

Agenda Item No: 5

Report to: Cabinet

Date of Meeting: 17 February 2014

Report Title: Revenue Budgets 2013/14 (Revised) and 2014/15, plus Capital Programme 2013/14 to 2016/17

Report By: Peter Grace (Head of Finance)

Purpose of Report

1. This report presents the revised revenue budget for 2013/14 and a budget for 2014/15. The revised budget for 2013/14 takes account of the known variations to expenditure and income streams that have occurred since setting the budget in February 2013.
2. In setting the budget for 2014/15, recognition of the very significant ongoing reductions in external funding for 2015/16 and beyond needs to be made. The report identifies a £1.8 million shortfall in revenue funding in 2015/16 and £3.1 million in 2016/17. The alignment of the Council's available resources to its priorities requires the continuing review of services during the next 12 months in order to achieve balanced budgets in future years.
3. Your meeting is a key part of the budget setting process. Full Council on the 26 February 2014 will be responsible for setting a balanced budget and determining the Council Tax. If the recommendations in the report are approved by Council there will be no increase in the Borough's part of the Council Tax in 2014/15.

Recommendations

Cabinet is recommended to:-

- (i) Approve the revised revenue budget for 2013-14 (Appendix A).
- (ii) Approve the draft 2014/15 revenue budget (Appendix A)
- (iii) Approve a nil increase in Council Tax on the basis that the Council Tax Freeze Grant is receivable (equivalent to a 1% increase).
- (iv) Approve the cultural initiative as detailed in Appendix S and the main body of the report.
- (v) Approve the Capital Programme 2013/14 (revised) to 2016/17 (Appendix P)

- (vi) Approve the proposed expenditure from the Renewal and Repairs Reserve, and Information Technology Reserve (Appendices J and I respectively) and those items from other reserves shown in Appendix H that can proceed without further reference to Cabinet or Council.
- (vii) Approve the transfer of any uncommitted monies within the Area Based Grants Reserve to the Capital Reserve
- (viii) Approve that the use of the monies identified in the budget for "Invest to Save" schemes be determined by the Director of Corporate Resources in consultation with the Leader of the Council.
- (ix) Approve the revised Land and Property Disposal Programme (Appendix L), and agree that disposals can be brought forward if market conditions make it sensible to do so.
- (x) Agree that schemes marked with an asterisk in the Capital Programme can proceed without further reference to Cabinet or Council.
- (xi) Agree work on Priority Income and Efficiency Reviews (PIER) should continue, and where possible identify a sustainable budget for a period in excess of 1 year. A mid-year review, for members and officers, to be undertaken in the light of the continuing severe government grant reductions.
- (xii) Approve the detailed recommendations attached in Appendix N, which relate to the setting of Council Tax in accordance with Sections 31 to 36 of the Local Government Act 1992.

Reasons for Recommendations

1. The level of government funding to the Council continues to fall and is expected to carry on falling until at least 2018-19. Since 2010-11 funding has been reduced by some 42.5% in cash terms on a like for like basis (over 50% in real terms).
2. Major reductions in funding in 2014/15 are set to continue in 2015/16 and beyond and this will impact heavily upon the Council's ability to provide services and grants across all areas of existing activity. To ensure key corporate priorities are achieved it remains imperative that the limited resources available are properly targeted.
3. The Council needs to be in a position to match its available resources to its priorities across the medium term and to maintain sufficient reserves and capacity to deal with potentially large and unexpected events in addition to fluctuations in income and expenditure levels.
4. The Council is exposed to a much greater degree of volatility in the level of funding it receives from Non Domestic Rates. In addition it is also exposed to a much higher degree of volatility in terms of Council Tax Support claims – the Council now receiving an upfront grant rather than reimbursement of actual costs.

5. Further reductions in grant funding have major implications for the Council and as such work needs to continue to identify and make savings in order to produce balanced budgets in 2015/16 and beyond.
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Introduction

1. The Comprehensive Spending Review 2010 identified that real term reductions in local government grant funding would be some 28% over a four year period. For Hastings BC the reductions in grant funding over the four year period are expected to amount to 42.5% in cash terms (over 50% in real terms).
2. The Chancellor's 2013 autumn statement made it clear that significant funding cuts will continue. The Spending Round announced in July 2013 identified further cuts for 2015/16 – assessed by the Local Government Association as amounting to some 15.3% for District and Borough Councils.
3. In determining the Financial Strategy for the medium term, not only do the levels of grant funding have to be taken into account but so do the impacts of the economic climate. Whilst there is evidence of some green shoots of recovery for the economy, continued uncertainty remains within the Eurozone (e.g. Greece and Portugal).
4. On a national basis significant public spending cuts continue to be made, which are expected to impact further on the economy, and reduced levels of benefit payments flowing from the welfare reforms will impact heavily on individual households. Lower levels of disposable income could result in even more pressure on Council services such as Housing and Revenue Services.
5. The Revenue Budget Forward Plan produced twelve months ago forecast that there would be a deficit in 2014/15 of some £1.26m. Throughout the year Directors and Heads of Service in conjunction with lead members have been identifying and implementing efficiency initiatives to assist in addressing the financial position for 2014/15 and beyond.
6. From information supplied with the government grant settlement, the reduction in the Settlement Funding Assessment for Hastings BC in 2015/16 is 15.5% or £1.127m. The annual settlement in December also announced that the maximum loss of Revenue Spending Power in future years would be limited to 6.9%. Nine authorities would be entitled to receive Efficiency Support Grant in 2014/15 and based on existing information fourteen would qualify in 2015/16 (including Hastings).
7. With the level of government grant continuing to decrease at such significant levels in the years ahead, and the limited ability to increase Council Tax or increase charges, the Council will need to make further substantial savings in order to produce a sustainable balanced budget in 2015/16.

- Council Tax has remained at £235.85 (Band D – Hastings BC element) for four years to date (2010/11 to 2013/14). A nil increase in 2014/15 would amount to the fourth consecutive year of no increase.

Strategic Priorities

- The Council's strategic priorities were refreshed for 2013/14 in the light of consultation and the continuing challenges that the Council and the community face. They remain unaltered in 2014/15 namely:-

Fairness and Equality

To provide high quality services that meet the needs and improve the quality of life of all our citizens, promoting equality of opportunity through a culture of openness, fairness and transparency, enabling local people to hold us to account.

Economic & Physical Regeneration

To secure economic & physical regeneration that produces high quality new developments while preserving the best of our heritage, promoting infrastructure improvements, economic growth and employment, particularly in tourism, creative industries, and high-tech manufacturing & research.

Narrowing the Gap

To 'narrow the gap' between the opportunities of our most deprived communities and those of the rest of the town, as well as between Hastings and the rest of the South East.

Facing Financial Challenges

To meet the current financial challenges by maximising the resources available to us through efficiency improvements, income generation and attracting external funding, maintaining an organisation that values its staff and is good to work for.

Interventionist services

To keep the town clean, safe and attractive, using direct interventionist actions to tackle enviro-crime, poor housing, eyesore properties, derelict land and improvements to the public realm.

Environmental Sustainability

To tackle climate change and improve the borough's environment by reducing our own carbon footprint, maintaining high-quality green spaces, promoting sustainable transport, and encouraging 'green' industries.

Financial Planning - Medium Term Financial Strategy

- The Medium Term Financial Strategy approved in November 2013 provided indicative budget forecasts for the 3 year period 2014/15 to 2016/17.

11. Given the need to plan for future years, the Medium Term Financial Strategy, identified key principles to be followed when compiling the budget as well as identifying the financial risks and opportunities more closely. The Financial Strategy is robust in that it integrates the financial and policy planning procedures of the Council. That robustness is built upon a foundation of key principles:
- (i) Ensure the continued alignment of the Council's available resources to its priorities
 - (ii) Maintain a sustainable revenue budget. This means meeting recurring expenditure from recurring resources. Conversely, non recurring resources such as reserves and balances can generally be used to meet non recurring expenditure providing sufficient reserves and balances exist.
 - (iii) To continue to identify and make efficiency savings
 - (iv) To review fees and charges comprehensively as a means of generating additional funding for re-investment in priority services.
 - (v) Capital receipts and reserves will primarily be available for new investment of a non-recurring nature thereby minimising the overall financial risk.
 - (vi) To ensure sufficient reserves are maintained.
 - (vii) To ensure value for money is achieved in the delivery of all services and that the Council seeks continuous improvement of all services.
 - (viii) The objective is to maintain affordable increases in Council Tax whilst accepting that such an objective is linked to the amount of annual government grant, inflation and new legislative requirements.
 - (ix) The importance of partners in delivering cost effective solutions for services is recognised.

The Key Factors Impacting on the Budget

Business Rates

12. The government launched the Business Rates Retention (BRR) scheme on 1 April 2013 as one of the main forms of local government funding. Instead of a single grant settlement for 2013/14 the Council receives details of Revenue Support Grant (RSG) and the Business Rate Baseline Funding level (expressed as Baseline Need). The two figures effectively make up the Settlement Funding Assessment (SFA). Whilst the government calculate a notional business rate figure they believe each Council should collect, ultimately, it is the actual level of business rates collected that will determine the total funding received for this element of the settlement i.e. the level of

RSG is guaranteed throughout the year whilst the Business Rate element is not.

13. To fund the Baseline Need element, the Council has an expected level of business rates (or National Non Domestic Rates (NNDR)) that is to be collected. Due to differences between Baseline Need and the level of business rates actually collected there is a further budget adjustment required.
14. For Hastings with a Baseline Need that is lower than the Business Rate Baseline a Tariff is paid to central government (£5,126,490 in 2013/14). The scheme also has a damping mechanism in place to limit individual gains and losses (Levy/Safety Net).
15. The Council is now required to make an annual assessment of the income it expects to collect from Business rates, and to provide these figures to government, East Sussex County Council and the Fire and Rescue Authority who each receive a share of the actual rates collected.
16. In 2013/14 the Business Rate Baseline for Hastings was determined at £8,463,160, whilst the DCLG calculation of the baseline funding level amounted to £3,336,670. The difference being paid to government as a Tariff (£5,126,490). The 2013/14 original budget includes an estimate for the actual business rates that will be retained by the Council – this amounts to £3,281,618 (some £55,052 lower than the government's assessed settlement figure).
17. In practice during 2013/14, rather than seeing an increase in the rateable value (RV) of business properties there has been a decline. At the start of the year the RV of all business properties amounted to some £57.9m. By the end of the year the RV is estimated to be some £57.1m (£800,000 lower) following various appeals – some dating back to 2005. In addition, the amount of business rates collectable has reduced in the year resulting from changes in status e.g. conversion of schools to academy status – resulting in eligibility for charitable relief. The revised budget forecast for income is reduced to £3,218,729 (some £118,000 lower than the government's assessed settlement figure).
18. The picture for 2013/14 and beyond is further complicated by elements of business rates being reimbursed separately by central government e.g. extension of 100% relief for small businesses (For 2013/14 notification has been received that £435,000 is payable under Section 31 of the 2003 Local Government Act). A sum of £467,000 has been allowed for in respect of 2014/15.
19. Business rates and the levels of appeals/ growth/ decline will continue to impact significantly on the Council's level of funding and the risk that the Council faces in terms of income volatility has increased significantly.

External Funding – Annual Grant Settlement

20. The 2014/15 provisional finance settlement was announced on the 18 December 2013. The settlement provides details of the Revenue Support

Grant and the level of business rates that the government expects councils to retain.

21. The final settlement figures were confirmed on the 5 February 2014 with an increase in Revenue Support Grant of £996 for 2014/15. The budget has been adjusted accordingly.
22. In brief, the annual grant settlement figures for 2014/15 were in line with overall expectations in the Medium Term Financial Strategy.

Summarised Grant Position

23. The table below looks to compare the level of grants received from 2010/11 (the year before the Comprehensive Spending Review). The change in the way councils are being funded from 2013/14 onwards makes comparison slightly more difficult. The figures below are all based on cash and exclude the effects of inflation (the inclusion of which would increase the % reductions even more).

	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 (Est) £m	2015/16 (Est) £m	2016/17 (Est) £m
Area Based Grant	3.6						
Formula Grant	9.1	7.8	6.8				
Settlement Funding Assessment (Revenue Support Grant and Business Rates)*				6.4	5.4	4.3	3.7
New Homes Bonus		0.2	0.4	0.5	0.9	1.1	1.2
Transition Funding	0	2.8	2.2	0	0	0	0
Efficiency Support Grant				1.2	1.0	0.7	0.3
Total	12.7	10.8	9.4	8.1	7.3	6.1	5.2
Cumulative Cash Reduction		-1.9	-3.3	- 4.6	-5.4	-6.6	-7.5
Cumulative % Reduction		-15.0 %	-26.0%	- 36.2%	- 42.5%	-51.9%	-59.0%

*Excluding Council Tax Freeze Grant, Homelessness Grant and Council Tax Support Grant in order to provide a clear comparison.

24. The table highlights a 42.5% reduction in cash grant funding over the four year period of the finance settlement (this excludes the effects of inflation).

Efficiency Support Grant (ESG) and Revenue Spending Power (RSP)

25. The Council, along with six other local authorities, submitted business plans in March 2013 in order to qualify for a new grant in 2013-14 – the Efficiency Support Grant. This is worth some £1.218 million (£975,000 plus 25% bonus) to the Council in 2013/14, with a further sum of £975,000 being available in 2014/15.
26. On the 12 November, officers from the DCLG visited the Council following submission of updated business plans and progress documents. Following compilation and submission of further returns and reports, a meeting was held in December with the minister, the leader of the Council and the Director of Corporate Resources. It is very pleasing to note that the Council has now received written confirmation that it will receive the 25% bonus (£243,000) in 2013/14 as a result of making savings in advance of, and in excess of, the original business plan projections the Council made.
27. From early statements, it was understood that Efficiency Support Grant would cease after two years but the same amount of Efficiency Support Grant would be receivable for 2014/15 (i.e. a further £975,000) if the Council was achieving its 2013/14 business plan targets. Confirmation of the final figure and whether Hastings BC qualifies is unlikely to be received before the Council determines its budget on 26 February 2014. However, following receipt of the confirmation that the Council will receive the 25% bonus for exceeding the business plan commitments, it is considered likely that the Council will receive the same basic level of monies as in 2013/14 (£975,000); If it is less then further use of reserves may be required along with additional in year service reductions.
28. The Council was eligible to submit a business case for the Grant as the Council saw a reduction in its 'Revenue Spending Power (RSP)' of more than 8.8% in 2013-14. Eligible authorities of which there were just seven could bid for the amount of funds that would see their 'Revenue Spending Power' reduced by no more than 8.8% in 2013-14. The limitation to 8.8% resulted in the Efficiency Support Grant of £975,000.
29. The "Revenue Spending power" was a concept the government introduced in 2011 and is calculated by the government as the sum of:-
- Council Tax Requirement
 - Specific Government Grants e.g. Council Tax Freeze Grant, New Homes Bonus
 - Government funding – Settlement Funding Assessment
30. The figures released with the autumn statement identifies that the 2013/14 RSP amounts to £16.6m for Hastings and that for 2014/15 it is £15.9m representing a 4.2% reduction (after the inclusion of £975,000 Efficiency Support Grant).

31. As a significant change, the Autumn Statement identified that for 2014/15 and beyond, Councils will be eligible to apply for Efficiency Support Grant if their RSP falls by more than 6.9%.
32. This has significant implications for the Council, and based on current assumptions on funding levels and support, this would result in the Council being eligible for ESG in 2015/16 and beyond (subject to Spending Power calculations remaining unaltered). Initial calculations would indicate that the Council would be eligible for some £689,000 in 2015/16 if support is provided at 6.9% and if Council Tax is at 2013/14 levels and New Homes Bonus monies increase in line with current year projections (and other funding streams remain constant). Considerable uncertainty surrounds the actual amount payable and clarification is not expected until the autumn of 2014. In the meantime the Council needs to take a prudent view.
33. Going into 2014/15 the Council needs to maintain a level of reserves that can help ensure a managed transition to a much lower level of activity in the years ahead and to use the Efficiency Support Grant in ways that can support initiatives that achieve real savings (Invest to Save). To this end it was agreed in February 2013 that a sum of £368,000 be set aside for use in 2013/14 and beyond to support new "Invest to Save" initiatives. The establishment and use of this one off funding is considered fundamental to assisting the Council in the transformation to a lower spending authority – a business case is required before such money can be used.
34. It is proposed that the additional 25% bonus receivable in 2013/14 be earmarked for similar initiatives along with a further £300,000 from the 2014/15 Efficiency Support Grant.
35. In February 2013 it was agreed that the use of the monies be determined under delegated powers by the Director of Corporate Resources in consultation with the leader of the Council. It is again recommended that the use of these additional sums is determined under delegated powers by the Director of Corporate Resources in consultation with the leader of the Council
36. The Council's external auditors have commended the Council on its approach to financial management over the last few years and its approach to maintaining and enhancing reserves whenever possible. This approach has helped the Council in its transition to date and the continuation of this approach is proposed. However it is clear that in order to achieve a smooth transition to a lower spending Council the use of reserves is required over the next three years.

Income

37. The Council has limited reserves and depends upon income streams and investment returns to balance the budget.
38. As personal disposable income levels continue to decline in real terms, given inflation and low wage settlements there are expected to be continuing implications for income streams in the medium term.

39. Given that income streams remain at risk, fees and charges have been kept under careful review and considered annually against the background of Council priorities and people's ability to pay.
40. It was agreed in February 2013 that car parking charges (off street) would be set for a 24 month period i.e. no increase for 2014/15. In respect of most other fees and charges, with some exceptions (higher and lower), these have been increased by inflation or set by statute.

Investment Interest

41. The low levels of interest received on balances looks set to continue for the next 12 months or so. Base rates are not expected to be increased in 2013/14, but may do so in late 2014/15. Current assumptions, given the restricted counterparties list and short investment periods, are for investment returns of around 1% in 2013/14 and 0.75% in 2014/15. The Treasury Management Strategy will continue to advocate a policy of keeping the respective levels of debt and investment under review.

