

# Public Document Pack

## BUDGET COUNCIL

24 FEBRUARY 2016

Present: The Right Worshipful the Mayor (Councillor Bruce Dowling) in the Chair, Councillors Rogers, Batsford, Beaney, Cartwright, Chowney, Clark, Dowling, Davies, Forward, Howard, Poole, Pragnell, Roberts, Sabetian, Scott, Sinden, Street, Turner, Webb, Westley, Wincott, Charman, Fitzgerald, Beaver, Charlesworth, Lee, Atkins, Edwards, Clarke and Cooke

Prior to the start of the meeting, members stood and observed one minutes silence in memory of Councillor John Hodges

### **37. DRAFT CORPORATE PLAN 2016/17 TO 2018/19**

It was proposed that the recommendations set out in minute number 46 of the meeting of Cabinet held on 15 February 2016 be approved.

Councillor Dowling, the Right Worshipful the Mayor, proposed a motion, seconded by Councillor Street, and agreed unanimously as follows: -

**RESOLVED that in order to facilitate full discussion on Cabinet's proposal for the corporate plan and any proposed amendments to Cabinet's recommendations, Council suspends Rule 16.6(b) of Council Procedure Rules (only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of) to permit the Deputy Leader's motion and all amendments to be on the table and open for discussion at the same time.**

Councillor Cooke proposed an amendment to the draft Corporate Plan, seconded by Councillor Atkins, as follows: -

#### Our Vision for Hastings

Hastings will stand proudly, head and shoulders above the rest, on our own two feet competing economically and culturally as a prosperous, independent and vibrant area. A place where the private sector flourishes, guaranteeing everyone the security and peace of mind afforded by a sustainable, well-paid job. A place where the high quality education of our young people is paramount, complementing skill shortages within the workforce. It will be the country's economic and cultural powerhouse, a place where businesses want to trade and tourists want to visit. Aspiration, community and accountability will run strong across the town, holding decision makers to account, while working together to protect green spaces and promote the area to visitors and investors alike. Hastings will be known as a place where people are proud to live, work and enjoy, a place which protects and acres for those citizens that need help, yet supports aspiration and opportunity for all, enabling individuals, no matter their, cultural, religious, or financial circumstances, to achieve what they want in life.

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### The Council's Values

- a) Insert the word "religious" after "race" to read: "regardless of their gender, social class, race, religion, disability, age..."
- b) Replace / reword full value with the following "We believe that the council should uphold a culture of co-operation, openness, fairness and transparency, while rebuilding public confidence in all it does, enabling local people and other agencies to hold us to account, work with us, and secure full confidence in the council.

### Turing our vision into reality

#### Economic and physical regeneration:

After "Economic and physical regeneration:" and before "To secure..." insert "To, at the forefront of our activities, market and promote the town to outside businesses and business communities as a somewhere to invest and relocate. Using all available powers and resources to draw business to the area, encouraging business growth, while supporting local entrepreneurs wishing to form new enterprises. All in order to secure..."

#### Cultural regeneration:

After "Cultural regeneration:" and before "To contribute..." insert "Developing a programme of monetization in order to leverage a sustainable future for the cultural and historical assets Hastings is blessed with."

#### Transforming the way we work:

After "...delivery of services." Insert "Striving for efficiency and effective management of resources to always provide value for money for hardworking taxpayers."

The proposed amendment to the council's values to insert the word "religious" after "race" to read: "regardless of their gender, social class, race, religion, disability, age..." was accepted by the Deputy Leader of the Council. The remaining changes proposed by Councillor Cooke were taken as a single amendment.

The amendment was lost by 8 votes to 22.

Councillor Forward moved that the draft corporate plan be approved.

**RESOLVED (by 22 votes for to 8 against with 1 abstention) that: -**

- 1) **The content of the documents appended to the report of the Director of Corporate Services and Governance to Budget Cabinet on 15 February 2016 form the basis of the council's corporate plan 2016/17 to 2018/19, subject to the proviso that any significant amendment made to the council's draft budget be reflected in the final corporate plan text;**

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- 2) Delegated authority be given to the Director of Corporate Services and Governance, after consultation with the Leader of the Council, to make further revisions as is considered necessary to the attached plan prior to publication to reflect decisions made on the council's budget;
- 3) A retrospective year-end report on performance and the actual performance indicator information for 2015/16 be presented to the Overview and Scrutiny committees in June, prior to consideration by Cabinet in July 2016, and that the Council delegate authority to that Cabinet meeting to agree the 2016/17 performance indicators based on previous year's performance, and;
- 4) All who submitted views as part of the consultation process be thanked for their contribution

The reason for this decision was:

The council needs to approve the corporate plan as it is a statement of Hastings Borough Council's strategic direction to 2019. It sets out how we will ensure that we successfully address our priorities, meet the needs of our communities, and ensure we have a strong dedicated and motivated workforce to deliver our strategic priorities.

### **38. REVENUE BUDGETS 2015/16 (REVISED) AND 2016/17, PLUS CAPITAL PROGRAMME 2016/17 TO 2018/19**

It was proposed that the recommendations set out in minute number 47 of the meeting of Cabinet held on 15 February 2016, be approved.

