executive
Strategic Director
Head of Legal Services
Head of Organisational Development
Head of Leisure and Cultural Services
Economic Development Officer
Sports Development Officer