Inflation

42. This has been a major issue in the last few years and will remain so particularly in terms of gas and electricity prices which are increasing by between 6% and 10% this year. Inflation in the last couple of months has fallen significantly. In November 2013 it was 2.6% (Retail Price Index) with RPI-X at 2.7% (RPI-X excludes mortgage interest), whilst the government's preferred measure CPI (Consumer Price Index) was 2.1%.
43. The Council's major contracts e.g. Waste and Street Cleansing, Grounds Maintenance, Cleaning, etc, are linked to various inflation indices (e.g. Waste Collection linked to CPI). The Council allowed 2.5% for general inflation in 2013/14 which has proven relatively sufficient to date. The Council has sought to incorporate the CPI index in future contract specifications.
44. Based upon the Bank of England Inflation report, general inflation is being estimated at 2.5% in 2014/15 and 2015/16 and 2% beyond for budget planning purposes.

Public Sector Pay Settlement

45. Local government has had until this year a pay freeze for all staff since 2010/11 (3 years to date) and members allowances have likewise been frozen. In 2013/14 there has been a 1% pay increase for most staff.
46. The salaries budget together with national insurance and pension costs is some £13m - each 1% therefore equating to around £130,000 (around £110,000 on the General Fund).
47. National pay negotiations have commenced. However the affordability of any pay increases for those in local government remains an issue for employers. A 1% increase has been assumed for 2014/15 in the budget to take account of a potential pay award in addition to contractual increments (equivalent of around

a further ½%). A 2% award is assumed for budget planning purposes in 2015/16 and beyond to match inflation.

High Demand for Public Services & Benefit Administration Grant

48. There continues to be a high demand for public services especially housing benefits, homelessness.
49. Universal Credit is still set to replace the present benefit structure albeit with changes in Hastings not now expected to take effect until 2016/17. People claiming benefits would be automatically moved onto Universal Credit. The full implications, timescales and transition funding arrangements for people in Hastings have been very unclear for the last 18 months. What is now clear is that migration will not take place, other than for a number of trial authorities, until after the general election in 2015. This remains an area of concern as it remains difficult to plan for the service in the longer term in respect of staffing and accommodation needs. In addition if the loss of funding does not match the transfer of the functions there is a clear financial risk to the Council over the next 4 to 5 years. The government has already made it clear that staff working for Councils will not be transferred to government agencies and Councils will be responsible for any redundancy costs that result.
50. The level of Benefit Administration Grant receivable in 2014/15 has again been reduced. The cut in 2014/15 amounts to some £68,000 (reduced to £986,000). This follows reductions of some £156,000 in 2013/14, £77,000 in 2012/13, £77,000 in 2011/12 and £75,000 in 2010/11. Reductions of a similar magnitude are expected in 2014/15 and in the years thereafter. The Council's expenditure in this area has likewise been reduced.

Council Tax Support Scheme

51. It was announced in the spending review of 2010 that support for Council Tax (Council Tax Benefit) would be localised from April 2013 and expenditure (government funding) reduced by 10% (some £1.16m).
52. The Council produced a scheme (in conjunction with all Districts and Boroughs in East Sussex) which has sought to mitigate the impact on those who can least afford to pay Council Tax, albeit a number of groups are protected by government e.g. pensioners; the impact thus falling on those of working age.
53. The impact was further mitigated, but for one year only, by the government making available a grant totalling some £277,000 for the Borough Council and its preceptors – the Council's funding share being some £40,442.
54. The Council considered the Council Tax Support scheme for 2014/15 at its meeting on the 18 December 2013. It was agreed by the Council that the scheme would remain the same for 2014/15, albeit at additional cost to the Council and its preceptors.
55. The Council Tax Support Scheme has introduced a further significant financial risk for the Council. That risk being that should claimant numbers increase in the year thus resulting in increased benefit payments being made in the year,

all the additional costs now fall on the Council and its preceptors rather than the government. The Council will need to retain adequate reserves for the volatility within the estimates and the continuing reduction in funding.

56. Given that the level of government funding continues to decline year on year, the Council will be faced with reviewing the current scheme in 2014/15 and making a proposal for a new scheme for 2015/16. Options for change will need to be identified and consulted upon. The review will once again be undertaken as a joint exercise with the other Borough and District Councils within East Sussex, thus minimising time and expense.

Delays in Receiving Capital Receipts

57. A number of revisions to the programme have been made as part of the 2014/15 budget process. Appendix L provides the profile of programmed receipts. In addition to the sites listed, opportunities for other asset sales and disposals continue to be explored.
58. It remains imperative that the Council maximises its capital receipts. Failure to do so will necessitate curtailment of the already very limited capital programme or result in the Council having to borrow. The additional costs of borrowing fall directly on the revenue account in terms of interest payments and making an annual contribution towards the repayment of the principal (i.e. Minimum Revenue Provision (MRP)). If there are invest to save efficiencies then these costs may be offset. Appendix E identifies the capital financing requirement over the life of the capital programme.
59. It should be noted that capital receipts can generally only be used for capital purposes. It is recommended that asset disposals be brought forward if market conditions make it sensible to do so.

Pension Fund Contributions

60. The Council's contributions to the pension fund, managed by East Sussex County Council, are determined every three years following an actuarial valuation. A valuation has been undertaken in 2013 with revised contribution rates payable from April 2014.
61. The rates payable by the Council will now consist of the primary contribution rate plus 1% for future early retirements/redundancies and a cash payment in respect of the pension fund deficit:

2013/2014 - 21.8%+1% = 22.8%(of salaries – re: staff in the pension scheme)

2014/15 – 20.6% + 1% + £144,000

2015/16 – 20.6% + 1% + £194,300

2016/17 – 20.6% + 1% + £248,800

62. Valuations are undertaken every three years with the next valuation therefore in 2016 with revised contribution rates becoming payable in April 2017.

63. The government have already announced that all pension increases will be linked to the Consumer Price Index (CPI) rather than the Retail Price Index (RPI) - which will save the pension fund money. A revised local government pension scheme comes into effect from 1 April 2014 and will increase the contributions of employees and help ensure such schemes remain affordable to employers.
64. Looking further ahead however the cost pressures are expected to continue to increase. Employers and Employees National Insurance contributions look set to rise as a result of changes to the State Pension scheme that are to be introduced in April 2016 and which end the ability to contract out of the state second pension scheme. This will result in a significant extra cost to the Council which may or may not be offset by government and new burdens funding. Future budget projections do not yet include this additional cost.

Grants

65. The Council receives a number of revenue grants each year e.g. Housing Benefit Administration grant, but has also been very successful in attracting numerous “one off” type grants in the last couple of years e.g. Future Cities, and Active Women Programme, Regional Growth Fund, along with grants from Europe e.g. Answers in the Carbon Economy (ACE).

New Homes Bonus

66. This new grant regime commenced in April 2011. This is a grant that rewards the building of new houses and for bringing long term empty properties back into use.
67. The sum received in 2013/14 amounted to £503,645 and in 2014/15 the Council will receive an additional £382,670 (£886,315 in total in 2014/15). The bonus is payable for a period of 6 years. Whilst the funding is welcome it is being top sliced on a national basis from the annual grant settlement – as such the Council will lose in the long term when compared to authorities which have much greater capacity to increase house numbers.
68. Council’s are using the bonus in different ways, either to help balance budgets, strengthen reserves, or for one off activities that do not add to ongoing spending commitments. For Hastings, the new homes bonus has been fully utilised to help balance the budget in 2014/15.

Revised Budget 2013/14

69. The revised 2013/14 Net Council Expenditure budget amounts to £17.361m, against an original budget of £17.395m (Appendix A).
70. The main variations are shown in Appendix C. In brief, recurring income and expenditure is generally in line with the original budget but there have been a number of one off variations. These include:-

Efficiency Support Grant – Additional 25% bonus (£243,000)

Development Control – Increased income (£100,000 Est)

It should be noted that a similar number of applications are being received, but that some of the development proposals are more significant.

Estates/Properties – Increased Income (£100,000 Est)

Estates / Properties - The Council has budgeted for an additional £215,000 of expenditure in 2013/14 on helping to ensure the continued economic vitality of the town through investment in Priory Meadow.

Insurance Settlement – East Hill lift (Income of £170,000)

71. It is recommended that the additional Efficiency Support Grant bonus receivable in 2013/14 is transferred to the Invest to Save Reserve for future initiatives, and that any remaining underspends are transferred to Reserves at year end.
72. It should be emphasised that in compiling the revised budget there remains some risk to the levels of income and investment income expected in the last quarter of 2013/14. The uncertainty and volatility around the business rate income, from amended valuations and appeals will be taken account of in future years accounts, namely a deficit or surplus being identified on the Collection Fund. The risk is mitigated to a degree by retaining sufficient reserves.

Budget 2014/15

73. The core Settlement Funding Assessment for 2014/15 of £7,287,506 represents a £1,065,076 (12.7%) reduction from the 2013/14 settlement. The impact of the settlement in 2014/15 would have been more severe had it not been for the Efficiency Support Grant being made available to the Council, along with the receipt of additional New Homes Bonus monies.
74. The Efficiency Support Grant has not at the time of writing been confirmed as being available in the sum of £975,000 for 2014/15. However, given the confirmation of the 25% bonus in 2013/14 it is now considered reasonable to assume that this will be receivable by the Council, based on past statements the government have made.
75. In addition to the reductions in central funding there are a number of costs that will be incurred and income lost that will impact significantly in 2014/15. These include the impact of inflation, particularly on large contracts and energy prices, pay increases and the possible reduction in income from assets.
76. The Council's total net expenditure in 2014/15 is estimated at £16.721m (amount to be met from Grant and Collection Fund). This compares to a revised estimate of £17.884m for 2013/14 and represents a decrease in expenditure of 6.5%.
77. The estimated balance on the Collection Fund at 31 March 2014 is £37,280 and includes a deficit in respect of the business rate element (Hastings BC share). This compares to £147,166 that was available to support the 2013/14 budget.

78. To achieve a balanced budget for 2014/15 has necessitated making full use of the new homes bonus monies, savings arising from the PIER process, and the full year effect of savings achieved from jointly procuring services for Waste and Street Cleaning and Grounds Maintenance.
79. Redundancy costs fall within the year that the decision is made. Additional costs are anticipated in 2014/15 beyond the £175,000 allowed in the budget. A further £225,000 is being allowed for – funded from the Redundancy Reserve.
80. There are a limited number of growth areas within the revenue budget.
- i) To continue the drive for regeneration and economic development, the Council will seek to enhance the cultural offering of the town in the run up to the 950th anniversary of the battle of Hastings. A full report is included in Appendix S. If approved, expenditure of £330,000 will be incurred over the next two to three years, namely:-
 - (a) £40,000 p.a. for 14/15 and 15/16 for events on the Stade open space (Stade Saturdays)
 - (b) £125,000 over two years (Strategic Project Planner)
 - (c) £125,000 for 2016 Anniversary programme
 - ii) Following the success of achieving further Heritage Lottery funding for the Pelham Arcade, along with continuation of other work, the PIER saving identified last year in respect of the Conservation Officer post will not take place in 2014/15 (£30,000).
 - iii) The next phase of the CCTV upgrade and relocation will not take place as originally envisaged and additional savings projected will not be achieved within 2014/15.
 - iv) Aquila House: Additional rental fees of some £40,000 p.a. are being included in the budget for financial planning purposes (£25,000 in 2014/15 – part year). The Council remains in discussion with the owners on future rental fees, following settlement between the owners and the previous lessees of outstanding liabilities. Various options available to the Council to minimise future accommodation costs are being explored.
81. In determining the Medium Term Financial Strategy in November 2013 indicative deficits, before use of reserves were identified of £922,000 in 2014/15, £3.106m in 2015/16 and £3.966m in 2016/17. It was envisaged that £722,000 of the Transition Reserve would be required to balance the budget. With the additional Efficiency Support Grant and New Homes Bonus monies a balanced budget can be achieved in 2014/15 using £337,000 of the Transition Reserve (See Appendix A).
82. The availability of the Efficiency Support Grant money in 2014/15 enables the Council to further support Invest to Save/ Efficiency initiatives of £300,000 in 2014/15 and beyond.

83. The revenue budget has been amended, from that which went out to consultation in respect of service recharges (nil overall effect), income receivable in respect of business rates (and subsequent impact on the collection fund), and a number of accounting adjustments particularly in respect of accounting for grant and reserve funded expenditure. No new additional items of expenditure have been included and nor have there been any additional service reductions. The revised assessment of the income from business rates affects both 2013/14 and 2014/15. An additional line has been included in the Revenue Budget summary sheet (Appendix A) to identify the monies that will be paid to the Council directly (through a direct grant – known as a Section 31 payment), rather than being collected from business ratepayers (and included within the Collection Fund). These estimated sums represent the additional assistance that the government is giving to businesses e.g. Small Business rate relief at 100% extended to 31 March 2015, and the 2% ceiling on business rate increases as announced in the autumn statement. The overall impact of the amendments is that the use of the Transition Reserve to balance the budget increases in 2014/15 from £276,000 to £337,000.

Budget 2015/16 and beyond

84. The Chancellor's Spending Round announcement in July 2013 and the autumn statement in December identified that further budget reductions would impact on Local government in 2015/16.
85. The final settlement figures received in February identify projected Settlement Funding Assessment figures for 2015/16. These indicate that the combined Business Rate Baseline and Revenue Support Grant funding for Hastings will in fact decrease by a further 15.47% (£1,128,000).
86. The limitation to 6.9% in respect of reductions in Revenue Spending Power for 2014/15 and beyond would result in the Council once again being eligible to apply for Efficiency Support Grant. Initial projections are for a grant of £689,000 in 2015/16, subject to no changes in Council Tax income, and various assumptions on other funding streams.
87. A deficit of £1.795m is estimated for 2015/16 and a deficit of £3.145m in 2016/17 – before the use of Reserves (see Appendix G).
88. To help ensure that the Council can continue to deliver key services at this time, the Council prudently established the Transition Reserve, of £722,000, and agreed to enhance this by £1.5m in November 2013 from the General and Capital reserves to assist in the transformation to a lower spending Council.

In 2015/16 and 2016/17 it is proposed that the Reserves (£950,000 p.a.) be used to help fund services and fund the initiatives required to transform the Council further.

89. The expectation is that government grant reductions of amounts similar to those incurred in the first two years of the 2010 Comprehensive Spending Review will be implemented over period 2015/16 to 2016/17 i.e. some 24%.

90. To help ensure that the Council can continue to deliver key services at this time, any underspends should be used to strengthen reserves – this is a continuing message that will help ensure that key services can continue to be provided as the Council continues its transformation to a lower spending Council.
91. In order to address the budgetary issues ahead whilst also looking to improve the customer experience, a number of service reviews will be undertaken, commencing with the higher expenditure areas e.g. Revenues, Benefits, and Housing. This will be rolled out to other areas in 2014/15 and beyond. The Priority Income and Efficiency Review process (PIER) continues.

Council Tax and Council Tax Freeze Grant

92. The government awarded a grant of some £174,000 to Hastings BC to effectively freeze Council Tax in 2012/13, the grant being the equivalent of a 2.5% increase. This was a one year initiative and the grant was not payable over 4 years as was the case for the 2011/12 Council Tax Freeze Grant. For 2013/14 the government offered grant funding equal to a 1% Council Tax increase, payable for two years – which the Council accepted.
93. For 2014/15 the government has offered grant funding equal to a 1% Council Tax increase and the sum is to be built into the Settlement Funding Assessment for future years. The 1% is being calculated on the basis that excludes the impact of the Council Tax reduction scheme (which significantly reduced the Council Taxbase). On this basis the freeze grant is the equivalent of some £70,000.
94. It is open to the Council to increase Council Tax for 2014/15. Each 1% increase would raise some £55,974. The threshold to trigger a local referendum in 2014/15 is 2% or above (2% for 2013/14). The government has made it clear that they wish to see Council Tax frozen.
95. The Council has the option of accepting the below inflation 1% Council Tax Freeze Grant or potentially increasing Council Tax by a higher percentage
96. However, the autumn statement stated that not only will the Council Tax Freeze Grant be built into the base funding, but also that no Council will see a reduction in Revenue Spending Power (RSP) of more than 6.9%. Thus any increase in Council Tax would automatically reduce the amount of Efficiency Support Grant entitlement in 2015/16 and beyond. Given this change in policy members may wish to consider freezing the Council Tax for a further year.
97. The Council is unable to fully determine the Council Tax liability until the precept requirements of East Sussex County Council, the Police and Crime Commissioner, and the East Sussex Fire and Rescue Service are known. The draft Council Tax figures attached in Appendix N (and Appendix A) show an indicative 1.95% increase for the preceptors – (A revised Appendix N with final figures will be presented at the Cabinet meeting).
98. In terms of service pressures, members are reminded that each £56,000 of additional revenue expenditure equates to 1% on the Council Tax. This is a

lower figure than in previous years (previously £70,000), and results from the changes to how Council Tax Benefit is now funded.

Capital Programme

99. The capital programme analysed by service is attached (Appendix P).
100. The proposed programme satisfies the requirement that schemes meet the following criteria:-
- Contribute towards achieving the Council's corporate priorities and one or more of the following:-
- a. be of a major social, physical or economic regeneration nature,
 - b. meet the objective of sustainable development,
 - c. lever in other sources of finance such as partnership/lottery funding or provide a financial return for the Council,
 - d. is an "invest to save" scheme and reduces ongoing revenue costs to assist the revenue budget.
101. There is a need to maintain the property portfolio in order to avoid higher maintenance costs and declining assets in future years. This is vital where the Council's commercial estate is involved if rental streams are to be maintained and industry is to be attracted to the area in a period of economic uncertainty - and also given the increase in competition for tenants. To this end the Council continues to refurbish industrial units in Theaklen Drive using European funding monies (Answers in the Carbon Economy). Likewise for the economic vitality of the town it is important that infrastructure remains well maintained. To this end it is proposed to retain the sum of £50,000 p.a. within the Capital programme for public realm enhancements.
102. Whilst the capital programme is significantly reduced over the forthcoming years, opportunities are still being sought for funding e.g. application resubmitted to the Heritage Lottery Fund in respect of the Castle.
103. The Disabled Facility Grant settlement has been advised. This is £666,004 for 2014/15 and slightly in excess of the £651,000 for 2013/14.
104. Included within the programme is money for a new interpretive centre in the country park. This has been included in the programme for 2014/15, financed from the future sale of Warren Cottage in the Country Park.
105. One new scheme is identified which is in respect of the Chapel at the Crematorium. The space available is limited and to ensure that the property remains fit for purpose enhancements are proposed. The cost is relatively modest compared to previously proposed schemes at a maximum cost of £100,000 and it is recommended for approval.
106. Additional funding has also been identified for extending the Pelham Arcade capital project and the completion of the refurbishment at this important location within the town. The cost to the Council being an additional £100,000 in 2014/15.

