

# Full Council Agenda

Wednesday, 22 February 2017 at 6.00 pm

Muriel Matters House, Breeds Place, Hastings, East Sussex, TN34 3UY

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# Agenda Item 3



**Report to:** Council

**Date of Meeting:** 22 February 2017

**Report Title:** Revenue Budgets 2016/17 (Revised) and 2017/18, plus Capital Programme 2017/18 to 2019/20

**Report By:** Peter Grace  
Assistant Director - Financial Services & Revenues  
(Chief Finance Officer)

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## Purpose of Report

1. This report presents the revised revenue budget for 2016/17 and a budget for 2017/18. The revised budget for 2016/17 takes account of the known variations to expenditure and income streams that have occurred since setting the budget in February 2016.
2. This report has been updated for changes agreed at Cabinet on the 13 February 2017, namely changes to the expenditure and Income in respect of the Countryside Stewardship budget, the inclusion of funding for the Dial a ride Service of up to £7,500 for 2017/18, and the removal of the proposed closures of toilet at Ore Valley and the seasonal toilet closures. The final government grant settlement was received in the evening of the 20 February 2017 - there were no changes from the provisional settlement figures. The budget does not take account of the potential investment income (some £80,000 p.a.) which would be derived from investments in a property fund (CCLA) - as detailed in the Treasury Management report (elsewhere on the agenda).
3. In setting the budget for 2017/18, recognition has been taken of the very significant ongoing reductions in external funding for the years ahead. The report identifies that a balanced budget can be achieved in 2017/18 although this involves using £555,000 of reserves built up for this purpose. The forecast deficit for 2018/19 is some £1.7m and in 2019/20 is £2.1m. 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 and sustainable budgets in the years beyond.
4. The Cabinet meeting on the 13 February was a key part of the budget setting process. This full Council meeting on the 22 February 2017 is responsible for setting a balanced budget and determining the Council Tax. If the recommendations in the report are approved by Council there will be an increase in the Borough's part of the Council Tax in 2017/18 of 2.04% (£5 for a Band D property).

5. Please note that that the final grant settlement figures from government have yet to be received along with Disabled Facility Grants and Discretionary Housing Payments; once received adjustments will be made to the figures detailed in this report. Precepts will also be updated once actual figures are received from the Police and Crime Commissioner.

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## Recommendation(s)

Cabinet recommended to full Council to:-

- (i) Approve the revised revenue budget for 2016/17 (Appendix A).
- (ii) Approve the draft 2017/18 revenue budget (Appendix A)
- (iii) Approve a 2.04% (£5 for a Band D property) increase in the Borough Council's part of the Council Tax.
- (iv) Agree that the absolute minimum level of reserves that shall be retained be £5m (plus General Fund Balance) i.e. no change from 2016/17.
- (v) Approve the Capital Programme 2016/17 (revised) to 2019/20 (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 that the use of the monies in the budget and Reserves for "Invest to Save" schemes be determined by the Assistant Director - Financial Services & Revenues in consultation with the Leader of the Council.
- (viii) 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.
- (ix) Agree that schemes marked with an asterisk in the Capital Programme can proceed without further reference to Cabinet or Council.
- (x) Agree that work on Priority Income and Efficiency Reviews (PIER) should continue, and where possible identify a sustainable budget for a period in excess of one year. A mid-year review, for members and officers, to be undertaken in the light of the continuing severe government grant reductions.
- (xi) Approve the Car Parking charges for 2017/18 as detailed in Appendix N
- (xii) 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 (updated for full Council).

- (xiii) Approve that the budget be amended as necessary to reflect the final grant figures from government in respect of Discretionary Housing Payments and Disabled Facility Grants.
- (xiv) Approve the reduction for the Council Tax Prescribed Class D Properties i.e. those which are vacant and are undergoing “major repair work” or “structural alteration” to nil %.
- (xv) Approve a contribution to the Dial a Ride service of up to £7,500 in 2017/18. The sum to be determined by the Chief Finance Officer in consultation with the lead member following a review of the financial position of the service and the reserves held.
- (xvi) To accept that the proposal for the closure of toilets at Ore and other seasonal closures are no longer being recommended to Council. These are still mentioned in Appendix K 2 but now remain fully funded for 2017/18.

