

Public Document Pack CABINET

6 NOVEMBER 2023

Present: Councillors Barnett (Chair), Evans (Vice-Chair), Batsford, Cannan, Rogers, Roark.

In attendance: Jane Hartnell (Chief Executive), Kit Wheeler (Chief Finance Officer), Mary Kilner (Chief Legal Officer), Natasha Tewkesbury (Head of Community and Regulatory Services), Chris Hancock (Head of Housing). Councillors Beaney, Collins, Foster, Jobson, Patmore and Pragnell. In attendance remotely: Victoria Conheady (Deputy Chief Executive – Director of Place), Coral Harding (Continuous Improvement and Democratic Services Officer).

9. APOLOGIES FOR ABSENCE

Apologies for absence received from Councillor Willis.

10. DECLARATION OF INTERESTS

None received.

11. MINUTES OF LAST MEETING

RESOLVED – that the minutes of the meeting held on 2nd October 2023 be approved as a true record.

12. PUBLIC QUESTION TIME (30 MINUTES)

A question was asked regarding water contamination warning signs at Old Roar Gill.

Councillor Barnett replied that the Council had already placed signs where it feels it is able to, warning the public not to swim in the reservoirs and not to let dogs into the water. The Council is waiting for Environment Agency confirmation on the quality of the water at the Gill. In the meantime, there will be no change to the signage.

Councillor Roark added that the park by-laws prohibit people and dogs from entering watercourses in the park.

A question was asked regarding the West Hill café, and whether this was part of the Hastings Castle project business case when it was approved. Councillor Barnett confirmed it was. The questioner asked if there will be any consultation with residents about opening the café as part of the project? Councillor Barnett replied that this will be considered.

A written question was received regarding independent water quality tests of the park watercourses. Councillor Roark replied that conversations with the Environment Agency and Southern Water are ongoing. Southern Water have committed to an ecological impact assessment. No testing has been undertaken to date by the Council,

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but that is not say that it won't occur. Councillor Barnett added that he had reminded the Environment Agency that the Council was waiting for them to confirm what best practice local testing would look like.

Councillor Barnett invited Councillors to ask questions about topics not on the agenda.

Councillor Collins asked for an update on the landslip at Marina, St Leonards. Councillor Barnett replied that officers had been looking at this over the weekend and it is their understanding that this is not Council land and therefore the Council has a limited duty.

Councillor Jobson asked Councillor Barnett if he had been in contact with local businesses about the recent town centre flooding. Councillor Barnett replied that he had spoken with the town centre managers every day since the flooding, and has encouraged them to come forward with the views of local businesses to inform the multi-agency response. Generous commitments have been made about the prioritisation of Hastings by many of the agencies involved.

13. HASTINGS TOWN DEAL PROGRAMME UPDATE

In a change to the published agenda this item was called for discussion first.

13.1 Overview and Scrutiny Recommendations

The Continuous Improvement and Democratic Services Officer presented a report on the Overview and Scrutiny Committee Town Deal update recommendations.

The Overview and Scrutiny Committee met on 18th October 2023 to review the forthcoming Cabinet report Hastings Town Deal Programme Update. As a result of their discussions, they proposed additional recommendations that they believe will enhance ongoing projects and future schemes.

Councillor Patmore, Chair of the Overview and Scrutiny Committee welcomed the opportunity to scrutinise the report before consideration by Cabinet. The Committee's proposals generally relate to oversight of the Town Deal programme. A lot of Councillors and residents feel slightly distanced from the programme and the Committee felt the board needed to be more dynamic and make better use of local specialists.

RESOLVED (unanimously):

Cabinet accepts the Overview and Scrutiny Committee report and recommendations.

Reasons:

Overview and Scrutiny recognise the successes and positive impact of the Town Deal Programme has had and would like this to continue. These recommendations are made to enable more future successes.

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13.2 Hastings Town Deal Programme Update

The Deputy Chief Executive presented a report to provide an update on the Hastings Town Deal programme.

The Hastings Town Deal programme has now entered project implementation with all business cases formally approved by the Department for Levelling up, Housing and Communities (DLUHC).

The report highlights at paragraph 12 those projects which are now completed and operational. Some projects are having to reset, and the Council is working with those organisations. The Garden Town project is being led by East Sussex County Council in partnership with Hastings Garden Town team. Expressions of interest are being sought for the Hastings Castle project.

The report identifies the reallocation of funds from withdrawn or altered projects and those projects receiving uplifts in funding. The programme team will be incorporating the recommendations from Overview and Scrutiny, as set out in the report, with some already in place.

Councillor Evans proposed approval of the recommendations, seconded by Councillor Rogers.