107. The Local Authority Mortgage Scheme (Phase III), which was to be funded by East Sussex County Council, and which was put on hold following the introduction of the government's Help to Buy scheme, will not proceed.

108. The capital programme in summary (net of external funding) amounts to:-

	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m
Net Capital Expenditure	4.693	1.762	0.379	0.273
Financing from own resources	1.0732	1.762	0.379	0.273
Borrowing Requirement	3.620	0	0	0

109. In terms of net cost, the 2013/14 programme has been revised from £5.488 million to £4.693 million (assuming no slippage). The 2014/15 programme amounts to £1.762million (£3.012million Gross).

110. The draft capital programme shows the status of the schemes

c denotes schemes which are committed

u denotes schemes which are in the programme but as yet uncommitted

n denotes schemes that are new

111. It is proposed that schemes marked with an asterisk proceed without further reference to Cabinet or Council.

Capital Programme - Incremental Impact on Band D Council Tax

112. In determining the affordability of new capital proposals the Council is required to consider the incremental impact on the Council Tax for future years. The impact is expressed in Band D equivalent amounts on the Council Tax. The purpose is to give the Council the opportunity to consider options for capital proposals and to highlight the potential future financial burden of capital investment decisions.

113. Where the programme is financed by capital receipts, reserves, external grants and contributions with limited borrowing the impact on the revenue budget at a time of low interest rates is relatively small. Details of revenue cost implications are highlighted in Appendix E, but in short the Council's capital programme remains affordable for 2014/15.

Minimum Revenue Provision (MRP)

114. Local authorities are required each year to set aside some of their revenues as provision for debt repayment. Unlike depreciation which is reversed out of the accounts, this provision has a direct impact on the Council Tax requirement. The provision is in respect of capital expenditure that is financed by borrowing or credit arrangements e.g. leases.

115. The Council is required to make a "Prudent Provision" which basically ensures that revenue monies are set aside to repay the debt over the useful life of the

asset acquired i.e. the Minimum Revenue Provision. The MRP for 2014/15 is estimated at £520,000 (excluding any notional figures for leasing arrangements).

Reserves

116. The Local Government Act 2003 (Part 2) requires the Chief Finance Officer to report on the adequacy of the proposed financial reserves, and determine the minimum level required when setting the annual budget. There is no statutory minimum requirement, but reserves must be set at a prudent level given the activities of individual councils and potential liabilities that they face or may face in the future i.e. a risk based approach.

117. The strategic reasons for holding reserves are:-

- a. A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing.
- b. A contingency to cushion the impact of unexpected events or emergencies
- c. A means of building up funds to meet known or potential liabilities (provisions are used for liabilities with uncertain timings or amounts). Such reserves are referred to as Earmarked reserves.
- d. To assist in the transition to a lower spending Council
- e. To provide the Council with some resources in future years to meet corporate objectives particularly in the areas of economic development and community safety.

Further changes in the Councils funding took effect from April 2013. The Local Government Finance Act 2012 provided for the partial retention by councils of locally collected business rates to replace some government funding– this means that future changes in funding will be linked to changes in the local business rates base, rather than to government assessments of need. The Council established the Stability and Resilience Reserve in order to mitigate the effects of volatility of what remains a very uncertain income stream. Currently the total Rateable value is estimated to reduce by some £800,000 in 2013/14 as a result of changes to rateable values e.g. rating appeals – some of which date back to 2005. The level of charitable relief is expected to increase significantly too as a result of the transfer of schools to Academy status.

118. There remains considerable uncertainty surrounding the future implementation of Universal Credit and the role that Councils will continue to play. The government have also made it clear that TUPE will not apply to Council staff and that Councils will be responsible for any redundancy costs that result.

119. Housing Benefit Administration grant continues to be reduced, and should this continue there would be insufficient resources to support the management of the Council Tax Support scheme.

120. There is also considerable uncertainty about the level of further funding reductions that might result from the government's deficit reduction plans for 2016/17 and 2017/18 that will flow from the next Comprehensive Spending Review. Expectations are for a further 25% reduction over the two year period for financial planning purposes.
121. When setting the budget in February 2013 a sum was earmarked within the Capital Reserve and this relates to the risk of a potential funding shortfall in respect of the Pier. The Council along with East Sussex County Council have provided a match funding guarantee which has enabled the Hastings Pier and White Rock Trust to be successful in the bid to the Heritage Lottery Fund. It is of course hoped that the guarantee will not be called upon and it is now understood that this would now be in the region of £60,000 (maximum). For clarity this in addition to the £250,000 within the Capital programme. It is considered prudent to identify sums now within the reserves for future risks whilst the Council has such reserves to earmark.
122. The Council maintains a working balance in accordance with (a) above in the sum of £500,000. In respect of (c) above there is a need to maintain assets to avoid higher maintenance costs and declining assets. This is vital where the Council's commercial estate is involved if rental streams are to be maintained and industry is to be attracted to the area. The full renewals and repairs programme is attached in Appendix J.
123. The estimated reserves position, as at 31 March 2014, is shown in Appendix H. As an absolute minimum, the combined level of the Capital Reserve and General Reserve should be £4m i.e. the non earmarked reserves. This is an increase from the prior year (minimum identified as £3m) and reflects the more difficult funding regime, as well as the experience of the last year which has seen financial claims being made against the Council e.g. Pier claim, Municipal Mutual Insurance, land charges. This level is required to be maintained to cover unexpected expenditure, e.g. emergencies, potential over runs of gross expenditure and further down turns in income sources, and was arrived at as follows:-
- (i) 10% downturn in income (sales, fees, rents, etc) - £1m
 - (ii) 5% over run in expenditure (including capital) - £2m
 - (iii) Unforeseen events/losses - £1m
124. In addition, given the economic environment and all the uncertainties described elsewhere, it is prudent to maintain the two reserves at a figure above the absolute minimum and wherever possible increase the level of reserves. Any under spends must be considered as opportunities to strengthen the reserves and improve services for the future - as and when the economic outlook removes some of the uncertainties.
125. The Council's earmarked reserves are reviewed at least twice a year for adequacy. If at any time the adequacy is in doubt the Chief Finance Officer is required to report on the reasons, and the action, if any, which he considers appropriate.

126. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to report to members on the robustness of the estimates and the adequacy of the reserves when considering the budget and Council Tax. It is the view of the Head of Finance that the processes followed and the information systems used are sound and that the regular reporting and involvement of senior managers in managing budgets provides sufficient assurance that the resultant estimates are as robust as present economic circumstances allow and that the reserves are currently adequate.

Consultation

127. In September 2010, the Council's political leadership formally began a 'Big Conversation' consultation with staff and local residents outlining the challenge of spending cuts and seeking views on priorities in the difficult financial climate. Since then local people have consistently told the Council through subsequent consultations that quality of life issues remain key priorities and that the breadth of Council services are valued.

128. A further recent phase of consultation 'Another Conversation' that took place in late 2012 therefore sought the views of residents on which Council service areas or activities they were prepared to forgo to focus efforts on their priority areas.

129. Local views were sought via a survey on the Council website on a list of Council services and activities. Respondents were asked to consider which services and activities were most and least important. The survey was complemented by focus groups that helped gain in depth views on those Council services and activities considered in the online survey.

130. Generally findings from the survey suggest that local people favour services that make for a cleaner, safer more prosperous environment.

131. Focus groups enabled greater consideration of the costs of particular services and the ramifications of cuts to particular services and activities. When these were better understood respondent preferences for priorities were less clear cut. The survey results showed a wide variety of preference for priorities expressed and small percentage differences between priority choices. A further Place survey has been conducted in 2013/14.

132. The draft Corporate Plan and Budget have been the subject of consultation since Friday 17 January 2014. The closing date for comments (Friday 14th February) is after the dispatch of this agenda and therefore any further comments received will be reported verbally to Budget Cabinet on 17 February. Comments received to date from the business community, voluntary and community sector organisations and the Joint Overview and Scrutiny Committee meeting are included within the Corporate Plan report elsewhere on the agenda.

133. The full Council meets to set the budget on the 26 February 2014.

Equalities and Community Cohesiveness

134. The equalities implications of the proposals included in the draft budget and corporate plan are set out in Appendix O. Members are reminded that they are under a duty to give due regard to considerations of equality when making decisions regarding the Budget and Corporate Plan, (Equality Act 2010). As with the consultation feedback set out above, if any information is submitted as part of the consultation which requires a revision of this assessment, this too will be made available to Members at the Budget Cabinet meeting.

Risk Management

135. Numerous risks are highlighted in this report, and further comment is made below. The risks include reduced government funding, enhanced demand for Council services, delays in asset disposals. There are continuing risks surrounding the employment of staff based on short term grant funding streams, and those delivering housing benefits over the next few years. To balance the budget the Council has had once again to seek efficiency savings, review the capital programme, review fees and charges, and make cuts in services and grants. It will need to further prioritise its objectives and identify where it would need to make savings to balance the budget in 2015/16 and beyond.
136. Given uncertainty in the economic outlook and the continuing reductions in government funding the Council needs to preserve and enhance where possible the existing level of reserves – this report makes strong recommendations for doing so based on future funding projections. The Council also needs to ensure that it continues to invest in its people, its IT services and its commercial assets.
137. The Council seeks to identify further opportunities for collaborative working, plus identify, investigate and implement efficiencies, identify income generation opportunities and ensure that potential savings are monitored and achieved.
138. The Council maintains risk registers for corporate risks and for individual services. These continue to be updated and reviewed on a regular basis and steps are taken to mitigate the risks wherever possible and practical. The transition to a lower spending Council, by joint working, and reduced staffing levels also poses additional risks.
139. Key financial risks to the Council in future years include:-
- (i) Business Rates Retention – volatility in income streams arising from both local and national economic pressures, the level of successful rating appeals, and collection rates.
 - (ii) Income streams – preservation and enhancement.
 - (iii) Joint working/ shared services. The Council has achieved significant annual savings as a result of the joint procurement exercise for Waste Collection and Street Cleaning services and also for Grounds Maintenance services. It remains very important for the authority that the joint working is

successful if the delivery of the savings is to be achieved.

(iv) Staffing / Knowledge Management. The loss of key staff through early retirement or redundancy.

(v) Welfare Reform (Universal Benefit and Localisation of Council Tax Support). There is a significant financial risk involved which is that of increased benefit payments being made in the year – the financing risk falling on the Council. The scheme approved is for a further period of one year to March 2015. The Council will need to consider a whole new scheme for 2015/16 with all the implications this has on the local community and the Council in devising the scheme.

(vi) Restructuring Costs. In order to make savings of the magnitude required in the future, the Council will need to reconsider what services it can provide and to what level. Further restructuring seems inevitable if a sustainable budget is to be achieved in the years ahead against the background of continuing funding reductions. Voluntary and/or compulsory redundancies have large financial consequences for the authority, both in terms of direct payments but also generally on the Pension Fund - in addition to the effect on the capacity of the organisation and knowledge management implications. The Council established a Redundancy Reserve as part of the budget setting process in 2011/12 which has been added to when possible (balance at 31 March 2013 was £769,000). The intention will be to meet any additional redundancy costs from either the existing 2014/15 provision or the redundancy reserve. The reserve will assist in transforming the Council to a lower spending organisation in the years ahead.

(vii) Treasury Management – investment security and level of returns.

(viii) The Economy. The economic and financial instability in the world continues to be major risk. The Council relies upon its income streams to provide services. Inflationary pressures are however easing in the latter part of 2013.

Economic/ Financial Implications

140. The report supports the alignment of corporate priorities with available resources, produces a robust and balanced budget for 2014/15, and retains a capital programme, albeit much reduced from that of previous years.
141. The financial implications in 2014/15 and beyond are detailed in the report. The availability of the Efficiency Support Grant is of considerable assistance to the Council and helps ease the transition to a much lower spending Council by 2016/17. However, significant further action by the Council will be required to produce a sustainable budget beyond 2015/16 and this may result in more job losses.
142. The economic regeneration of the town remains a key priority for the Council. The ability to work with partners to help stimulate the local economy may be seriously reduced following the reduction in our funding. However the Council established some limited reserves for economic development and for

community safety as a means of ensuring the Council can continue to make a significant contribution to the regeneration of the town over the next few years.

143. The loss of such large percentages of government funding and public sector jobs along with the reduction in the Council's spending power will have a negative effect on the local economy.

Environmental Issues

144. A key priority of the Council is to tackle climate change and make Hastings more sustainable. A number of the efficiency schemes undertaken by the Council both reduce CO2 emissions and reduce energy consumption as well as saving money. Of note is the Answers in the Carbon Economy project which has European funding to enhance the long term sustainability of some Council owned industrial units.

Organisational Consequences

145. In order to deliver its priorities the Council not only requires financial resources but also good quality staff, IT, and property. There is only a finite resource available to deliver priorities whether directly by the Council or in partnership with others. Service planning is important to ensure that there is sufficient capacity to deliver the annual plan.
146. With reduced resources available a number of service cuts have been required; these have been identified in Appendix K.
147. Given the projected shortfalls in funding there are expected to be continuing job losses and restructuring consequences for the years ahead and the Medium Term Financial Strategy will be amended in the light of changes in government funding projections.

Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

Area(s) Affected

Central Hastings, East Hastings, North St. Leonards, South St. Leonards

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	Yes
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	Yes
Local People's Views	Yes

Background Information

The Appendices and supporting documents are also available from the Council's website under the heading of Hastings Borough Council Budget

http://www.hastings.gov.uk/decisions_democracy/transparency/budgets_finance/

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Budget Report



Appendices to Budget Report

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REVENUE BUDGET SUMMARY**Appendix A**

	2013-2014 Original Budget £	2013-2014 Revised Budget £	2014-2015 Estimate Budget £
Directorates			
Corporate Resources	2,921,750	2,732,850	3,022,270
Environmental Services	8,294,750	8,425,190	7,935,160
Regeneration	5,855,680	5,247,860	5,431,300
Direct Service Expenditure	17,072,180	16,405,900	16,388,730
Contingency Provision (incl. R&R Reserve)	400,000	176,350	400,000
Total Service Expenditure	17,472,180	16,582,250	16,788,730
Provision for the Repayment of Principal (MRP)	496,000	502,631	520,060
Net Interest (Earnings) / Payments	197,000	205,665	180,530
Contributions to Capital from Grant and Revenue (Appendix B)	564,000	622,000	636,004
Contributions to Reserves (e.g. R&R)	761,000	1,430,000	1,040,000
Use of Earmarked Reserves (see Appendix H)	(1,663,340)	(1,752,270)	(1,873,750)
Area Based Grant	(432,000)	(229,000)	0
Net Council Expenditure	17,394,840	17,361,276	17,291,574
Transfer from Transition Reserve	0	0	(337,411)
Transfer to/(from) Specific Reserve	(268,705)	(551,000)	(232,600)
Transfer to/(from) General Reserves	0	1,074,168	0
Amount to be met from Grant and Collection Fund	17,126,135	17,884,444	16,721,563
Funded by			
Government Grant - Revenue Support Grant	(5,085,921)	(5,114,203)	(3,885,836)
Council Tax Freeze Grant 14-15			(70,123)
New Homes Bonus	(531,927)	(503,645)	(886,315)
Council Tax Support Compensation Grant	(40,442)	(40,442)	0
Collection Fund Surplus	(147,166)	(147,166)	(37,280)
Disabled Facilities Grant	(510,000)	(651,717)	(666,004)
Housing Benefit Administration Grant	(1,054,748)	(1,054,748)	(986,292)
Efficiency Support Grant	(974,522)	(1,218,153)	(974,522)
Business Rates	(3,281,618)	(3,218,729)	(3,150,558)
Business Rates - Section 31 Grant		(435,850)	(467,200)
Council Tax	(5,499,791)	(5,499,791)	(5,597,433)
Total Funding	(17,126,135)	(17,884,444)	(16,721,563)

Appendix A (continued)

COUNCIL TAX

<u>2013-2014</u>			<u>2014-2015</u>		
Total	Band D		Total	Band D	Increase
£	£		£	£	%
17,126,135		Budget requirement	16,721,563		
(5,085,921)		Revenue Support Grant	(3,885,836)		
(974,522)		Efficiency Support Grant	(974,522)		
(531,927)		New Homes Bonus	(886,315)		
(147,166)		Collection Fund Surplus	(37,280)		
0		Council Tax Freeze Grant	(70,123)		
(1,605,190)		Other non-ring fenced grants	(2,119,496)		
(3,281,618)		Retained Business Rates	(3,150,558)		
5,499,791	235.85	Borough Council Tax	5,597,433	235.85	0.00%
27,010,397	1,158.30	County Council precept	28,026,062	1,180.89	1.95%
1,908,893	81.86	Fire Service precept	1,980,519	83.45	1.94%
3,227,816	138.42	Police precept/ Police Crime Commissioner	3,349,201	141.12	1.95%
37,646,897	1,614.43	Total Council Tax	38,953,215	1,641.31	1.66%
	23,319.00	Council Taxbase at Band D		23,733.00	

TABLE OF COUNCIL TAX BANDS AND AMOUNTS :

2013-2014		Relationship	East Sussex	Sussex Police	East Sussex	Hastings	Total
Amount	Band and Value *	to Band D	C.C.	Authority	Fire Authority	B.C.	Amount
£1,076.28	A - up to £40,000	6 / 9	£787.26	£94.08	£55.63	£157.23	£1,094.20
£1,255.67	B - £40,001 up to £52,000	7 / 9	£918.47	£109.76	£64.91	£183.44	£1,276.58
£1,435.04	C - £52,001 up to £68,000	8 / 9	£1,049.68	£125.44	£74.18	£209.64	£1,458.94
£1,614.43	D - £68,001 up to £88,000	-	£1,180.89	£141.12	£83.45	£235.85	£1,641.31
£1,973.19	E - £88,001 up to £120,000	11 / 9	£1,443.31	£172.48	£101.99	£288.26	£2,006.04
£2,331.95	F - £120,001 up to £160,000	13 / 9	£1,705.73	£203.84	£120.54	£340.67	£2,370.78
£2,690.71	G - £160,001 up to £320,000	15 / 9	£1,968.15	£235.20	£139.08	£393.08	£2,735.51
£3,228.86	H - over £320,000	18 / 9	£2,361.78	£282.24	£166.90	£471.70	£3,282.62
42,493	Number of properties on Council Tax Banding List						42,667
£23,319.00	Each £1 of Council Tax at Band D will raise						£23,733.00