Councillor Dowling, the Right Worshipful the Mayor, proposed a motion, seconded by Councillor Roberts, and agreed unanimously, as follows: -

**RESOLVED** – that in order to facilitate full discussion on Cabinet's proposal for the budget and any proposed amendments to Cabinet's recommendations; Council suspends Rule 16.6(b) of Council Procedure Rules (only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of) to permit the Leader's motion and all amendments to be on the table and open for discussion at the same time.

Councillor Atkins proposed an amendment to the revenue budget forward plan, Appendix G, seconded by Councillor Clarke, as follows: -

Ref		Original 2016/17 Budget £000's	Conservative Amendment	Comment
1	Net Service Expenditure	15,367	15,367	
11a	PPS Costs		50	Cost of externally managed PPS
11b	Reallocated Priorities		250	Extra costs of new PPS initiatives
11c	Regen Investment		250	Extra costs of

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				business regeneration
11d	PPS Savings		-700	Savings in employee and service costs by reallocating priorities to PPS (in addition to PIER savings)
11e	Extra Contribution to Reserves		27	
30	Freeze on Council tax (2.08% offset)		123	No Council Tax increase for HBC in 2016
42	Contribution to General Fund	15,048	15,048	

Under rule 16.14 of the council's constitution, the Mayor proposed that the council proceed as if in committee during the debate on this item, except when a vote took place, when the meeting returned to Full Council.

The amendment was lost by 8 votes to 22 with 1 abstention. Councillors Atkins, Beaver, Charlesworth, Clarke, Cooke, Edwards, Lee and Pragnell voted in favour of the proposed amendment to the revenue budget. Councillors Batsford, Beaney, Cartwright, Charman, Chowney, Clark, Davies, Dowling, Fitzgerald, Forward, Howard, Poole, Roberts, Rogers, Sabetian, Scott, Sinden, Street, Turner, Webb, Westley and Wincott voted against the proposed amendment. The Mayor abstained from the vote.

Councillor Chowney proposed approval of the Revenue Budgets 2015/16 (Revised) and 2017/18, plus Capital Programme 2016/17 to 2018/19, subject to an amendment to the draft budget deleting a proposed saving by no longer sending out neighbour notification letters for planning applications.

Councillors Batsford, Beaney, Cartwright, Charman, Chowney, Clark, Davies, Dowling, Fitzgerald, Forward, Howard, Poole, Roberts, Rogers, Sabetian, Scott, Sinden, Street, Turner, Webb, Westley and Wincott voted for approval of the Revenue Budgets 2015/16 (Revised) and 2016/17, plus Capital Programme 2016/17 to 2018/19. Councillors Atkins, Beaver, Charlesworth, Clarke, Cooke, Edwards, Lee and Pragnell voted against the motion. The Mayor abstained from the vote.

**RESOLVED (by 22 votes for, 8 against with 1 abstention) that Council:-**

- 1) Approve the revised revenue budget for 2015/16 (Appendix A);**
- 2) Approve the draft 2016/17 revenue budget (Appendix A);**
- 3) Approve a 2.08% (£5 for Band D property) increase in the borough council's part of the council tax;**
- 4) Agree that the absolute minimum level of reserves that shall be retained be increased to £5m (plus general fund balance) from the current level of £4m;**
- 5) Approve the capital programme 2015/16 (revised) to 2018/19 (Appendix P);**

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- 6) 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;
- 7) Approve that the use of monies identified in the budget for invest to save schemes be determined by the Assistant Director for Financial Services and Revenues in consultation with the Leader of the Council;
- 8) 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;
- 9) Agree that schemes marked with an asterisk in the capital programme can proceed without further reference to Cabinet or Council;
- 10) Agree work on the 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 light of the continuing severe government grant reductions;
- 11) Agree the establishment of a Hardship Fund in respect of Council Tax Support;
- 12) Approve the detailed recommendations in Appendix M, which relate to the setting of council tax in accordance with Sections 31 to 36 of the Local Government Act 1992, and;
- 13) Approve that the budget be amended as necessary to reflect the final grant figures from government (once revised) in respect of Benefit Administration Grant

The reason for this decision was:

- 1) Major reductions in funding in 2016/17 are set to continue to 2019/20 and possibly beyond and this will impact heavily upon the council's ability to provide services and grants across all areas of existing activity.
- 2) Since 2010/11 funding has been reduced by more than 54% in cash terms on a like for like basis. 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 through 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 sum as part of the annual grant settlement 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 balance budgets in 2017/18 and beyond.

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**39. TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY  
2016/17 INCLUDING QUARTERLY MONITORING REPORTS FOR 2015/16**

The Assistant Director for Financial Services and Revenues submitted a report to consider the draft treasury management and annual investment strategy. The strategy provided a framework for the management of the council's investments, cash flow and borrowing activities.

Under rule 13.3 of the council's constitution it was agreed that the recommendations set out in minute number 48 of the Cabinet meeting held on 16 February 2016, which was a matter for Council decision, were agreed without being called for discussion.

**RESOLVED that Council: -**

- 1) Approve the Treasury Management Strategy, Minimum Revenue Provision (MRP) Policy and Annual Investment Strategy (2016/17), and;**
- 2) The quarterly performance for 2015/16 be agreed**

The reason for this decision was:

The council seeks to minimise the costs of borrowing and maximise investment income whilst ensuring the security of its investments. The sums involved are large and the assumptions play an important part in determining the annual budget. Compliance with the CIPFA Code of Practice represents best practice and ensures compliance with statutory requirements.

(The Mayor declared the meeting closed at. 8.27 pm)