

Cabinet Agenda

Monday, 12 February 2024 at 6.00 pm

Council Chamber, Muriel Matters House, Breeds Place, Hastings, East Sussex, TN34 3UY. Please enter the building through the Contact Centre entrance via the seafront.

If you are attending Muriel Matters House for this meeting, please enter the building via the Community Contact Centre entrance.

For further information, please contact Democratic Services on 01424 451484 or email: democraticservices@hastings.gov.uk

		Page No.
a)	Budget Overview and Scrutiny Minutes 05/02/24	1 - 6

This page is intentionally left blank

Agenda Item 5a Public Document Pack

OVERVIEW AND SCRUTINY COMMITTEE

5 FEBRUARY 2024

Present: Councillors Patmore (Chair), Sinden (Vice Chair), Batsford, Carr, Collins, Cooke, Evans, Foster, Hay, Rogers, Webb

Officers: Jane Hartnell (Chief Executive), Kit Wheeler (Chief Finance Officer), Chris Hancock (Head of Housing), Coral Harding (Continuous Improvement and Democratic Services Officer)

Remotely: Victoria Conheady (Deputy Chief Executive), Buki Adekoya (Revenues and Benefits Services Manager)

Members of Cabinet Present: Councillors Hilton & Barnett.

11. APOLOGIES FOR ABSENCE

Apologies received from Councillor Bacon (Substituted by Cllr Rogers)

12. DECLARATIONS OF INTEREST

Councillor	Item	Interest
Cllr Webb	4	Personal – East Sussex County Councillor

13. MINUTES OF PREVIOUS MEETING 20/11/23

RESOLVED - That the minutes of the meeting held on 20th November 2023 be approved as a true record.

14. DRAFT BUDGET REPORT 24/25

The Chief Finance Officer presented the report and gave an update since the Budget planning report discussed in November 2023. The figures have changed since the end of last year. The Council has put itself in a stronger financial position because of the decisions made over the last few months. The decision made last week regarding the sale of land at Cornwallis and avoidance of hotel construction costs has made a substantial reduction in the interest and minimum revenue provision (MRP) costs the Councils would have had to make.

Large savings achievement is still assumed in the draft budget. There has been an increase in fees and charges following on from detailed analysis. The reserves policy has been reviewed, and the minimum level being agreed at £4m. During the life of this budget the council will likely retain this level of reserves minimum, however certainty in further years is harder to predict. Though the financial stability of the Council is better further substantial savings need to be achieved.

OVERVIEW AND SCRUTINY COMMITTEE

5 FEBRUARY 2024

Councillor Patmore explained the paperwork is very complex and was difficult to compare to previous reports.

The Committee asked questions regarding the Budget.

Cllr Patmore asked why has there been no public consultation regarding the council tax increase for empty and second homes?

The Revenues and Benefits Manager explained the decision is a discretionary one for the council. Cllr Evans commented that residents have been asking for the increase and it's a positive for the town. Cllr Hilton explained there was not any time for a consultation as legislation only came in November 2023 and every other Council in East Sussex are bringing in the legislation without consultation.

Cllr Collins highlighted only 1.8% of people occupying temporary accommodation are asylum seekers and asked what moves have been made to increase the supply of landlords?

The Head of Housing answered that it was important to note that the figures in the briefing only show households to whom we owe a statutory duty to house, this wouldn't therefore include many single households where we do not have a duty to provide housing. People granted asylum in the UK who have been housed by the Home Office in Hastings will very largely be single people and therefore will not be shown in these figures.

On the question of landlord supply the Head of Housing stated that we do have a good scheme in place but there is more work to do with promoting the scheme and its benefits for landlords. Cllr Patmore asked regarding purchasing properties and the Head of Housing explained it would be an option if the property fell within the acquisitions budget.

Cllr Carr requested an update on the acquisition programme. The Head of Housing answered that 20 homes have been completed, 8 now have tenants. A further 20 are in conveyancing.

Cllr Sinden asked regarding temporary accommodation repairs, will accommodation be upgraded to a better standard?

The Head of Housing answered when properties are purchased, they are made up to the Council's standard EPC level C. Regarding adaptations this is being reviewed with the occupational therapist team and the housing acquisitions team to see how we can increase the supply of accessible homes.

Cllr Batsford asked if a large family was being made homeless by a landlord would the Council offer to buy the house?