Appendix A (continued)

1. BUSINESS RATES BASELINE CALCULATION

Tarriff Calculation	Percentage	Budget 2013-14 Amount £	%	Revised Budget 2013-14 Amount £	%	Budget 2014-15 Amount £
Business Rates Baseline for HBC		8,463,160		8,463,160		8,628,027
DCLG calculation of baseline funding level		3,336,670		3,336,670		3,401,670
Tarriff		5,126,490		5,126,490		5,226,357
Levy Percentage Calculation						
Baseline Funding Level		3,336,670		3,336,670		3,401,670
Business Rates Baseline		8,463,160		8,463,160		8,628,027
Levy Calculation						
Retained Business Income for 2014/15		8,408,108		8,345,219		8,376,915
Business Rates Baseline		8,463,160		8,463,160		8,628,027
Growth		(55,052)		(117,941)		(251,112)
Levy payable		0		0		0
2014/15 Business Rates Collection						
Retained Business Income for 2014/15		8,408,108		8,345,219		8,376,915
less Tarriff		(5,126,490)		(5,126,490)		(5,226,357)
less Levy		0		0		
Retained rates (Hastings Borough Council)		3,281,618		3,218,729		3,150,558
Safety Net Calculation						
Baseline funding level		3,336,670		3,336,670		3,401,670
Retained Rates (from 2014/15 BR Collection)		3,281,618		3,218,729		3,150,558
Difference		55,052		117,941		251,112
Percentage	98.35%		96.47%		92.62%	
Safety Net amount receivable		0		0		0

2. COLLECTION FUND

	2013-2014 Original Budget £	2013-2014 Revised Budget £	2014-2015 Estimate Budget £
Council Tax (Surplus)/ Deficit	(147,166)	(147,166)	(100,169)
Non Domestic Rates (Surplus)/ Deficit	0	0	62,889
Total Collection Fund (Surplus)/ Deficit	(147,166)	(147,166)	(37,280)

INTEREST, MINIMUM REVENUE PROVISION & CONTRIBUTIONS TO RESERVES

Appendix B

	2013-14 Estimated Outturn £000's	2013-14 Revised Budget £000's	2014-15 Estimated Outturn £000's
Net Interest Payments	197	206	181
Contributions to Reserves	761	1,430	1,040
Minimum Revenue Provision (Statutory provision for principal repayment arising from borrowing requirement)	496	503	520
Total	1,454	2,139	1,741
Interest	£000's	£000's	£000's
Gross Interest Payable	562	421	576
Gross Interest Received	(320)	(186)	(282)
Income and expenditure in relation to investment properties	(5)	11	(73)
Fees	13	13	13
Other charges	(53)	(53)	(53)
	197	206	181
Contributions to Capital Spend from Grant and Reserves	£000's	£000's	£000's
Disabled Facilities Grant	564	622	636
	564	622	636
Contributions to Reserves	£000's	£000's	£000's
IT Reserve	99	106	99
Government Grant Reserve	0	150	101
Section 106 Reserve	122	23	0
Transfer to Reserves re: LAMS	32	32	32
R&R General	420	420	420
R&R White Rock Theatre	80	80	80
R&R re: New Vehicles	8	8	8
Invest to Save and Efficiency Reserve		611	300
	761	1,430	1,040
Transfers to/ between Reserves	£000's	£000's	£000's
Transfer to Resilience and Stability Reserve from Capital Reserve	600	600	0
Transfer to Capital Reserve from ABG monies		380	
Transfer to Transition Reserve from Capital Reserve		1,000	
Transfer to Transition Reserve from General Reserve		500	
General Reserve	0	1,074	0
Invest to Save and Efficiency Reserve	193		
	793	3,554	0
Total Income and Transfers	1,554	4,984	1,040

REVENUE BUDGET VARIATION ANALYSIS**Appendix C**

Corporate	2013-2014
	£
Original Corporate Budget	2,921,750
Inflation	
Additional PIER Savings Realised	20,600
Employees	27,750
Premises	(44,810)
Transport	(4,630)
Supplies & Services	406,480
Payments to Third Parties	0
Support Services	668,300
Income	(389,040)
Recharges	(873,550)
Revised Corporate Net Budget	2,732,850

Corporate	2014-2015
	£
Original Corporate Budget	2,921,750
Inflation	77,250
Additional PIER Savings Realised	(149,880)
Employees	303,520
Premises	89,490
Transport	(4,030)
Supplies & Services	294,820
Payments to Third Parties	0
Support Services	869,010
Income	(375,100)
Recharges	(1,004,560)
Revised Corporate Net Budget	3,022,270

Regeneration	2013-2014
	£
Original Regeneration Budget	6,077,210
Safer Hastings Budget Transferred to Environment 2013/14	(221,530)
Adjusted Regeneration Net Budget	5,855,680
Inflation	
Additional PIER Savings Realised	(6,000)
Employees	(55,520)
Premises	(1,000)
Transport	(1,330)
Supplies & Services	(498,997)
Payments to Third Parties	(6,800)
Support Services	652,460
Income	(302,973)
Recharges	(387,660)
Revised Regeneration Net Budget	5,247,860

Regeneration	2014-2015
	£
Original Regeneration Budget	6,077,210
Safer Hastings Budget Transferred to Environment 2013/14	(221,530)
Adjusted Regeneration Net Budget	5,855,680
Inflation	74,900
Additional PIER Savings Realised	(42,000)
Employees	163,680
Premises	(1,000)
Transport	(2,410)
Supplies & Services	1,834,794
Payments to Third Parties	-6800
Support Services	486,680
Income	(2,642,454)
Recharges	(289,770)
Revised Regeneration Net Budget	5,431,300

REVENUE BUDGET VARIATION ANALYSIS**Appendix C (Cont)**

Environment	2013-2014
	£
Original Environment Budget	8,073,220
Safer Hastings Budget Transferred From Regeneration 2013/14	221,530
Adjusted Environment Net Budget	8,294,750
Inflation	
Additional PIER Savings Realised	(36,200)
Employees	20,020
Premises	100,720
Transport	(29,550)
Supplies & Services	228,520
Payments to Third Parties	(19,540)
Support Services	(246,590)
Income	(75,020)
Recharges	188,080
Revised Environment Net Budget	8,425,190

Environment	2014-2015
	£
Original Environment Budget	8,073,220
Safer Hastings Budget Transferred From Regeneration 2013/14	221,530
Adjusted Environment Net Budget	8,294,750
Inflation	65,440
PIER Savings	(196,420)
Employees	(36,580)
Premises	(198,750)
Transport	(27,800)
Supplies & Services	(96,300)
Payments to Third Parties	(36,100)
Support Services	(381,210)
Income	230,030
Recharges	318,100
Revised Environment Net Budget	7,935,160

CAPITAL PROGRAMME SUMMARY

	Capital Costs					Revenue Costs				Full Years £,000
	2013/14	2014/15	2015/16	2016/17	Total over Prog Period	2013/14	2014/15	2015/16	2016/17	
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	
Net cost by Service										
Environmental Services	297	764	85	85	1,231	17	64	101	110	113
Corporate Resources	191	40			231	4	9	11	11	11
Regeneration	4,205	958	294	188	5,645	63	166	224	245	254
	4,693	1,762	379	273	7,107	84	239	336	366	378

Net cost by Status

Committed Schemes	4,682	1,387	269	169	6,507	83	224	304	325	332
Uncommitted Schemes	11	25	110	104	250	1	3	9	18	23
New Schemes		350			350		12	23	23	23
	4,693	1,762	379	273	7,107	84	239	336	366	378

Gross cost of schemes analysed by service

Environmental Services	603	849	85	85	1,622
Corporate Resources	191	40			231
Regeneration	6,333	2,123	1,936	1,724	12,116
	7,127	3,012	2,021	1,809	13,969

CAPITAL PROGRAMME FINANCING STATEMENT**Appendix E**

	2013/14	2014/15	2015/16	2016/17	Total over Programme period
	£'000	£'000	£'000	£'000	£'000
Spending					
Capital Spending					
Total Gross Spend	7,127	3,012	2,021	1,809	13,969
Assumed Slippage	0	0	0	0	0
Capital Grants and Contributions Received	(2,434)	(1,250)	(1,642)	(1,536)	(6,862)
Capital Requirement	4,693	1,762	379	273	7,107
Financing available					
New Capital Receipts in Year	790	1,774	1,250	50	3,864
Bfwd Capital Receipts	0	218	654	1,705	
Total	790	1,992	1,904	1,755	3,864
Finance Used					
Capital Reserve / Revenue/R&R reserve	501	424	180	104	1,209
Capital Receipts used in year from asset sales	572	1,338	199	50	2,159
Capital Receipts from Prior years				119	119
Total Financing available from internal resources	1,073	1,762	379	273	3,487
Remaining Financing Requirement	3,620	0	0	0	3,620
Net Interest Cost of the Capital Programme					
Minimum Revenue Provision (MRP) based on Net Capital Financing Requirement over the Programme Period	0	55	55	55	165
Net MRP implication of the Capital Programme	0	17	17	17	52
Summary: Financial Implications of the Capital Programme:					
Interest & MRP	0	72	72	72	217
Other Revenue Costs / (Savings)	0	0	0	0	0
Total additional costs	0	72	72	72	217
Band D Council Tax:					
Council Tax Based on 0% Increase	£235.85	£235.85	£235.85	£235.85	£235.85

Area Based Grant**Appendix F**

	Spend before 31.03.2013 £'000	Revised Budget 2013/14 £'000	Estimated Budget 2014/15 £'000	Total £'000
Area Based Grant awarded by Government	12,187	0	0	12,187
Amounts spent or planned to be spent	11,315	471	22	11,808
	872	471	22	379
Detailed use of ABG:				
<u>Working Neighbourhood Funding</u>				
	2,734	0	0	2,734
1927 Cultural programme	148	75	0	223
1967 Retail Vitality	30	3	0	33
CAPITAL/ 1971 Environmental initiatives/ACE bid	53	125	22	200
CAPITAL- 9558/197 1 Pelham Arcade Scheme	108	117	0	225
1995 Image Raising Campaign	74	61	0	135
CAPITAL 1971 Seafront	0	0	0	0
1971 Main programme	2,788	0	0	2,788
<u>LEGI Revenue</u>				
	2,776	0	0	2,776
1935 Climate Change	106	45	0	151
1968 Community Empowerment	59	7	0	66
<u>Neighbourhood Element</u>				
	856	0	0	856
<u>Climate Change & Other</u>				
1603 Climate Change	67	0	0	67
1970 Economic Assessment and Environmental Damage	6	0	0	6
1985 Coastal Change Pathfinder	27	27	0	54
<u>Community Cohesion</u>				
	226	0	0	226
<u>Youth Task Force</u>				
5214 ASBO Co-ordinator	72	0	0	72
<u>General</u>				
	933	0	0	933
1971 Marine Stewardship Council	10	0	0	10
1971 FLAG (Axis 4)	10	11	0	21
5750 Stade Capital	167	0	0	167
1971 Reducing Crime	8	0	0	8
1971 Meteor	57	0	0	57
Amounts spent or planned to be spent	11,315	471	22	11,754

Revenue Budget Forward Plan

Appendix G

Ref		<u>2013-14</u>	<u>2014-15</u>	Forward Inflation assumption	<u>2015-16</u>	<u>2016-17</u>	
		<u>£000's</u>	<u>£000's</u>		<u>£000's</u>	<u>£000's</u>	
		<u>Revised Budget</u>	<u>Budget</u>		<u>Projection</u>	<u>Projection</u>	
1	Net Service Expenditure	16,406	16,389	2.00%	16,717	17,051	
2	Pension Fund - Employers Contribution Increase				50	104	
3	Election Costs (bi-annually)				(70)	0	
4	Aquila House Rental				25	25	
5	Further planned PIER savings				(47)	(67)	
	Other:-						
6	Fees and Charges				(60)	(120)	
7	Invest to Save Initiatives					(196)	
8	Older/ Younger People				(35)	(35)	
9	IT - profiled Spend				(95)	(95)	
10	Local Development Framework				(78)	(78)	
11	One-off Waste start up costs				(73)	(73)	
12	Traffic Management Signage				(37)	(37)	
13	Benefit Administration Grant				70	140	
14	Business Rates Revaluation				25	25	
15	Pebsham Landfill Site income				15	25	
16	MMI Payment				(66)	(66)	
17	Contingency Provision	176	400		400	400	
18	Interest Payments (net of earnings)	206	181		181	181	
19	Contributions to Capital from grant and reserves	622	636		636	636	
20	Minimum Revenue Provision	503	520		520	520	
21	Contribution to Reserves	1,430	1,040		639	639	
22	Net Use of Earmarked Reserves	(1,752)	(1,874)		(1,630)	(1,457)	
23	Area based Grant (carry forwards)	(229)	0		0	0	
24	Net Council Expenditure	17,361	17,292		17,086	17,522	
25	Taxbase	23,319	23,733	0.20%	23,780	23,828	
26	Council Tax	0.00%	235.85	235.85	0.00%	235.85	235.85
27	From Collection Fund - Council Tax	(5,500)	(5,597)		(5,609)	(5,620)	
28	From Collection Fund - Business Rates	(3,219)	(3,151)		(3,220)	(3,271)	
29	Revenue Support Grant	(5,114)	(3,886)		(2,664)	(1,978)	
30	Council Tax Freeze Grant	0	(70)		(140)	(210)	
31	Efficiency Support Grant	(1,218)	(975)		(690)	(300)	
32	New Homes Bonus	(504)	(886)		(986)	(1,086)	
33	Disabled Facilities Grant	(652)	(666)		(666)	(666)	
34	Housing Benefit Admin Grant	(1,055)	(986)		(916)	(846)	
35	Council Tax Support Compensation Grant	(40)	0		0	0	
36	Business Rates Section 31 Grant	(436)	(467)		(400)	(400)	
37	Council Tax Surplus	(147)	(37)		0	0	
38	Contribution To General Fund	(17,884)	(16,722)		(15,291)	(14,377)	
39	Funding Shortfall / (surplus)	(523)	570		1,795	3,145	
40	Use of General Reserve Carry forwards	(145)	(233)				
41	Use of General Reserve Tfr to / (from) specific reserve	(406)	0				
42	Use of General Reserve Tfr to / (from)	1,074	0				
43	Use of Transition Reserve	0	(337)		(750)	(750)	
44	Use of Community Safety Reserve		0		(100)	(100)	
45	Use of Economic Development Reserve		0		(100)	(100)	
46	Net Funding Shortfall / (Surplus)	0	0		845	2,195	

RESERVES**Appendix H**

	Balance at 1 April 2013 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2014 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2015 £'000
General Reserve	(4,775)	(1,074)	1,051	(4,798)	0	233	(4,566)
Capital Reserve	(2,904)	(380)	1,704	(1,580)	0	252	(1,329)
Earmarked Reserves							
Renewal and Repairs Reserve	(1,701)	(508)	580	(1,629)	(508)	549	(1,589)
Risk Management Reserve	(373)	0	91	(282)	0	21	(260)
Information Technology Reserve	(138)	(106)	149	(95)	(99)	194	0
On-Street Car Parking Surplus Reserve	(288)	0	173	(115)	0	63	(52)
s106 reserve	(475)	(23)	134	(364)	0	84	(280)
VAT reserve	(615)	0	79	(536)	0	311	(225)
Government Grant Reserve	(769)	(150)	348	(571)	(101)	260	(412)
Area Based Grant Reserve	(873)	0	851	(22)	0	22	0
Monuments in perpetuity	(52)	0	5	(47)	0	5	(42)
Ore Valley Reserve	(305)	0	60	(245)	0	0	(245)
Mortgage reserve (LAMS)	(28)	(32)	0	(60)	(32)	0	(92)
Invest to Save and Efficiency Reserve	0	(611)	207	(404)	(300)	300	(404)
Resilience and Stability Reserve	0	(600)	0	(600)	0	0	(600)
Transition Reserve	(722)	(1,500)	0	(2,222)	0	337	(1,885)
Redundancy Reserve	(769)	0	0	(769)	0	225	(544)
Community Safety Reserve	(350)	0	0	(350)	0	0	(350)
Economic Development Reserve	(545)	0	25	(520)	0	35	(485)
Land Charges Claim	(140)	0	0	(140)	0	0	(140)
	(15,822)	(4,984)	5,665	(15,141)	(1,040)	2,890	(13,151)

EXPENDITURE FUNDED BY USE OF RESERVES

cost centre	2013-14 Estimate £	2013-14 Revised £	2014-15 Estimate £
General Reserve			
General reserve Saving to/(Use of)	0	1,074,168	0
Carry forward for work on York Buildings	(79,000)	(79,000)	0
Reprofile Local Development Framework	(36,000)	0	(78,000)
One off initiatives/Priory Meadow	(13,172)	(150,000)	0
Reprofiled DFG monies	(84,000)	0	0
Use of general reserve - New Waste Contract	(250,000)	(177,000)	(73,000)
Carry forwards	0	(145,000)	(81,600)
Total transfers **	(462,172)	(551,000)	(232,600)
Transfers between Reserves			
Area Based Grant to Capital Reserve		(380,000)	
Transfer to Transition Reserve from General Reserve		(500,000)	
Transfer to Transition Reserve from Capital Reserve		(1,000,000)	
Establishment of Resilience and Stability Reserve	(600,000)	(600,000)	
Capital Reserve			
Malvern Way Pub	(150,000)	(32,000)	0
Resilience and Stability Reserve	(600,000)	(600,000)	0
Transition Reserve		(1,000,000)	0
2016 - 950th Anniversary (£330k in total over 3 years)		0	(102,500)
Skatepark II	(15,000)	(17,000)	0
Mult iPurpose Play Areas		(10,000)	
Summerfields Sports Facilities		(25,000)	
CPO - Empty Homes Strategy -capital	(89,000)	(20,000)	(149,000)
	(854,000)	(1,704,000)	(251,500)
Earmarked Reserves			
cost centre	2013-14 Estimate £	2013-14 Revised £	2014-15 Estimate £
VAT reserve	0	0	(25,000)
Castle Capital Scheme (£250k total)	0	0	(250,000)
Pier -capital	0	0	(35,790)
Older & Younger people	(84,850)	(79,440)	(310,790)
	(84,850)	(79,440)	(310,790)