RESOLVED (unanimously):

- 1. To continue to progress the implementation of all projects making necessary adjustments as may be required in consultation with the Town Deal Board and the Department for Levelling Up Housing and Communities (DLUHC).**
- 2. The Town Deal Board management team to incorporate key recommendations arising from the review of the programme by the Overview and Scrutiny committee on 18th October 2023.**

Reasons:

1. Through the investment provided by the Towns Fund Programme we will see the revival of Hastings Town Centre with investment in key heritage assets, buildings in the town centre, improvements in the public realm and creation of a 'garden town'. There will also be new 'environmental & green technology' business facilities with employment and training opportunities for local people.
2. The Towns Fund projects approved for implementation have all successfully developed full business cases, which have been independently assessed and approved by the Town Deal Investment Panel, the Section 151 Officer and ratified by the Town Deal Board. The Project Summary documents have all been approved by DLUHC.
3. All projects should be completed by end of March 2026.

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14. FINANCIAL MONITORING REPORT

The Chief Finance Officer presented a report to provide a summary of the forecast outturn position for services at the end of Quarter 2 (September 2023).

In February 2023, the Council agreed a revenue budget for 2023/24 with total expenditure of £17,754,575 funded by government grants, Council Tax, Business Rates, and contributions from reserves. Total expenditure is forecast to be £2,508,417 over budget at year end. This is an increase of £78,832 on the overspend reported at the end of period 5 (end of August). The factors leading to this change are detailed in the report.

Councillor Collins asked how 80% of budget savings can be achieved if 7 out of 9 departments show an overspend? The Chief Finance Officer replied that all departments with staff will show an overspend as the pay award was higher than anticipated.

Councillor Foster asked if the financial position has any impact on the Town Deal programme? The Chief Executive replied that the Council has been clear that capacity funding is also needed from government to cover the costs of managing further programmes. Match funding will be difficult unless it links to the Council's priority of reducing temporary accommodation costs.

Councillor Patmore asked if there was any update on when the Council's accounts would be audited, and what risks are associated with further delay to the audit process? The Chief Finance Officer replied that following a meeting with Grant Thornton they have suggested there will be an audit opinion on the 2020/21 accounts in December.

The Head of Housing confirmed that demand for temporary accommodation has been on a downward trend, but this is now stabilising rather than continuing to fall. This is mainly due to Section 21 evictions in the private rented sector and delays in the completion of housing developments in the Borough.

Councillor Barnett noted successes in the report, such as an additional £400,000 in commercial property income and additional income from investments.

Councillor Barnett proposed approval of the recommendations, seconded by Councillor Cannan.

RESOLVED (unanimously):

To note the contents of the report, and the actions within the conclusion and management action section.

Reasons:

To assist the Council in understanding the financial position and particularly areas of over and under spend. Early indications of emerging overspends can allow management action to be targeted to those areas.

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This monitoring assists in identifying areas for review in the production of the 2024/25 budget and the impact of the 2023/24 outturn on the reserves position.

15. MEDIUM TERM FINANCIAL STRATEGY (MTFS)

The Chief Finance Officer presented a report outlining the Medium Term Financial Strategy (MTFS).

Section 151 Officers across the country have asked government for a multi-year settlement. That hasn't been forthcoming so officers have to make a forecast as best they can. The current forecast is not positive, the Council has a large deficit to address which is forecast to continue.

Officers will be bringing forward savings, and management controls on spending have already been implemented. These will be in place until the end of the financial year and then reviewed.

Councillor Barnett proposed approval of the recommendations, seconded by Councillor Roark.

RESOLVED (unanimously):

- 1) Approve the Medium Term Financial Strategy.**
- 2) The Council continues to take a proactive and robust approach to delaying or ceasing all Capital programme expenditure not deemed to be of a legal or statutory responsibility or can demonstrate a clear reduction of revenue expenditure.**
- 3) The Council continues to evaluate the current asset portfolio and identify any suitable potential disposal options to generate additional Capital receipts to alleviate financial burdens around borrowing costs for the current Capital programme.**
- 4) The Council reviews its new Council wide financial restrictions, (brought in from October 2023) for its effectiveness, financial results, and organisational impact.**
- 5) Service cost areas are reduced in the current and future financial years, to provide the necessary savings to balance the budget, with a pre-Section 114 approach.**
- 6) The Council continues to focus on reducing the temporary housing expenditure, with the requirement of producing a Housing and Homelessness strategy outlining how those costs are to be reduced before 2025/26.**
- 7) The Council commits to implementing and co-ordinating its individual strategies to align with one single long term overall Corporate Plan. This**

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includes Green Initiatives, Housing and Homelessness, Cultural Regeneration, IT, HR (including Equalities), Capital Financing and Asset Management.

8) Full Council to note the actions to address the Budget deficit and if no conclusive savings identified, that the issue of a Section 114 notice will take place in 2024/25.

Reasons:

Hastings Borough Council, like many other councils, is continuing to face some of the biggest financial challenges and pressures in recent years, possibly ever.