The Head of Housing explained a property could be purchased but it would need to be bought up to the Council's standard. Cllr Batsford asked if the standards of the Council housing is much higher. The Head of Housing answered the standards are higher as these are council assets and we want to provide settled homes but also limit ongoing reactive repairs and maintenance costs. Cllr Batsford requested for the letting scheme to be more attractive and flexible.

Cllr Carr asked how is the maintenance of properties paid for ongoing?

OVERVIEW AND SCRUTINY COMMITTEE

5 FEBRUARY 2024

The Head of Housing explained the business model for the acquisitions is the rent will pay for the repairs. Cllr Patmore asked whether the money for the works is coming from renewal and repairs reserve or from the new asset maintenance reserve? The Head of Housing answered that it is from within the temporary accommodation budget.

Cllr Rogers asked what sort of tenancy agreement is being offered?

The Head of Housing answered it is a non-secure tenancy whilst the homelessness application is being processed.

Cllr Foster asked if the standards must be met if a tenant is happy to stay in a below standard property?

The Head of Housing explained that the standards have to be met.

Cllr Carr asked what can be done to stop the number of people in temporary accommodation increasing?

The Head of Housing explained that the number of households in the most expensive form of privately procured emergency accommodation has stabilised through prevention work. The acquisition program is forecast to make a difference.

Cllr Evans asked regarding making homes more sustainable?

The Head of Housing explained that there are not significant funds available at this time but opportunities would be explored when they become available.

Cllr Hay asked regarding what is being done to help tenants back into private rented accommodation?

The Head of Housing explained that loans are available and support and advice to assists with the move into private rented market, however the rental market is very challenging currently.

Cllr Collins asked about empty properties and what is being done?

The Head of Housing answered that if an empty property is a risk the Housing Standards Enforcement team would deal with it. There is not capacity to be pro active currently. Cllr Hilton answered that she would like to see a business case developed to employ an officer, but this is in an early stage of review.

Cllr Cooke asked if compulsory purchases orders are an option?

The Head of Housing answered that there is not the capacity currently. Cllr Batsford highlighted the CPO process is not cost effective.

Cllr Batsford asked if conversations are being had with the Housing Associations?

The Head of Housing explained conversations are taking place and 75% of new lets are going to people coming out of temporary accommodation. Cllr Batsford asked regarding shared ownership. The Head of Housing explained this can be looked at by the Housing task force.

Cllr Patmore asked regarding the changes to the general reserve and why there is a large difference in the Capital Programmes?

OVERVIEW AND SCRUTINY COMMITTEE

5 FEBRUARY 2024

The Chief Finance Officer explained the capital spend has been reduced and the disposals of land agreed has been a benefit.

Cllr Barnett explained the decisions made in the last few months there is an additional £4.65m in the 24/25 budget. The government settlement is worse than expected and the estimation is the council will be £500k worse off. The funding allocated to HBC for the National Food Waste Strategy is not enough. There is a saving of £4.65m but an overspend of £1.65m which leaves the Council around £3m better off. There is a reduction in planned savings next year of around £1m which would leave £2m to add to the reserves, but there are still risks.

Cllr Sinden asked if the reserves will be used?

The Chief Finance Officer explained the earmarked reserves will always be used but the general reserves the proposal is for £796k to be used. Cllr Foster asked why there is an increase in one year but not in the others. The Chief Finance Officer answered that the figures are forecasts and this amount could change.

Cllr Hay asked when will the costs for food waste collection be factored in?

The Chief Finance Officer answered there is a contingency included in the draft budget as the government allocation is not enough to cover the expected costs of the new scheme. Cllr Hilton answered that other Councils have also highlighted this as a funding gap. Cllr Hay highlighted dealing with the waste that we're going to be collecting within the county probably won't be able to be dealt with within the county.

Cllr Patmore asked why have the fees and charges figures tripled?

The Chief Finance Officer answered that the main areas that have seen increases include the cemetery and cremation area, the green waste and parking. Officers did a stringent re-calculation of the impacts of the new fees and thanks were given to the finance team for this.

Cllr Batsford asked for an update on shared services and if external agencies have been appointed?

The Chief Executive explained there is no update on external agencies being appointed at this time. Work is ongoing and discussions are being had with colleagues in East Sussex. Cllr Hilton explained that business process mapping is being undertaken as a prelude to sharing. Cllr Batsford highlighted that it was agreed at Full Council and if nothing has happened by May then the savings are at risk. Cllr Patmore asked if the saving will be made in 24/25. The Chief Executive explained the saving will be made as the budget strategy requires them to be.