RESERVES**Appendix H**

	£	£	£
Economic Development Reserve			
Transfer to general reserve			0
Employability	(51,000)	(25,410)	(35,090)
	<u>(51,000)</u>	<u>(25,410)</u>	<u>(35,090)</u>
Renewal & Repairs Reserve			
(per programme of works - Appendix J)	(524,500)	(492,750)	(448,500)
Capital	(52,000)	(57,000)	0
Vehicles	0	0	0
Contingency	(100,000)	(30,000)	(100,000)
	<u>(676,500)</u>	<u>(579,750)</u>	<u>(548,500)</u>
Transition Reserve			
Transfer to General Fund	0	0	(337,411)
Information Technology Reserve			
(per programme of works - Appendix I)	(251,000)	(149,000)	(194,000)
	<u>(251,000)</u>	<u>(149,000)</u>	<u>(194,000)</u>
Invest to Save & Efficiency Reserve			
Transfer to general reserve		(207,000)	(300,000)
	0	<u>(207,000)</u>	<u>(300,000)</u>
Redundancy Reserve			
Transfer to general fund	0	0	(225,000)
	0	0	<u>(225,000)</u>
ABG Reserve			
Capital	(386,000)	(242,000)	(22,000)
Transfer to general fund	(432,000)	(229,000)	
Transfer to general Reserve		(380,000)	0
	<u>(818,000)</u>	<u>(851,000)</u>	<u>(22,000)</u>
Ore Valley Reserve			
Capital		(60,000)	0
	0	<u>(60,000)</u>	<u>0</u>
Government Grant Reserve			
(further details - Appendix M)	various	(427,000)	(348,000)
		<u>(427,000)</u>	<u>(348,000)</u>
Community Safety Reserve			
Transfer to general reserve	0	0	0
	0	0	<u>0</u>
Monuments in Perpetuity			
Revenue	3102	(5,000)	(5,000)
		<u>(5,000)</u>	<u>(5,000)</u>
s106 reserve			
Capital		0	0
Revenue	various	(84,100)	(134,100)
		<u>(84,100)</u>	<u>(84,100)</u>
On-Street Car Parking Surplus Reserve			
Bus Shelter improvements	1501	(23,620)	(23,620)
Traffic Management - Signage	1504	(91,000)	(149,680)
	1604		
		<u>(114,620)</u>	<u>(173,300)</u>
Risk Management Reserve			
MMI scheme of Arrangement		(50,000)	
Risk Management Schemes	5299	(21,270)	(41,270)
		<u>(21,270)</u>	<u>(91,270)</u>
			<u>(21,270)</u>
Total use of earmarked and capital reserves *		<u>(3,387,340)</u>	<u>(4,407,270)</u>
Revenue use of earmarked reserves	(1,663,340)	(1,752,270)	(1,873,750)
ABG Reserve	(818,000)	(471,000)	(22,000)
Capital use of earmarked reserves	(306,000)	(204,000)	(424,000)
Transfers	(600,000)	(1,980,000)	0
Community Safety Reserve			0
Economic Development Reserve			0
Transition Reserve	0	0	(337,411)
Total Expenditure & Transfers (*+**)	<u>(3,849,512)</u>	<u>(4,958,270)</u>	<u>(2,889,761)</u>

INFORMATION TECHNOLOGY RESERVE

Appendix I

2012-2013	SCHEME	2013-14	2014-15	2015-16	2016-17
ACTUAL	NO.	REVISED	ESTIMATE	ESTIMATE	ESTIMATE
£'000s		£'000	£'000	£'000	£'000
OPENING BALANCE :					
0	BALANCE B/FWD. AT 1 APRIL	152	109	13	13
EXPENDITURE :					
0	HELPDESK UPGRADE		0		
0	CASH RECEIPTING SYSTEMS UPGRADE		9		
0	CORPORATE NETWORK		0		
	STORAGE AREA NETWORK		30		
0	AGRESSO UPGRADE		24		
0	E-GOV PROGRAMME CONTINGENCY				
0	ACCESS STRATEGY				
0	E PROCUREMENT				
	ANTIVIRUS	1011	8	8	8
0	GOVCONNECT	1027	32	3	3
0	EXCHANGE SERVER UPGRADE	1028	18		
0	HOMEWORKING LINK	1029	11		
0	MICROSOFT LICENSING FOR TEST ENVIRONMENT	1030	6	6	6
0	RESILIENCE IMPROVEMENTS	1031	7	50	
	ONLINE ENVIRONMENTAL HEALTH LICENSING				
0	REGISTERS AND CONSULTATION	1033	4		
0	ENHANCEMENTS TO CAPITA SYSTEM	1034	3		
	CAPITA INTERNET PAYMENTS AND DIRECT DEBITS		39		
0	KACE SYSTEMS MANAGER SERVER	1038	10	10	
0	BACS PAYMENT SYSTEM UPGRADE	1039			
0	EMAIL ARCHIVING	1040		20	
	SCANNING AND ARCHIVING PHASE 2			20	20
	E-FORMS UPGRADE		2		
	E-PROCUREMENT			10	
	GOOGLE SEARCH SERVICE			5	
0	ACOLAIDE UPGRADE	1042	9		
0	SERVICE REVIEW EFFICIENCY PROJECTS			52	62
0		149	195	99	99
	SUB-TOTAL - IEG EXPENDITURE	0	0	0	0
	SUB-TOTAL - OTHER	149	195	99	99
INCOME :					
0	CONTRIBUTIONS TO RESERVE - FROM GENERAL FUND	106	99	99	99
0	CONTRIBUTIONS TO RESERVE - E GOVT. GRANT	0	0	0	0
	CONTRIBUTIONS Re CARRY FORWARD 11/12				
		106	99	99	99
CLOSING BALANCE :					
0	BALANCE IN-HAND C/FWD. AT 31 MARCH	109	13	13	13

RENEWAL AND REPAIRS RESERVE**APPENDIX J**

2012-13 ACTUAL £		2013-2014 ORIGINAL BUDGET £	2013-2014 REVISED BUDGET £	2014-15 ESTIMATED BUDGET £
<u>OPENING BALANCE:</u>				
1,887,864	BALANCE BROUGHT FORWARD	1,646,014	1,700,423	1,628,673
<u>INCOME:</u>				
508,000	CONTRIBUTIONS TO RESERVE - GENERAL	508,000	508,000	508,000
508,000		508,000	508,000	508,000
<u>EXPENDITURE:</u>				
243,902	PROGRAMMED REPAIRS AND REDECORATIONS	315,500	300,150	230,500
158,436	OTHER REPAIRS & RENEWALS	209,000	192,600	218,000
0	INVEST TO SAVE CAPITAL EXPENDITURE FUNDED			
229,221	FROM RESERVES	52,000	57,000	0
49,914	VEHICLES	0		0
13,968	PROVISION FOR UNEXPECTED ITEMS	100,000	30,000	100,000
695,441		676,500	579,750	548,500
<u>CLOSING BALANCE:</u>				
1,700,423	BALANCE CARRIED FORWARD	1,477,514	1,628,673	1,588,173

PROGRAMMED REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE

Appendix J (con't)

cost centre	Reference	PROPERTY	DESCRIPTION OF WORK	2013-2014	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
				Original budget plus c/f £	Revised Budget	New Budget	ESTIMATE £	ESTIMATE £	ESTIMATE £
1151	PR001	TOWN HALL	Internal / External redecs.	10,000	10,000	10,000	4,000	30,000	4,000
1154	PR007	RENAISSANCE HOUSE	Internal redecs	7,650	7,650	0			
1160	PR040	DDA WORKS TO COUNCIL PROPERTIES	Various works as required		0	0			
1160	OR216	ALL BUILDINGS - ASBESTOS	Asbestos surveys and re-inspections	2,000	2,000	2,000	2,000	2,000	2,000
1160	PR048	ALL BUILDINGS - ASBESTOS	Works arising out of asbestos inspections	1,000	1,000	1,000	1,000	1,000	1,000
1160	PR049 (OR217)	ALL BUILDINGS - FIRE RISK	Fire risk assessments & works arising	6,000	6,000	3,000	3,000	12,000	6,000
1160	PR051 (OR238)	ALL BUILDINGS - AIR CONDITIONING	AC energy efficiency certification (every 3 years)			7,000	7,000	9,000	7,000
1160	PR52 (OR239)	ALL BUILDINGS - ENERGY CERTIFICATION	Annual Display Energy Certs for major bldgs	1,000	1,000	1,000	2,000	1,000	1,000
1160	PR54 (OR240)	ALL BUILDINGS - LEGIONELLA RISK	Automated checks & monitoring inc hygiene assess	36,000	36,000	36,000	36,000	36,000	36,000
1160	PR55 (OR225)	ALL BUILDINGS - ELECTRICAL TESTING	routine cyclical testing & works arising	7,000	7,000	7,000	6,000	6,000	6,000
1160	PR57(OR2 41)	ALL BUILDINGS - SAFETY ANCHORS	Annual testing of access safety anchors	2,000	2,000	2,000	2,000	2,000	2,000
1160	PR58(OR2 42)	ALL BUILDINGS - AUTOMATIC DOORS	Annual maintenance routine	500	500	500	500	500	500
1164	PR008	BANK BUILDINGS	External redecs.			0		6,000	
2201	PR009	MICRO UNIT FACTORIES	External redecs			0		5,000	
2201	PR037	FACTORY UNITS	External redecs/roof repairs to empty units	2,000	2,000	30,000	29,000	30,000	30,000
2201	PR042	30-36 THEAKLEN DRIVE	Contribution to low carbon refurb capital project.	42,000	42,000	0			
2201	PR038	NEW CASTLEHAM BUSINESS UNITS	External/internal redecoration			0			
2404	PR036	FAIRLIGHT PLACE FARM COTTAGES & FLAT	External redecs.	3,000	3,000	4,000			4,000
2404	PR041	OTHER BUILDINGS (ESTATES MISC.)	Essential upgrades/repairs to industrial units	9,000	9,000	9,000	9,000	10,000	10,000
2502	PR023	WEST HILL CLIFF RAILWAYS	Redecorations & repairs	5,000	5,000	5,000	5,000	12,000	5,000
2502	PR024	EAST HILL CLIFF RAILWAYS	Redecorations & repairs	5,000	5,000	5,000	5,000	6,000	5,000
2601	PR035	ST MARY IN THE CASTLE	Internal / External Repairs	50,000	50,000				
2640	PR034	FALAISE SPORTS CENTRE	External redecorations.		0	25,000			25,000
3102	PR013	CREMATORIUM	Internal / External redecorations.	5,000	5,000	0		5,000	
3102	PR013a	CREMATORIUM	Air con installation	22,000	22,000	0			
3102	PR014	CREMATORIUM - CREMATORS	Rebricking / re-hearthng of cremators	20,000	20,000	0	90,000		20,000
5241	OR210	FRONT LINE	Concrete health & safety inspection & testing	13,000	13,000	6,000	30,000	6,000	6,000
5241	OR255	FRONT LINE	Concrete health & safety repair works	10,000	10,000	10,000	25,000	10,000	10,000
3102 / 6301	PR52	CEMETERY and PARKS	Path health & safety repairs	20,000	20,000	25,000	10,000	25,000	10,000
5241	PR025	FRONT LINE	Alcoves, seating, bottle alley - repairs/redecs	17,000	17,000	9,000	9,000	10,000	9,000
6000	PR017	JOHNS PLACE MUSEUM	Internal redecs.		0	6,000			
6005	PR029	FISHERMENS MUSEUM	External redecs/stonework pointing		0	0		2,000	
6100	PR033	SUMMERFIELDS SPORTS CENTRE	External redecs/air conditioning	8,000	8,000	5,000	4,000	5,000	5,000
6301	PR026	SPORTS PAVILIONS	Int/ext redecs.	26,000	26,000	10,000	10,000	10,000	10,000
6301	PR044	ALEXANDRA PARK RAILINGS	Phased railing redecorations	6,000	6,000	5,000	5,000	10,000	5,000
6301	PR046	ST. LEONARDS GARDENS	Lodge - re-decorations		0	5,000			5,000
6503	PR027	HASTINGS COUNTRY PARK -OPERATIONAL BUILDINGS	Int/ext redecs.	4,000	4,000	0		5,000	
6503	PR028	HASTINGS C P - VISITOR CENTRE	Int/ext redecs.	2,000	2,000	0		1,000	
5250		HASTINGS STATION - FISHING BOAT FEATURE	Repairs / redecs			2,000		2,000	
5250		TOWN CENTRE UNDERPASS	Decoration			0	7,000		
		Total of Programmed work		342,150	342,150	230,500	301,500	259,500	224,500
		Less funding for capital projects (shown seperately on summary)							
2201	PR042	30-36 THEAKLEN DRIVE	Contribution to low carbon refurb capital project.	(42,000)	(42,000)				
		Grand Total		300,150	300,150	230,500	301,500	259,500	224,500

		OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE						Appendix J (con't)	
cost centre	reference	PROPERTY	DESCRIPTION OF WORK	2013-2014 Original budget plus c/f	2013-2014 13-14 Revised Budget	2014-2015 New Budget	2015-2016 ESTIMATE	2016-2017 ESTIMATE	2017-2018 ESTIMATE
1151		TOWN HALL	Lightening Protection	20,000	20,000	0			
1151	PR002	TOWN HALL	Fire Alarm Replacement	0	0	30,000			
1151		TOWN HALL	Lift repair/replacement	0		60,000			
1154	OR263	RENAISSANCE HOUSE	Gas meter	0	0	0			
1154	OR263	RENAISSANCE HOUSE	50% of external works	0	0	0			
1157		AQUILA HOUSE	End of term dilapidations	0	0	0			
1157	OR235	AQUILA HOUSE	Voltage regulation	0	0	0			
1160		VOLTAGE REGULATION - SMALL SITES	Reduce energy use -smaller sites	15,000	15,000	0			
1166	OR215	BULVERHYTHE DEPOT	Repairs & demolition works	0	0	0			
1300		JET WASH CARLISLE CP		0	0	0			
2201		THEAKLEN DRIVE ROOFS	Roof re-coating	15,000	15,000	0		50,000	
2502	OR247	EAST HILL LIFT LOWER STATION	Roof replacement	0	0	0	18,000		
2510	OR220	THE CASTLE	Repair works	4,000	4,000	0		5,000	
2601	OR250	WHITE ROCK THEATRE	General repair contributions	20,000	20,000	20,000	20,000	20,000	20,000
2601	OR251	WHITE ROCK THEATRE	Automation of stage flying system	0	0	0	100,000		
2601		WHITE ROCK THEATRE	New Sound System	0	0	60,000			
3102	OR268	CREMATORIUM	Grounds maintenance facility	8,000	8,000	0			
5236	OR254	DECORATIVE LIGHTING		3,000	3,000	0			
6000	OR256	JOHNS PLACE MUSEUM	Repairs	0	0	0	20,000		
6301	OR231	CLIFF REPAIR SURVEY	Sextennial survey	0	0	12,000		7,000	
6301	OR258	ST CLEMENTS CHURCH	St Clements Church lantern refurbishment	10,000	10,000	0			
6301	OR260	BUCKSHOLE RESERVOIR	Investigate & repair spillway	0	0	0			
6301	OR260a	HARMERS RESEVOIR - ALEXANDRA PARK	Essential pipeline work	20,000	20,000	10,000			
6301	OR265	ALL SAINTS CHURCHYARD	Retaining wall but All saints.	0	0	0			
6503	OR266	HASTINGS COUNTRY PARK	Barns & walls	35,000	35,000	0			
6503	OR211	HASTINGS COUNTRY PARK - TACKLEWAY WALL	Health & safety repairs and repointing	0	0	1,000		1,000	
6503		HASTINGS COUNTRY PARK - MILKING PARLOUR	Cut back asbestos cement roof sheeting	0	0	5,000			
6301		ALEXANDRA PARK DEPOT	Culvert strengthening work	0	0	20,000			
6301		HOCKEY PAVILION, BEXHILL ROAD	Demolition	0	0	0	40,000		
6301		FRESHFIELDS RANGERS PAVILION	Demolition	15,000	15,000	0			
6301		TORFIELD POS	Repairs to steps	10,000	10,000	0			
6301		TILEKILN QUEENSWAY FENCING	Replacement of fencing	12,000	12,000	0			
1300		CARLISE PARADE CP	Redecorations	0	0	0	40,000		
1300		GRAND PARADE CP WALL	Wall repair	6,500	6,500				
6000		MUSEUM	Security Works	4,000	4,000				
1166		BULVERYTHE DEPOT	Repairs to electricity shed roof	6,500	6,500				
5257		FISHING BOAT AT STATION APPROACH	Repairs and repaint	3,600	3,600				
				0					
				0					
		Total of Other Work		207,600	207,600	218,000	238,000	83,000	20,000
		Less funding for capital projects (shown seperately on summary)							
2201		THEAKLEN DRIVE ROOFS	Roof re-coating	(15,000)	(15,000)				
		Grand Total		192,600	192,600	218,000	238,000	83,000	20,000