The ability to deliver key services to the most vulnerable is becoming increasingly hard to do. Static funding from Central Government, coupled with high cost of inflation on all services, rising homelessness and temporary accommodation costs, and tighter restrictions on how Councils can fund capital expenditure is providing a perfect storm.

Under the Local Government Finance Act 1992, as amended by the Localism Act 2011, it is a statutory requirement that Councils set a balanced revenue budget.

A major overhaul of the funding mechanism for local authorities has continuously been postponed and when combined with a regular one-year spending reviews, continues to provide considerable uncertainty on funding in future years.

The Council needs to be able 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.

We have seen in recent years what impact Covid-19 had on our ability to deliver services and the wider economy, so we must be prudent to guard against similar unexpected and impactful local and even global events outside of our control.

In a previous Medium Term Financial Strategy update report to Cabinet back in September 2022, and then reinforced as part of the Budget report agreed by Council in February 2023, it highlighted the need for the council to reduce its direct service expenditure, in particular, the escalating temporary accommodation costs for homelessness.

As outlined as part of the regular financial monitoring reports which include a MTFS update appendix, those same temporary housing costs, (as well as some unavoidable additional costs elsewhere) have worsened the financial position rather than improve it.

This has resulted in further additional savings needing to be identified in order to balance the budget in the current and future financial years and the Council has brought in additional financial restrictions across the organisation from October 2023.

16. INTERIM REVIEW OF POLLING PLACES AD POLLING DISTRICTS 2023

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The Head of Community and Regulatory Services presented a report outlining the findings and evaluation of the recent interim review of Polling Places and the (Acting) Returning Officer's subsequent recommendations.

The Council's last full review was completed and approved in October 2019. Due to the recent completion of the Boundary Commission for England's review of Parliamentary constituencies, it was advised the Council should undertake a short, interim review, with a full review taking place in 2024.

The report outlines two main areas of change. Firstly, in the N2 Tressell Ward district it is proposed that the polling place is changed to Calvert Church Hall, and in West St Leonards it is proposed to use the West St Leonards Community Centre as there are no alternatives available. Officers will continue to look for alternatives.

Councillor Beaney asked if any changes made under delegated authority could involve informing, or consulting with, ward Councillors? The Chief Executive replied that she was happy to do that.

Councillor Rogers proposed approval of the recommendations, seconded by Councillor Batsford.

RESOLVED (unanimously):

- 1. To recommend that Council adopts the (Acting) Returning Officer's recommendations (as appended to this report) and publish the results of the interim review**
- 2. Delegate authority to the Chief Executive to amend any decisions made under this review with regard to polling places or polling stations, should there be an urgent or necessary need.**

Resolved:

Due to the recent completion of the Boundary Commission for England's review of parliamentary constituencies, the council were advised to carry out an interim review of its polling districts and places.

The council must regularly review the division of its parliamentary constituency area (within the borough boundary) into polling districts and the places where electors are asked to vote. The council must comply with the requirements of the Electoral Administration Act 2006 (Section 16, EAA 2006) and complete regular reviews of all polling districts and polling places. The council has a duty to ensure that the most suitable premises are used as polling places with regard to the needs of the electorate, subject to availability.

17. HOME ADAPTATION SUPPORT SERVICE (HASS) CONTRACT TENDER

The Head of Housing presented a report to inform the Cabinet of the requirement to re-tender for a Home Adaptation Support Service (HASS) to support adaptations funded by Disabled Facilities Grants.

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The report seeks delegated authority to go out to tender and award the contract to the successful bidder. This is an externally funded service and of no cost to the Council. It supports residents who receive Disabled Facilities Grant (DFG) through the process. Over 90% of DFG funding awards are supported by HASS. The Council awarded over £1 million of DFG funding to residents over the last year.

Councillor Rogers proposed an amendment to recommendation 2 to add 'in consultation with the Lead Member for Planning, Governance, Community Safety and Disabled Access.'

Councillor Rogers proposed approval of the recommendations, subject to the amendment above, seconded by Councillor Barnett.

RESOLVED (unanimously):

- 1. To request agreement from Cabinet, in line with the delegation of authority and procurement rules, to go out to tender to secure a new home adaptation support service.**
- 2. To request delegated authority to award the contract to the successful bidding party, following due process, to the Head of Housing, in consultation with the Lead Member for Planning, Governance, Community Safety and Disabled Access.**

Reasons:

1. The Home Adaptation Support Service (HASS) provides a vital service to the very large majority of residents who receive a Disabled Facilities Grant. It is important that this service operates effectively, efficiently and with a high regard for customer service.
2. The contract for the HASS is due to expire at the end of March 2024, and given the value of the contact a full tendering exercise needs to be undertaken.

(The Chair declared the meeting closed at 7.50pm)