Cllr Collins asked for an update on Asset Management Strategy update and why land at Sandrock has been included in appendix G? What impact does the sale of assets have with the public works loan board?

The Chief Finance Officer explained there is the option to pay back loans early but each loan would have to be reviewed to ensure this is the most financially sensible option. The Chief Executive answered there will be an update from the Finance portfolio holder in the coming weeks regarding assets and Sandrock has been in the land and property disposal programme since 2014. It was agreed last summer that the sale would continue with the clause achieved at the request of Councillor Barnett that we ensure that an area of land equivalent to the Council's land is to be used as amenity land or open space or woodland or sustainable urban drainage.

OVERVIEW AND SCRUTINY COMMITTEE

5 FEBRUARY 2024

Cllr Hay asked how much of the Budget planning remains and is there an update regarding the Hastings Housing Company?

Cllr Hilton answered what we need to do is come up with an agreed plan that all political parties are happy with. The Chief Finance Officer answered that discussions are taking place regarding the future of the Hastings Housing Company and the first concern is that the loans are paid.

Cllr Carr asked why this budget hasn't had a public consultation, particularly with regard to the setting of council tax?

The Chief Finance Officer answered that the Local Government Settlement allowed Councils to increase by Council tax by 2.99% and the pre-Christmas consultation implied that the council will take all steps to maximise income available to it – as the government assumes this is the case in the finance settlement.

Cllr Carr asked if the Connected Future meeting happened regarding the Youth Council?

The Deputy Chief Executive answered that the three members of the Youth Council will become youth researchers within the connected futures work, with support from CXK. Work is taking place to make sure that young people's voice is heard and continually heard via the connected futures work. Cllr Hilton updated that at discussions with Team East Sussex it was recognised there was not enough youth voice in the development of an economic growth strategy that runs till 2050. There has been a commitment to more youth engagement on the implementation of the plan. Further consultation is underway regarding enabling young people to feed into the towns long term plan and town board initiative.

Cllr Evans asked whether requiring the senior leadership team to attend committee meetings was a good use of their time? Cllr Hilton answered the Senior management are present to answer questions from the Overview and Scrutiny Committee, however this would be reviewed.

Cllr Cooke asked is there a danger by delaying the transformation work that other Councils get organised and will be already sharing services?

The Chief Finance Officer explained communication has not been stopped with others and if partnerships have already started then we would be able to join up. The Chief Executive explained that all parties need to be signed up as it is not a process that can be regularly changed every few years. Cllr Cooke asked if other Councils are keeping communications open. The Chief Finance Officer answered that communications are ongoing. Cllr Carr asked if staff morale has been affected? The Chief Executive answered that political instability may have affected staff and this would be discussed at the staff briefing in a few weeks time.

Cllr Foster asked about the housing acquisitions proposed savings?

Cllr Barnett answered this is the new stream of social housing houses and the new purchases that will be impacting into future years.

Cllr Batsford asked when it was decided to not follow the shared service plan agreed at Full Council in December?

OVERVIEW AND SCRUTINY COMMITTEE

5 FEBRUARY 2024

The Chief Executive explained that this would be a question for Councillors to answer.

Cllr Patmore asked if decisions can be made in a fast enough time?

The Chief Finance Officer answered that swift decisions have been made.

Cllr Carr asked regarding the asset management plan and is there a time line for when it will be available?

Cllr Hilton answered it would be hoped that the Council were a bit further ahead with the asset management plan. Cllr Barnett explained it will be a few more weeks until it will be available. Cllr Carr asked what the timetable was when the asset management plan was agreed? The Chief Finance Officer updated it was summer last year when it was put out to tender.

Cllr Collins asked if selling assets could be used for Housing?

The Chief Finance Officer confirmed that a capital receipt could be used for housing. Cllr Patmore highlighted the need to be able to compare and understand the Council's assets.

Cllr Patmore asked regarding using £796k of reserves?

Cllr Barnett answered the Council is in a stronger position now and can use reserves which are now at a higher level. The shared service savings have not been cut but have been reprofiled to future years to make the Council more fit for the future.

Resolved (Unanimously)

That the comments of the Overview and Scrutiny Committee on the draft Revenue and Capital budget for 2024/25 and updated Medium Term Financial Strategy forecast for future years be referred to the Budget Cabinet on 12 February 2024.

Reasons

To ensure the Overview and Scrutiny Committee's comments can be considered by the Budget Cabinet, prior to recommendations being made to the Full Council.

(The Chair declared the meeting closed at. 8.08 pm)