PIER Outcomes**Appendix K**

			<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
cost centre	account		£'000	£'000	£'000
Environmental Services					
<i>Environmental Health, Parking and Highways Service</i>					
Waste -New Contract (inc contingency)	3303/3410	E310	(167)	(167)	(167)
Environmental Services Admin	1009	Various	(8)	(8)	(8)
Waste and Parking	1074	C230	(9)	(9)	(9)
Transport - Vehicle savings	1300	C230	(7)	(7)	(7)
Stray Dog Contract	5125	K061	(3)	(3)	(3)
		Total	(194)	(194)	(194)
<i>Amenities, Resorts and Leisure</i>					
Amenities Administration	1071	Various	(13)	(13)	(13)
Grounds maintenance - New Contract	Various	B025	(50)	(50)	(50)
Arboriculture Contract Savings	6200	E310	(5)	(5)	(5)
Decorative Lighting - LED lights	5236	B120	(5)	(5)	(5)
		Total	(73)	(73)	(73)
	sub-total		(267)	(267)	(267)
Corporate Resources					
<i>Financial Services</i>					
Accountancy Services	1052	A150	(26)	(26)	(26)
Revenues and Benefits	1055	A150/D*	(70)	(70)	(70)
Unit factories	2201	B260	(14)	(14)	(14)
Corp Expenses - Procurement Hub	1080	D293	10	15	15
Bulverhythe Depot	2404	K300	(40)	(40)	(40)
		Total	(140)	(135)	(135)
<i>Corporate Services</i>					
Legal Services	1032	D001/D501	(3)	(3)	(3)
Corporate Personnel Recruitment Expenses	1090	A801	(5)	(5)	(5)
POD Division	1020/1027	A150	(40)	(40)	(40)
		Total	(48)	(48)	(48)
	sub-total		(188)	(183)	(183)
Regeneration Directorate					
<i>Housing and Planning</i>					
Conservation	1607	A150	0	(30)	(30)
Housing Register	1072	A150	(15)	(15)	(15)
		Total	(15)	(45)	(45)
<i>Regeneration and Planning Policy</i>					
Regeneration Admin	1021	A150	(2)	(2)	(2)
Community Partnership Funding	5120	D511	(25)	(47)	(68)
		Total	(27)	(49)	(70)
	sub-total		(42)	(94)	(115)
	Total		(497)	(544)	(565)

Land and Property Disposal Programme

**Estimated
Receipts**

2013/14

Warren Cottage
4 Southwater Road
Fairlight Place Farm Barn
Pound House
Land r/o 2 Playden Gardens
Land at Old London Road
Sale of Ex Council Houses
Other

£790,224

2014/15

Redgeland Rise
Rock a Nore toilets (Subject to Planning)
Mayfield E
Summerfields
Car park rear of Bexhill Road
Sale of Ex Council Houses
Other

£1,774,400

2015/16

Robsack A
Less cost of disposal
Sale of Ex Council Houses
Other

£1,250,000

2016/17

Sale of Ex Council Houses
Other

£50,000

Government Grant Reserves

Appendix M

Cost Centre	Description	Holding account	Balance b/f 1 April 2013	Income & Transfers	Expenditure & Transfers	Balance c/f 31 March 2014	Income & Transfers	Expenditure & Transfers	Balance c/f 31 March 2015
1055	DCE-Revenues Division	X394	(155)	(138)	68	(225)	(101)	76	(250)
1054	New Burdens	X896	(36)	0	0	(36)	0	0	(36)
1945	Getting Hastings Ready	X406	(56)	0	56	0	0	0	0
1985	Coastal Change Pathfinders	X396	(43)	0	16	(27)	0	0	(27)
1988	FLAG	X407	(32)	0	20	(12)	0	12	0
4137	Land Auction Pilot	X409	(85)	0	85	0	0	0	0
4138	Preventing Repossessions	X408	(40)	0	29	(11)	0	11	0
5107	Tobacco control	X368	(18)	0	4	(14)	0	14	0
6000	Museums & Art Galleries	X083	(2)	0	0	(2)	0	0	(2)
6009	Exhibitions museums - K990	X052	(1)	0	0	(1)	0	0	(1)
6301	Parks & Gardens - K990	X096	(77)	0	6	(71)	0	6	(65)
6652	British Heart Foundation Project	X371	1	(1)	0	0	0	0	0
6657	Active Hastings	X094	(100)	0	18	(82)	0	75	(7)
6666	PCT play grant	X376	(4)	0	4	0	0	0	0
6667	Play Pathfinder	X375	(6)	0	6	0	0	0	0
6669	Active Women	X377	(27)	0	21	(6)	0	6	0
6651	Street Games	X065	(49)	(11)	0	(60)	0	60	0
1927/45	East Sussex Arts Partnership	X036	(5)	0	5	0	0	0	0
	Sports Centres refurbishment	X032	(10)	0	10	0	0	0	0
Total			(745)	(150)	348	(547)	(101)	260	(388)

Council Tax – Overall

The Council is recommended to resolve as follows:

1. It be noted that on 6 January 2014 the Council calculated the Council Tax Base 2014/15 for the whole Council area as **23,733** [Item T in the formula is Section 31B of the Local Government Finance Act 1992, as amended (the “Act”)]
2. Calculate that the Council Tax requirement for the Council’s own purposes for 2014/15 is **£5,597,433**
3. That the following amounts be calculated for the year 2014/15 in accordance with Sections 31 to 36 of the Act:
 - (a) 102,903,347 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils
 - (b) 97,305,914 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
 - (c) 5,597,433 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act)
 - (d) 235.85 Being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year
 - (e) £0 Being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
 - (f) 235.85 Being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates
4. To note that the County Council, the Police and Crime Commissioner and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the

Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2014/15 for each part of its area and for each of the categories of dwellings.

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Hastings Borough Council	157.23	183.44	209.64	235.85	288.26	340.67	393.08	471.70
East Sussex County Council	787.26	918.47	1,049.68	1,180.89	1,443.31	1,705.73	1,968.15	2,361.78
East Sussex Fire Authority	55.63	64.91	74.18	83.45	101.99	120.54	139.08	166.90
Police and Crime Commissioner	94.08	109.76	125.44	141.12	172.48	203.84	235.20	282.24
Aggregate of Council Tax Requirements	1,094.20	1,276.58	1,458.94	1,641.31	2,006.04	2,370.78	2,735.51	3,282.62

6. The Council's basic amount of Council Tax for 2014/15 is not excessive as determined in accordance with principles approved under Section 52ZB Local Government Finance Act 1992. To be deemed excessive the Borough's Council Tax would need to be increased by more than 2% in 2014/15.

**Assessment of Equality Impacts
Hastings Borough Council Efficiencies, Income & Savings Proposals for 2014/15**

Assessment of Equality Impacts

1. Before adopting any new policy or making key decisions about Council services we consider how the decision will impact or affect different communities, especially those groups or communities who experience inequality, discrimination, social exclusion or disadvantage, and are protected under the Equality Act 2010 legislation (i.e. protected characteristics).
2. Under equality legislation, public authorities have legal duties to pay 'due regard' to the need to eliminate discrimination and promote equality. The 2010 Equalities Act sets out the 'protected characteristics' as age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation, and includes marriage and civil partnerships for some aspects of the duty.
3. Hastings Borough Council also considers deprivation as one of its equality strands and, although this part of the Act has not been enacted by Government, we continue to apply the same consideration to those who are socially excluded as a result of poverty and deprivation.
4. The equality duties do not prevent public authorities from making difficult decisions such as reorganisations, redundancies and service reductions, nor do they stop public authorities from making decisions which may affect one group more than another. What the equality duties do is enable public authorities to demonstrate that they are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of their community.
5. Assessing the impact of proposed changes to policies, procedures and practices is not just something the law requires, it is a positive opportunity for public authorities to ensure they make better decisions.
6. Our consideration of the equality impacts is a way of helping us to identify the likely or actual effects of decisions on groups of people. The aim of this assessment is to make sure that as far as possible, any negative consequences for these groups are minimised or eliminated and opportunities for promoting equality are maximised.

Assessing the Equality Impacts of our Budget proposals

7. In developing our Budget proposals for the 2 year period 2013/14 and 2014/15, the Council invited local people and stakeholders to take part in 'Another Conversation' in autumn 2012 about prioritising services and activities. Despite the efficiencies we have been able to make, the significant reduction in Government funding has meant the Council still has to make very difficult choices which impacted on the Budget for 2013/14 and for the forthcoming year 2014/15.

8. In making an assessment about the Budget proposals we undertake a two stage process. During development of the budget proposals we considered the likely impacts of proposals or actions on equality groups. The second stage of the process is to test and enhance the assessment during the Budget and Corporate Plan consultation period. The closing date for comments is 14th February 2014 (i.e. after publication of the agenda for the Budget Cabinet meeting). To date there have not been any comments or evidence provided that have necessitated a change to the assessment. However, before final decisions are made on any of these proposals, Members will be made aware of any risks and possible mitigation solutions that are identified by the end of the consultation period.
9. The effects of the Budget proposals on staffing are addressed using our existing restructure, redundancy and redeployment policies which have previously been equality impact assessed. Equalities considerations are an integral part of our policies and provide the basis for effective reporting. Currently, there is no evidence to suggest any direct or indirect discriminatory effects of the proposals – but this will be tested through the parallel staff consultation period.

2014/15 Budget – New proposals

10. The detail of the financial pressures and volatility faced by the Council is detailed elsewhere in the Budget papers. However, a two year programme of efficiencies and service reductions was identified and agreed by Council in preparation for the 2013/14 year (see appendix K and K2 of the 2013/14 Budget report. http://www.hastings.gov.uk/decisions_democracy/transparency/budgets_finance/budgetbook_2013_14/)

11. Some of these efficiencies were not scheduled to take effect until 2014/15 but have already been considered and agreed by the Council and are therefore not included in the assessment below.

12. Below is the outcome of the equality implications assessment for the newly identified PIER outcomes (See Appendix K) for 2014/15

Proposal for 2014/15	Likelihood of negative impact on equalities Low/Medium/High	Further action?
Environmental Services administration – supplies and services savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Transport - Vehicle savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Stray Dog Contract – procurement savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Amenities Administration – supplies and services savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Arboriculture Contract Savings – procurement savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Decorative Lighting - LED lights – electricity cost savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Revenues and Benefits – deletion of two vacant posts and supplies and services savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No

Assessment of Equality Impacts

APPENDIX O

Unit factories – increased income	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Corp Expenses - Procurement Hub – additional costs as part of 2 year agreement – assists with achievement off-setting savings elsewhere in procurement.	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Legal Services – supplies and services savings	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No
Corporate Personnel Recruitment Expenses – removal of central budget	Low – unlikely to impact adversely/ disproportionately on any equality groups.	No

Capital Programme

2013-2014 to 2016-2017

CAPITAL PROGRAMME SUMMARY

	2013/14	2014/15	2015/16	2016/17	Subseq. Years	Total over Prog Period	2013/14	2014/15	2015/16	2016/17	Full Year
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net cost by Service											
Environmental Services	297	764	85	85		1,231	17	64	101	110	113
Corporate Resources	191	40				231	4	9	11	11	11
Regeneration	4,205	958	294	188		5,645	63	166	224	245	254
	4,693	1,762	379	273		7,107	84	239	336	366	378
Net cost by Status											
Committed Schemes	4,682	1,387	269	169		6,507	83	224	304	325	332
Uncommitted Schemes	11	25	110	104		250	1	3	9	18	23
New Schemes		350				350		12	23	23	23
	4,693	1,762	379	273		7,107	84	239	336	366	378
Gross cost of schemes analysed by service											
Environmental Services	603	849	85	85		1,622					
Corporate Resources	191	40				231					
Regeneration	6,333	2,123	1,936	1,724		12,116					
	7,127	3,012	2,021	1,809		13,969					

ENVIRONMENTAL SERVICES - CAPITAL PROGRAMME

		Profile of Council Net Cost								
Scheme Ref.	Scheme	Class	Total Gross Cost	Total Net Cost	Before 31.03.13	Revised 2013/14	2014/15	2015/16	2016/17	Subseq. Years
(1)	(2)	(*) (3) (4)	£'000 (5)	£'000 (6)	£'000 (7)	£'000 (9)	£'000 (10)	£'000 (11)	£'000 (11)	£'000 (12)
ES 30	Celandine Playground	* c	100							
RP09	Public Realm	* c	241	241		91	50	50	50	
RP11	Groyne Refurbishment	* c	152	152		47	35	35	35	
ES24	CCTV Control Room	* c	360	275			275			
CL29	Summerfield's Sports Facilities	* c	185	25		25				
LS03	Multi-Purpose Play Areas	* c	883	406	396	10				
RP05-1	Sea Front Strategy - including structures	* c	262	262	158	50	54			
CL32	West Hill Cliff Railway Access Improvements	* c								
ES31	Car Park - Priory Street	* c	318	318	261	57				
NEW	Country Park -Interpretive Centre	n	250	250			250			
ES33	Skatepark II	* c	63	17		17				
NEW	Crematorium	n	100	100			100			
	Schemes Already Committed	c	2,564	1,696	815	297	414	85	85	
	Schemes Uncommitted	u								
	New Schemes	n	350	350			350			
Total Capital Expenditure			2,914	2,046	815	297	764	85	85	
Revenue Costs										
	Schemes Already Committed	c				17	52	78	87	90
	Schemes Uncommitted	u								
	New Schemes	n					12	23	23	23
Total Revenue Costs						17	64	101	110	113

ENVIRONMENTAL SERVICES - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
ES 30 Celandine Playground 9587							
Construction of a playground from s106 monies							
<u>Funding Source</u>							
Council	0						
Other	100	0	100				
Total Funding	100	0	100	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			0	0	0	0	0
Other							
Total Revenue Costs			0	0	0	0	0
RP09 Public Realm 9574							
Improvement & Refurbishment of public realm assets							
<u>Funding Source</u>							
Council	241	0	91	50	50	50	
Other	0						
Total Funding	241	0	91	50	50	50	0
<u>Revenue Costs</u>							
Financing Charge			5	11	15	20	22
Maintenance of area							
Total Revenue Costs			5	11	15	20	22
RP11 Groyne Refurbishment 9007							
To maintain beach and groynes							
<u>Funding Source</u>							
Council	152	0	47	35	35	35	0
Other	0						
Total Funding	152	0	47	35	35	35	0
<u>Revenue Costs</u>							
Financing Charge			3	6	9	13	14
Other							
Total Revenue Costs			3	6	9	13	14
ES24 CCTV Control Room 9077							
Replacement of equipment and cost of transfer to an alternative site							
<u>Funding Source</u>							
Council	275	0		275			
ESCC £50k, Sussex Police £15k, Sussex Coast College £20k (S106)	85			85			
Total Funding	360	0	0	360	0	0	0
<u>Revenue Costs</u>							
Financing Charge			0	13	25	25	25
Other							
Total Revenue Costs			0	13	25	25	25

ENVIRONMENTAL SERVICES - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
CL29 Summerfield's Sports Facilities							
new							
Refurbishment of Sports facilities							
<u>Funding Source</u>							
Council		25	25				
Freedom Leisure		160	160				
<u>Total Funding</u>		185	185	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			2	3	3	3	3
Other							
<u>Total Revenue Costs</u>			2	3	3	3	3
LS03 Multi-Purpose Play Areas							
9546							
Create play areas for 0-16 year-olds in each of the five priority areas.							
<u>Funding Source</u>							
Council		406	396	10			
Active England Lottery funds		477	477	0			
<u>Total Funding</u>		883	873	10	0	0	0
<u>Revenue Costs</u>							
Financing Charge			1	1	1	1	1
Maintenance of play areas							
<u>Total Revenue Costs</u>			1	1	1	1	1
RP05-1 Sea Front Strategy - including structures							
9568							
Provision for works required under the seafront strategy - includes capital sums provided for Seafront Promenade concrete repairs and railings.							
<u>Funding Source</u>							
Council		262	158	50	54		0
Other		0					
<u>Total Funding</u>		262	158	50	54	0	0
<u>Revenue Costs</u>							
Financing Charge			3	7	10	10	10
Other							
<u>Total Revenue Costs</u>			3	7	10	10	10
CL32 West Hill Cliff Railway Access Improvements							
9518							
To significantly improve the access to the Castle via the Ladies Parlour area and make the West Hill Lift more accessible.							
<u>Funding Source</u>							
Council		164	164				
Contribution from Lottery & Others		18	18				
<u>Total Funding</u>		182	182	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			0	0	0	0	0
Other							
<u>Total Revenue Costs</u>			0	0	0	0	0

ENVIRONMENTAL SERVICES - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
ES31 Car Park - Priory Street 9589							
Repairs and refurbishment (including lift)							
<u>Funding Source</u>							
Council	318	261	57				
Other	0						
<u>Total Funding</u>	318	261	57	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			3	6	6	6	6
Other							0
<u>Total Revenue Costs</u>			3	6	6	6	6
ES32 Country Park -Interpretive Centre new							
Provision of a new Interpretive Centre. Council funding being provided by sale proceeds of Warren Cottage.							
<u>Funding Source</u>							
Council	250			250			
Other	0						
<u>Total Funding</u>	250	0	0	250	0	0	0
<u>Revenue Costs</u>							
Financing Charge			0	12	23	23	23
Other							0
<u>Total Revenue Costs</u>			0	12	23	23	23
ES33 Skatepark II							
Additional facilities at the White Rock							
<u>Funding Source</u>							
Council	17		17				
Other	46		46				
<u>Total Funding</u>	63	0	63	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			1	2	2	2	2
Other							0
<u>Total Revenue Costs</u>			1	2	2	2	2
NEW Crematorium							
Chapel Enhancements							
<u>Funding Source</u>							
Council	100		0	100			
Other	0		0				
<u>Total Funding</u>	100	0	0	100	0	0	0
<u>Revenue Costs</u>							
Financing Charge			0	5	9	9	9
Other							0
<u>Total Revenue Costs</u>			0	5	9	9	9

CORPORATE RESOURCES - CAPITAL PROGRAMME

		Profile of Council Net Cost								
Scheme Ref.	Scheme	Class	Total Gross Cost	Total Net Cost	Before 31.3.13	Revised 2013/14	2014/15	2015/16	2016/17	Subseq. Years
(1)	(2)	(*) (3) (4)	£'000 (5)	£'000 (6)	£'000 (7)	£'000 (9)	£'000 (10)	£'000 (11)	£'000 (11)	£'000 (12)
ES04-2	Office Accommodation	* c	706	706	587	79	40			
CR-05	Ore Valley -Land Purchase	* c	60	60		60				
CR-06	Sandrock Park - Land Purchase	* c	23	23		23				
CR-07	Castleham Business Centre West refurbishment	* c	170	170	141	29				
CR-09	Local Authority Mortgage Scheme II	* c	1,000	1,000	1,000					
CR-09A	Local Authority Mortgage Scheme III	* c	1,000							
	Schemes Already Committed	c	2,959	1,959	1,728	191	40			
	Schemes Uncommitted	u								
	New Schemes	n								
Total Capital Expenditure			2,959	1,959	1,728	191	40			
Revenue Costs										
	Schemes Already Committed	c				4	9	11	11	11
	Schemes Uncommitted	u								
	New Schemes	n								
Total Revenue Costs						4	9	11	11	11

CORPORATE RESOURCES - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
ES04-2 Office Accommodation							
9411							
Aquila House and additional accommodation alterations							
<u>Funding Source</u>							
Council	706	587	79	40			
Other	0						
<u>Total Funding</u>	706	587	79	40	0	0	0
<u>Revenue Costs</u>							
Financing Charge			4	9	11	11	11
Other							
<u>Total Revenue Costs</u>			4	9	11	11	11
CR-05 Ore Valley -Land Purchase							
9597							
The purchases of land at Ore valley funded by the Ore Valley reserves							
<u>Funding Source</u>							
Council	60	0	60				
Other	0						
<u>Total Funding</u>	60	0	60	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			3	6	6	6	6
Other							
<u>Total Revenue Costs</u>			3	6	6	6	6
CR-06 Sandrock Park - Land Purchase							
9594							
The purchases of land at Sandrock Park							
<u>Funding Source</u>							
Council	23	0	23				
Other	0						
<u>Total Funding</u>	23	0	23	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			2	3	3	3	3
Other							
<u>Total Revenue Costs</u>			2	3	3	3	3
CR-07 Castleham Business Centre West refurbishment							
9598							
Refurbishment of industrial units							
<u>Funding Source</u>							
Council	170	141	29				
Other	0						
<u>Total Funding</u>	170	141	29	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			2	3	3	3	3
Additional rental share			-10	-24	-24	-24	-24
<u>Total Revenue Costs</u>			-8	-21	-21	-21	-21

REGENERATION - CAPITAL PROGRAMME

Scheme Ref.	Scheme	Class	Total Gross Cost	Profile of Council Net Cost							
				Total Net Cost	Before 31.3.13	Revised 2013/14	2014/15	2015/16	2016/17	Subseq. Years	
		(*)	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
H07	Private Sector Renewal Support	*	c	211							
H08	Disabled Facilities Grant	*	c	3,025	496			328	84	84	
H15	Empty Homes Strategy - CPO	*	c	250	250	11	20	149	70		
RP13	Central St Leonards Renewal Area - Local Space	*	c	1,752							
RP12	Hastings Pier	*	c	250	250			250			
PL01	Central St.Leonards Town Heritage Initiative 2	*	c	1,387	437	189	152	96			
RP04	Restoration of Pelham Crescent/ Pelham Arcade	*	c	804	549	248	161	110	30		
ES28	Castle Access/ Interpretation		u	2,250	250		11	25	110	104	
RP11	Factory Refurbishment (ACE)	*	c	571	209		209				
RP12	Ex Malvern Public House	*	c	32	32		32				
RP13	Coastal Space Regeneration Project	*	c	3,620	3,620		3,620				
	Schemes Already Committed		c	11,902	5,843	448	4,194	933	184	84	
	Schemes Uncommitted		u	2,250	250		11	25	110	104	
	New Schemes		n								
Total Capital Expenditure				14,152	6,093	448	4,205	958	294	188	
Revenue Costs											
	Schemes Already Committed		c				62	163	215	227	231
	Schemes Uncommitted		u				1	3	9	18	23
	New Schemes		n								
Total Revenue Costs							63	166	224	245	254

REGENERATION - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
H07 Private Sector Renewal Support							
9314							
Property grants to bring conditions up to minimum							
<u>Funding Source</u>							
Council	0						
Regional Housing Board Grant	211	0	32	108	71	0	
<u>Total Funding</u>	211	0	32	108	71	0	0
<u>Revenue Costs</u>							
Financing Charge			0	0	0	0	0
Other							
<u>Total Revenue Costs</u>			0	0	0	0	0
H08 Disabled Facilities Grant							
9308							
Property Grants for disabled facilities							
<u>Funding Source</u>							
Council	496	0	0	328	84	84	
Government Grant	2,529	0	621	636	636	636	
<u>Total Funding</u>	3,025	0	621	964	720	720	0
<u>Revenue Costs</u>							
Financing Charge			0	15	34	41	45
Other							
<u>Total Revenue Costs</u>			0	15	34	41	45
H15 Empty Homes Strategy - CPO							
9590							
Rolling programme of purchases and disposals							
<u>Funding Source</u>							
Council	250	11	20	149	70		
Government Grant							
<u>Total Funding</u>	250	11	20	149	70	0	0
<u>Revenue Costs</u>							
Financing Charge			1	9	19	22	22
Other							
<u>Total Revenue Costs</u>			1	9	19	22	22
RP13 Central St Leonards Renewal Area - Local Space							
9330/31							
Acquisition and refurbishment of properties							
<u>Funding Source</u>							
Council	0						
Local Space	1,752	920	832				
<u>Total Funding</u>	1,752	920	832	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			0	0	0	0	0
Other							
<u>Total Revenue Costs</u>			0	0	0	0	0
In addition to the figure above there is £100K spend in the revenue accounts for Local Space giving a total for the scheme of £2 million							

REGENERATION - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
RP12 Hastings Pier							
Hastings Pier match funding for Heritage Lottery bid							
<u>Funding Source</u>							
Council	250	0	0	250			
Other	0		0	0			
<u>Total Funding</u>	250	0	0	250	0	0	0
<u>Revenue Costs</u>							
Financing Charge			0	12	23	23	23
Other							
<u>Total Revenue Costs</u>			0	12	23	23	23
PL01 Central St.Leonards Town Heritage Initiative 2 9048							
Contributes to physical regeneration of area in one of the most deprived wards in the South East. Programme enables intervention to prevent the next generation of derelict buildings (including the Congregational Church)							
<u>Funding Source</u>							
Council	437	189	152	96			
HLF lottery funds £700k; and ERDF funding £250k.	950	642	166	142			
<u>Total Funding</u>	1,387	831	318	238	0	0	0
<u>Revenue Costs</u>							
Financing Charge			7	18	23	23	23
Other							
<u>Total Revenue Costs</u>			7	18	23	23	23
H16 Central St.Leonards Urban Renaissance Scheme 9322	611	609		0	0	0	0
Externally funded improvements to the public realm (excludes ESCC £600k contribution that they will spend themselves)							
<u>Funding Source</u>							
Council (funding swaps)	611	611					
Regional Housing Board grant £180k in 2007-08 / SRB £1,130k / Arts Council £30k / Other £38k	1,407	1,407					
<u>Total Funding</u>	2,018	2,018	0	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge							
Other							
<u>Total Revenue Costs</u>			0	0	0	0	0

REGENERATION - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
RP04 Restoration of Pelham Crescent/ Pelham Arcade							
9558							
Feasibility study and grants for restoration works, plus additional phase 2 works / grants to adjoining property							
<u>Funding Source</u>							
Council	549	248	161	110	30		
English Heritage £135K HBC project/ Other projects £120K	255	26	115	79	35		
<u>Total Funding</u>	804	274	276	189	65	0	0
<u>Revenue Costs</u>							
Financing Charge			8	20	26	28	28
Other							
<u>Total Revenue Costs</u>			8	20	26	28	28
ES28 Castle Access/ Interpretation							
9588							
Improvements to the Castle to be funded from a Heritage Lottery bid.							
<u>Funding Source</u>							
Council	250		11	25	110	104	
Heritage Lottery Fund	2,000			200	900	900	
<u>Total Funding</u>	2,250	0	11	225	1,010	1,004	0
<u>Revenue Costs</u>							
Financing Charge			1	3	9	18	23
Other							0
<u>Total Revenue Costs</u>			1	3	9	18	23
RP11 Factory Refurbishment (ACE)							
9117							
Pilot scheme of refurbishment to a factory unit to achieve advanced levels of environmental performance.							
<u>Funding Source</u>							
Council (ABG/reserves Estates R&R £42)	209		209				
Interreg (£416K less £155K in revenue 12/13) / LAA £87K	362		362				
<u>Total Funding</u>	571	0	571	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			10	19	19	19	19
Other							
<u>Total Revenue Costs</u>			10	18	19	19	19
In addition to the figure above there is £155K in revenue funded by Interreg and £100K funded by partners							
RP12 Ex Malvern Public House							
9592							
Work re curtailed acquisition and demolition of Malvern Public House							
<u>Funding Source</u>							
Council / New Homes Bonus	32		32				
	0		0				
<u>Total Funding</u>	32	0	32	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			2	3	3	3	3
Other							
<u>Total Revenue Costs</u>			2	3	3	3	3

REGENERATION - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.13 £'000	Revised 13/14 £'000	14/15 £'000	15/16 £'000	16/17 £'000	Subseq. Years £'000
RP13 Coastal Space Regeneration Project							
9601							
Central St Leonards, in partnership with Amicus Horizon. HBC funding to be loan of £2.4m and grant of £1.22m.							
<u>Funding Source</u>							
Council	3,620		3,620				
	0						
<u>Total Funding</u>	3,620	0	3,620	0	0	0	0
<u>Revenue Costs</u>							
Financing Charge			34	68	68	68	68
Other							
<u>Total Revenue Costs</u>			34	68	68	68	68

Summary Service Revenue Budget Sheets

2014-2015

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Regeneration Summary

CORPORATE RESOURCES

Appendix R

Ref NO.	2012-13 ACTUAL	SERVICE	2013-14		2014-15
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	SUMMARY OF REVENUE ESTIMATES	£	£	£
CR1	151,318	1023 - Director of Corporate Resources	162,590	189,190	197,700
CR2	680,143	1024 / 1031 - Corp. Policy, Partnerships & Perf.	620,610	670,650	706,020
CR3	325,486	1022 - Estates	337,110	352,980	353,650
CR4	414,216	1032 - Legal Services	389,790	399,030	406,890
CR5	444,990	1051 / 1058 - Audit & Investigations Services	294,390	296,610	302,060
CR6	790,582	1052 - Accountancy & Exchequer Services	766,080	789,520	758,560
CR7	2,490,998	1055 - Revenues Services	2,374,670	2,717,690	2,584,150
CR8	770,122	1020 / 1027 - Personnel & Organisational Development	680,930	733,780	704,090
CR9	805,969	5712 - Contact Centre	794,450	994,350	1,028,090
CR10	12,079	1154 - Admin Buildings - Renaissance House	0	0	0
CR11	53,069	1151 - Admin Buildings - Town Hall	177,080	197,460	230,760
CR12	745,986	1157- Admin Buildings - Aquila House	763,150	719,940	744,610
CR13	131,040	1160 - Admin Buildings - General Expenses	93,220	114,290	102,430
CR14	85,778	1169 - Admin Buildings - Corporate Archive	93,440	77,900	86,920
CR15	1,037,654	1080 - Corporate Expenses	903,360	1,007,130	1,141,040
	(8,970,608)	Less recharges to other services	(8,425,870)	(9,260,520)	(9,346,970)
	(31,176)	Unallocated Balance	25,000	0	0
CR16	487,781	5510 - Corporate Management	466,360	513,200	514,590
CR17	394,420	5511 - Non Distributed Costs	180,460	182,540	182,430
CR18	1,260,336	4200/4250/5900 - Benefit Payments and Administration	1,572,920	1,645,340	1,575,210
CR19	570,087	5950 - Council Tax & Business Rates Collection	603,930	678,330	604,410
CR20	(295,845)	2101 - Employment Areas	(275,240)	(282,510)	(276,130)
CR21	(796,362)	2201 - Factory Units	(1,002,920)	(1,057,170)	(1,090,430)
CR22	43,822	2404 - Farms and Other Properties	(1,087,560)	(931,670)	(1,237,140)
CR23	120,695	2602 - St Mary in the Castle	73,080	74,050	36,890
CR24	(221,171)	5225/5299 - Other Expenditure	404,170	70,750	685,070
	1,563,763	Head of Finance	960,200	892,860	994,900
CR25	108,483	1090 - Corporate Personnel Expenses	100,110	102,600	92,180
CR26	124,362	1200 / 1205 - Registration of Electors	118,650	107,400	120,670
CR27	1,336,235	5501 - Cost of Democracy	1,492,520	1,363,510	1,463,760
CR28	231,870	5503 / 5504 - Election Expenses	127,590	127,280	211,620
CR29	33,141	5224 - Local Strategic Partnership	36,090	33,470	34,850
CR30	14,787	1997 / 3405 - Sustainable Development and Ecofab	22,150	26,300	22,480
CR31	23,921	5513 - Public Consultation	32,170	40,550	41,930
CR32	67,515	1935 - Future Cities	32,270	26,380	39,880
CR33	(1,638)	1983/1989/5289/5290-5296/6668 - Foreshore Trust	0	0	0
CR34	59,531	5004 - Pier Closure Legal Costs	0	12,500	0
	1,998,207	Head of Corporate Services	1,961,550	1,839,990	2,027,370
	3,530,794		2,921,750	2,732,850	3,022,270

ENVIRONMENTAL SERVICES

Appendix R (con't)

Ref NO.	2012-13 ACTUAL	SERVICE	2013-14		2014-15 ESTIMATED OUTTURN
			ORIGINAL BUDGET	REVISED BUDGET	
	£	SUMMARY OF REVENUE ESTIMATES	£	£	£
ES1	72,177	1006 - Highways Administration 1009 - Environmental Services	0	0	0
ES2	1,419,825	Management & Administration	930,330	933,040	940,980
ES3	208,834	1070 - Leisure Administration 1071 - Amenities and Resort	209,230	226,610	227,840
ES4	1,027,763	Administration	939,740	899,190	888,220
ES5	377,093	1073 - Waste Management Team	0	0	0
ES6	0	1074 - Waste and Parking Team	1,589,020	1,459,670	1,381,430
	(3,103,072)	Less recharges to other services	(3,668,320)	(3,518,510)	(3,438,470)
	2,620	Unallocated Balance	0	0	0
ES7	205,351	3401 - Food Safety	216,610	174,440	172,160
ES8	216,556	3402 / 3404 - Health and Safety	206,240	193,920	190,800
ES9	369,247	3403 - Environmental Protection	316,740	296,670	318,520
ES10	73,934	3407 - Pest Control	106,520	99,020	99,670
ES11	(38,101)	5100 - Local Licensing	(31,150)	(32,730)	(32,160)
ES12	48,975	5105 - Liquor Licensing	46,030	49,420	48,570
ES13	(14,893)	5106 - Gambling Licensing	(14,880)	(16,690)	(16,180)
ES14	21,854	5107 - Tobacco Control	16,000	4,000	16,000
ES15	30,727	5125 - Stray Dog Contract	36,810	33,810	33,810
ES16	33,447	5223 - Emergency Planning	37,450	37,020	37,170
	947,098	Environmental Services	936,370	838,880	868,360
ES17	32,779	1166 - Bulverhythe Depot	(44,300)	(56,490)	0
ES18	(624,439)	1300 / 1350 - Parking	(684,180)	(617,850)	(666,450)
ES19	(133,212)	1360/1604/5204 - On Street Car Parking	0	0	0
ES20	35,794	1320 - DVLA Powers	22,900	24,570	24,370
ES21	94,272	1370 - Closed Circuit Television	520,850	418,560	393,450
ES22	(6,756)	1505 - ESCC Highways Management	0	0	0
ES23	44,389	1504 - Public Realm	91,000	149,680	37,500
ES24	35,375	3301 - Abandoned Vehicles	22,900	20,460	20,380
ES25	1,863,735	3033 / 3410 - Waste Collection	1,386,660	1,468,260	1,193,440
ES26	1,399,580	3313 - Street Cleansing	1,404,820	1,357,460	1,366,420
ES27	(25,992)	3411 - Greenwaste 3412 - Waste and Environmental	60,390	55,200	76,230
ES28	585,320	Enforcement Team	489,990	509,760	501,500
ES29	46,970	5205 - Together Action	40,600	40,330	39,780
ES30	235,961	5214 / 5219 - Safer Hastings Partnership	221,530	172,140	150,140
	3,583,775	Waste and Parking Services	3,533,160	3,542,080	3,136,760

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ENVIRONMENTAL SERVICES

Appendix R (con't)

Ref NO.	2012-13 ACTUAL	SERVICE	2013-14		2014-15 ESTIMATED OUTTURN
			ORIGINAL BUDGET	REVISED BUDGET	
	£	SUMMARY OF REVENUE ESTIMATES	£	£	£
ES31	52,096	1420 - Watercourses	29,650	34,610	29,140
ES32	(308,937)	3102 / 3103 - Cemetery and Crematorium	(340,940)	(408,030)	(474,890)
ES33	27,540	5140 - Travellers Costs	27,930	30,080	30,440
ES34	143,611	5236 - Decorative Lighting	105,490	105,180	104,250
ES35	38,038	5250 - Town Centre	28,700	32,880	31,640
ES36	151,999	5280 - Allotments	106,470	72,060	72,470
ES37	80,277	5281 - Ecology	70,780	97,400	80,070
ES38	157,060	6200 - Arboriculture	144,160	147,240	143,350
ES39	1,708,096	6301 - Parks and Gardens	1,438,070	1,607,650	1,529,440
ES40	163,035	6503 - Hastings Country Park	168,110	190,320	158,680
ES41	28,824	6504 - Combe Valley Country Park	29,310	30,780	29,490
ES42	(4,352)	6508 - Countryside Stewardship	20,850	62,850	20,850
	2,237,288	Amenities	1,828,580	2,003,020	1,754,930
ES43	358,419	1400 - Coast Protection	27,290	29,910	29,410
ES44	8,893	1410 - Navigational Aids	10,270	11,310	10,780
ES45	52,177	1608 - Env. Schemes Net Huts	10,140	3,350	10,380
ES46	(15,831)	2502 - Cliff Railways	(66,880)	(26,100)	(55,980)
ES47	(66,025)	2510 / 2512 - Castle and Caves	(44,360)	(30,710)	(40,080)
ES48	(92,365)	2514 - Chalets	(123,870)	(109,400)	(119,800)
ES49	742,564	2601 - White Rock Theatre	610,660	607,420	690,990
ES50	316,586	5241 - Seafront	137,090	155,990	149,030
		6000 / 6003 / 6005 / 6008 / 6009 / 2511 -			
ES51	483,040	Museums and Art Galleries	404,990	427,220	415,930
ES52	22,748	6150 - Sports Management	42,030	37,420	35,380
	1,810,207	Resort Services	1,007,360	1,106,410	1,126,040
ES53	23,418	1501 - Highways Shelters and Seats	23,620	69,980	48,560
ES54	38,072	1502 - Naming and Numbering Streets	28,460	17,760	17,950
ES55	75,564	2640 - Falaise Fitness Centre	20,950	22,620	46,730
ES56	393,047	3033 - Public Conveniences	399,200	426,850	422,280
ES57	262,673	6100 - Sports Centres	67,940	50,680	70,960
ES58	17,000	6409 - William Parker Athletic Track	5,000	5,000	5,000
ES59	73,113	6650 - Sports Development	68,420	71,120	71,440
ES60	(27,460)	6651 - Street Games	46,270	4,970	66,750
ES61	8,001	6652 - British Heart Foundation Project	0	0	0
ES62	67,717	6657 - Active Hastings	157,050	80,690	137,240
ES63	96,480	6660 - Play Development	100,260	122,610	123,710
ES64	30,842	6662 - Us Girls	6,560	0	0
ES65	9,493	6666 - Primary Care Trust Play Grant	0	4,000	0
ES66	56,234	6667 - Play Pathfinder	49,440	38,000	32,000
ES67	(4,937)	6669 - Active Women	16,110	20,520	6,450
ES68	240	6680 - Boyne Road Playground	0	0	0
	1,119,497	Leisure Services	989,280	934,800	1,049,070
	9,700,485		8,294,750	8,425,190	7,935,160

REGENERATION

Appendix R (con't)

Ref NO.	2012-13 ACTUAL	SERVICE	2013-14		2014-15
			ORIGINAL BUDGET	REVISED	ESTIMATED OUTTURN
	£	SUMMARY OF REVENUE ESTIMATES	£	£	£
RG1	153,446	1005 - Planning Management & Admin	157,170	137,130	147,820
RG2	956,904	1021 - Regeneration Administration Division	887,790	894,980	911,850
RG3	1,116,969	1025 - Communications & Marketing	755,420	981,470	1,004,080
RG4	1,586,954	1072 - Administration - Housing	951,830	1,055,140	855,120
RG5	568,471	1034 - Information Technology Division	591,510	733,010	744,480
RG6	125,103	5229 - IT Hardware	127,710	131,870	132,410
	(4,508,222)	Less Recharges to Other Accounts	(3,471,430)	(3,933,600)	(3,795,760)
	(375)	Unallocated Balance	0	0	0
RG7	408,953	1900, 1938, 1953, 2000 Regeneration Activity	408,420	457,160	480,700
RG8	487,142	1603 - Planning Policy	487,800	343,600	528,430
RG9	86,211	1922 - Cultural Activities (Cultural Development)	86,380	63,870	69,850
RG10	86,877	1927, 1945 Cultural Development	126,070	166,860	146,720
RG11	0	1928 - Regional Growth Fund Four - SUCCESS Programme	0	0	0
RG12	71,203	1931 - Answers in the Carbon Economy	73,800	95,950	18,650
RG13	58,331	1934 - External Funding Initiatives	44,660	92,860	111,610
RG14	0	1939 - Safe Ice	0	0	0
RG15	38,535	1940 - Public Art	40,740	40,020	40,420
RG16	84,794	1979 - Area Co-ordination (Area Management Boards)	92,240	5,000	5,000
RG17	73,700	1967, 1971, 1995 Area Based Grant Projects	324,000	64,000	0
RG18	70,936	1980 - Community Cohesion	65,070	83,010	82,680
RG19	31,137	1985 - Coastal Change Pathfinders	3,880	16,000	0
RG20	33,292	1988 - Fisheries Local Action Group (FLAG)	61,870	85,290	103,260
RG21	53,831	1956 5006-5007, Hastings Pier	13,860	14,370	13,300
RG22	0	1998 - Coastal Communities Fund	0	0	0
RG23	69,249	1999 - Employability	125,810	59,840	70,540
RG24	570,578	5120 - Community Action	389,730	398,570	341,090
RG25	64,644	5121, 5123 Older and Younger People	89,020	95,850	59,170
RG26	15,992	6006 - Youth Activities (Young Persons Council)	14,070	21,040	20,440
	2,305,404	Regeneration	2,447,420	2,103,290	2,091,860
RG27	59,905	1008 - Building Control	66,160	56,350	56,410
RG28	726,610	1600 - Development Control	642,720	523,380	576,920
RG29	17,371	5211 - Local Land Charges Register	0	0	0
RG30	250,677	1607 - Conservation	78,840	59,490	81,450
RG31	458,234	4000 - Homelessness	394,670	471,870	405,880
RG32	0	4001 - Homelessness Prevention	0	0	213,030
RG33	13,124	4041 - Travel Sites	0	0	0
RG34	781,927	4050, 4100, 4110, 4120, 4138 Homelessness Strategy	724,520	609,130	241,110
RG35	0	4051 - Deposits funded by ESCC and Discretionary Housing payments	0	0	13,590
RG36	68,530	4055 - Youth Homelessness	31,360	22,650	8,650
RG37	28,608	4060 - POAL Officer	25,540	15,650	67,450
RG38	74,262	4070 - Local Space	51,250	65,580	60,110
RG39	20,456	4137 - Land Auction Pilot	75,000	85,000	0
RG40	441,612	4010, 4140 - Housing Renewal	426,970	287,720	580,830
RG41	14,765	4150 - Migration Impact Fund	0	0	0
RG42	105,955	4160 - Housing Licensing	81,010	21,850	61,830
RG43	1,137,809	4130, 4135, 4300 - Housing Solution Services	72,040	61,370	85,700
RG44	916	5001 - Dangerous Structures	4,120	1,850	1,850
	4,200,762	Housing and planning	2,674,200	2,281,890	2,454,810
RG45	163,482	5701 - 1066 Country Campaign	131,220	198,500	200,940
RG46	327,204	5702 - Tourism Marketing	244,490	234,930	233,510
RG47	58,755	5705 - Community Awareness	52,460	96,940	98,860
RG48	16,019	5720 - Twinning	13,610	21,250	21,640
RG49	229,229	1962, 5719, 5721-5725, 5727-5728, 5730 Raising the Profile of Hastings	132,670	166,810	189,290
RG50	8,451	5237 - Meteorological Expenses	2,980	6,730	1,550
RG51	82,342	5227 - Land & Property System	74,000	72,580	72,690
RG52	(929)	5228 - IT Reserve	0	0	0
RG53	82,961	5507 - Civic & Ceremonial Expenses	86,630	68,940	70,150
RG54	133	5740 - Filming	(4,000)	(4,000)	(4,000)
	967,647	Marketing	734,060	862,680	884,630
	7,473,439		5,855,680	5,247,860	5,431,300

Appendix S

Agenda Item No:

Report to: Budget Cabinet

Date of Meeting: 17 February 2014

Report Title: Cultural regeneration as a driver for economic growth

Report By: Monica Adams-Acton
Head of Regeneration and Planning Policy

Purpose of Report

To provide additional information in support of budget proposals for continued Council leadership of and investment in the cultural regeneration of Hastings.

Recommendation(s)

That Cabinet:

- 1. Supports plans and investment that will enhance Hastings' position as a cultural hub for the wider 1066 Country area and as a key cultural destination on the south coast;**
- 2. Endorses a strategic approach to using the potential of the town's cultural assets and environment as a major tool for economic growth; and**
- 3. Adopts the recommendations that are set out in section 17 of this report and which are included in the proposed budget.**

Reasons for Recommendations

The annual programme of cultural events in Hastings over the past three years has been funded from the Council's Area Based Grant (ABG) budget and other grants from Arts Council England, and these funds are coming to an end. The regeneration of the town, including new developments on the seafront, together with two new programmes that will support the growth of creative and cultural enterprise in Hastings are all stimulating growing interest in the town as a destination for cultural activity. Our recent City of Culture bid indicated significant local partner interest in further developing the

town's cultural offer, and there is regional recognition of the potential that Hastings has to be a cultural hub within the wider 1066 Country area and a key cultural destination on the south coast. The proposals set out in this report are aimed at ensuring the development of the town's cultural potential as a major driver for economic growth.

Overview

1. The cultural renaissance of Hastings is a strategic priority for the Council, and one that is echoed in the town's Sustainable Community Strategy. Its importance has been reflected in recent years in the level of Council investment in the area's cultural assets, infrastructure and events programme which, in turn, has served to secure significant additional funds from regional and national organisations. Alongside this, the growth in the number of new and improved visitor attractions, cultural venues, cafes, restaurants and leisure outlets is evidence of growing private sector confidence and investment in the town's cultural economy.
2. Recent notable successes in the regeneration of the town's cultural environment have helped raise its profile, including the opening of the Jerwood Gallery and the creation of the new public spaces on the Stade, both of which are important milestones in the town's cultural renaissance. The repair and restoration of Hastings Pier as a major cultural attraction will be another significant advancement. The Council's agreement with Buckswood School and the establishment of a Trust to develop St Mary in the Castle offers the promise of a renewed life for this iconic cultural venue. The improvements by the Council, the Foreshore Trust and private sector investors along the seafront in recent years have been mirrored by investment in improved visitor accommodation and the establishment of a variety of cafes, restaurants and leisure based outlets on the other side of the A259. There are indications of growing commercial interest in other seafront sites. All of this bodes well for the potential of the seafront to continue to be the focal cultural asset for Hastings into the future.
3. The Council's investment in the Stade Saturdays programme (which secured the Arts Council's largest grant for Hastings), not only enabled the staging of some innovative and high quality public performances, it also supported the development of several local cultural organisations and stimulated residents' active involvement – many for the first time – in cultural and community activity. As a performance venue, the Stade Open Space has some drawbacks (constraints include its size, particular logistical requirements, licensing restrictions and the fact that it is open to the elements). Audience numbers for the performances were frequently affected by the weather and these constraints. The cost of the programme over the past two years has been £311k (£161k HBC, £150 Arts Council England).
4. The profile of the town as a destination with an eclectic range of events has grown in recent years, and a handful of high quality cultural events (eg International Piano Festival, Hofesh Shechter, Jerwood exhibitions) has attracted regional attention, and drawn new visitors to Hastings. Nevertheless, there remains a significant untapped audience market among the 10.5m annual visitors to 1066 Country (let alone regional and national markets).
5. Hastings is being viewed increasingly by regional and national players as a potential cultural hub on the south coast. In recent months, the Council has successfully



secured approximately £4m from the government's Coastal Communities Fund (CCF) and Regional Growth Fund (RGF) to support the further development of Hastings Pier, the creation and expansion of creative industries, and accredited training to prepare local people for employment in the cultural sector.

6. These developments, together with the outcome of the Council's City of Culture bid, pose some questions that warrant further exploration.
 - i. What is the Council's aspirations as a future player in the cultural regeneration of the town, and what outcomes would the Council wish to seek from its involvement?
 - ii. What is a realistic assessment of the town's cultural potential, and what might be the benefits and costs of an ambitious development programme that builds on achievements?
 - iii. How can we generate the engagement of partners and funders in a long term approach to culturally led regeneration?

Current position

7. The reality of our position is that we have a handful of relatively small cultural venues of varying quality, and an exciting, newly restored venue (Hastings Pier), expected to open in 2015. We have a truly high level of community participation and energy. The town continues to attract increasing numbers of well established and emerging creative professionals to set up home and/or do business from Hastings.
8. We have an eclectic and popular programme of festivals, a brand new Gallery and a real interest by local education partners in embedding culture in the local curriculum. Some aspects of our events calendar attract regional interest, but we don't have a programme of national significance. In this respect, Jerwood stands alone in Hastings. It is true however that, compared with many other towns of a similar size, our offer is good.
9. Our Stade Saturdays programme achieved the goal of establishing the Stade Open Space as a venue for public activity and provided added interest in this area alongside the launch of the Jerwood Gallery.
10. Traditionally, we have not had the type of mature relationship with private sector partners or public benefactors that would be required to underpin any aspirations to position Hastings as a significant cultural centre. However, the outcome of our recent City of Culture bid does indicate strong potential to develop this aspect.
11. There is growing acknowledgement at a regional level of the role Hastings might play as a leading cultural hub in East Sussex. This has been stimulated by the public and private sector investment in recent years in the town's cultural infrastructure, as well as by our raised profile as a consequence of our successful funding bids to support cultural sector growth and our recent city of culture bid.
12. Importantly, however, we lack a clearly articulated vision and strategy to match any ambition to play on a national stage. We have the expertise and energy – but not all the resources – to continue to deliver a lively and interesting programme at the

current level. We will have to reinvent our offer to gain future Arts Council funding even to achieve this.

Options for the future

13. It is timely to consider future approaches in view of the fact that Arts Council funding and the Council's ABG-funded budget for our cultural programme both come to an end this year. Potential options range between a do-nothing/minimal approach to one that aims to maximise the potential of Hastings to be a leading south-coast cultural destination.
14. A do-nothing or minimal approach is not recommended. Although there is a healthy mix of community led cultural events, most of these rely on Council support (generally in the form of subsidies, grants and/or officer support). Without this support, it is likely that very few of these events would continue and those that do would be in greatly reduced form.
15. If the Council were to limit its investment to continuing to support the major community-led events at the current level, this would result in a cultural programme of sorts, but one with minimal appeal to new visitors and a negligible impact on the town's economic development. Some of the gains accrued from the investment to date would be lost, and there could be a negative impact on realising the potential of planned developments and investor interest (although this would be impossible to quantify).
16. A more comprehensive and ambitious way forward is recommended in order to yield longer lasting results – one which is aimed at using culture as a tool for economic growth and based on:
 - i. A vision which embraces the development of high quality visitor accommodation, transport, licensing, enforcement and other improvements to support such an ambition
 - ii. A rational approach to a culture-centric development including new/improved performance space, taking account of the White Rock Theatre and the Pier, and involving private partners. The Council could bring considerable financial and land value to such an approach, but it would require an understanding (which we do not currently have), of the commercial potential.
 - iii. A clear view of the type of provision we are seeking to encourage, both from outside and by developing capacity within existing creative and commercial organisations.
 - iv. A long term alliance with Arts Council England, together with the South East Local Enterprise Partnership (SELEP) and East Sussex County Council around an agreed set of objectives, and the commitment of private sector investors and private philanthropists.
 - v. A realistic, comprehensively informed view of the economic outcomes and social gains that could be achieved, as well as of the constraints in terms of catchment area, infrastructure and partner engagement.

Recommendations

17. Culture is one of the elements that makes Hastings distinctive and fosters a positive image of the town. We need to develop the means to translate this into a comprehensive programme where culture drives and supports the physical development, housing, employment and other key areas. A reasoned and well informed business case for further substantial investment has yet to be made, and we should study success in other areas as well as develop a better understanding of Hastings' competitive advantage in this field.
18. The following steps are recommended, in order to maintain the momentum that has been achieved while we undertake the work required to analyse the cultural potential of the town and the means to achieve it:
- i. To establish a small strategic project board that would involve local and regional players with expertise in the field of cultural development. The role of the board would be to provide advice and oversight in refreshing the Council's cultural regeneration strategy, identifying measures that will enhance the benefits of Hastings as cultural hub within the wider 1066 county area and as a major south coast cultural destination. The board should include senior representation from Hastings and Rother.
 - ii. To seek the formal engagement of Arts Council England in the work of this board and Arts Council support for agreed initiatives that will build on Hastings' position as a hub for creative and cultural excellence.
 - iii. One aspect of the work of the board should be to provide advice on the steps needed to undertake an objective examination of Hastings' competitive position, which should include identification of cultural infrastructure improvements that might be needed to realise long term objectives.
 - iv. To recruit a strategic project planner with recognised expertise in cultural development to refresh the Council's cultural regeneration strategy, to develop and implement strategic plans for a 950th anniversary programme in 2016-17, and to support the Council in productive dialogues with private sector interests to secure their investment in our cultural programme. This work would need to inform the development and delivery of a modest cultural programme in the two years leading up to 2016-17. Estimated budget: £250k (£125k of which for 2016 programme)
 - v. To deliver a modest programme of cultural events in 2014-15 and 2015-16 to succeed Stade Saturdays and provide some build-up to a more ambitious programme in 2016 that will attract national exposure to mark the 950th anniversary of the Battle of Hastings. External funding would be sought to augment the budget for this modest programme, using the Council's commitment as leverage. The budget set out below does not include the costs of marketing/publicity, or any budget for Coastal Currents or St Leonards Festival (the two events which sit outside the Stade Saturdays programme and which have been supported through the Council's annual core budgets). Estimated budget: £80k (£40k per annum)



19. Clearly, these proposals have financial implications for the Council. However, it is believed that the level of required investment is justified, particularly in light of the growing and active interest by strategic partners and the private sector in investing in the town's cultural economy, and the far reaching importance of the cultural environment on the visitor economy, local jobs, and its impact on residents' quality of life.

20. The community led events that the Council supports, together with the Council's own cultural programme are popular with local people and generate positive publicity for the town. There has been a focus on supporting events that celebrate the diversity within the town's population and promote community cohesion. Residents from vulnerable and disengaged communities have been actively engaged in creative activities, and it is proposed that this focus will continue in future programmes supported by the Council.

21. If the above recommendations are accepted, then it is proposed that the initial steps would be to engage in initial dialogue with the Arts Council and establish the project board to advise the Council on the recruitment of a project planner.

Wards Affected

All

Area(s) Affected

All

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	x
Risk Management	x
Environmental Issues	x
Economic/Financial Implications	Yes
Human Rights Act	x
Organisational Consequences	x
Local People's Views	Yes

Background Information

Hastings Cultural Regeneration Strategy 2010-2015:

http://www.hastings.gov.uk/decisions_democracy/how_we_make_decisions/policies_strategies/cultural_regen_strategy/

UK City of Culture – a bid from Hastings and 1066 Country:

http://www.hastings.gov.uk/decisions_democracy/press_media/press_news/news/culture_bid/culture_bid/

Officer to Contact

7. Appendix S Cultural regeneration - Cabinet November 2013 (2)
Report Template v25.0



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