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### Reasons for Recommendations

1. Major reductions in funding in 2017/18 are set to continue to 2019/20 and 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 50% 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 balanced budgets in 2017/18 and beyond.

## Introduction

1. The Chancellor's November 2016 autumn statement identified that the real term reductions in local government funding would continue. Debt would rise from 84.2% of GDP last year to 87.3% this year and increasing to 90.2% in 2017/18. As a result the government no longer seeks to deliver a budget surplus by the end of this parliament but as "early as possible" in the next parliament. There will be no easing of austerity for public services.
2. On a national basis significant public spending cuts continue to be made, which along with reduced levels of benefit payments flowing from the welfare reforms will impact heavily on individual households. Lower levels of disposable income may result in even more pressure on Council services such as Housing and Revenue Services.
3. The Council when setting the budget in February 2016 forecast that there would be a deficit in 2016/17 of some £881,000, and £1,490,000 in 2017/18. A balanced budget for the two years being achieved by using limited amounts of the Council's reserves. The position has improved in 2016/17 following in-year initiatives such as the purchase of Muriel Matters House (previously Aquila House) and the Sedlescombe Road retail park, service transformation work and an improvement in the Social Letting Agency's position. The deficit now forecast for 2016/17 is some £76,500. For 2017/18 following extensive service transformation work, service reviews and reductions, initiatives to generate additional income, as well as some budget growth, the deficit is estimated at some £555,000. The level of risk within the budget and uncertainty within the forecasts has increased – particularly the uncertainties surrounding Brexit, business rate income, inflation prospects, demands on services, and claims being made against the Council e.g. Pier and NHS rate claims.
4. From information supplied with the government grant settlement, the reduction in the Settlement Funding Assessment for Hastings BC in 2017/18 is 11.5% or £726,000. 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 sustainable balanced budgets in the years ahead.
5. 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.
6. It should be noted that the budget does not include the anticipated increases in expenditure (both Capital and Revenue) or increases in income that will arise during the year as income generation schemes are approved. The Treasury Management Strategy included elsewhere on the agenda makes the recommendation that the overall authorised borrowing level be increased over the next few years in order to enable investments and income generation schemes to proceed should the Council approve them. The increases do not provide a licence to spend to these levels.

## Strategic Priorities

7. The Council's strategic priorities were refreshed for 2016/17 in the light of consultation and the continuing challenges that the Council and the community face and they continue to remain valid for 2017/18. They are:-
- (a) **Economic & physical regeneration:** To secure economic & physical regeneration that produces high quality new developments while preserving the best of our heritage, high standards of education and training, road & rail improvements and high-speed broadband, thereby creating economic growth and rewarding jobs, particularly in tourism, creative industries, and high-tech manufacturing & research.
  - (b) **Cultural regeneration:** To contribute to the regeneration of the borough through a rich cultural programme that appeals both to local people and visitors, extending, broadening and promoting the borough's cultural activities to establish Hastings as a nationally and internationally recognised centre for arts and culture.
  - (c) **Intervention where it's needed:** To make full use of our available powers and sanctions to tackle anti-social behaviour or practices, including poor housing, eyesore properties, unauthorised development, derelict land, fly-tipping and dog fouling.
  - (d) **Creating decent homes:** To facilitate the supply of secure, affordable and well-designed homes, through strategic planning policies, planning conditions, regulation of the private rented sector, tackling and eliminating bad landlords, and by working with social housing providers.
  - (e) **An attractive town:** To maintain visually interesting, well-maintained, uncluttered, clean and functional urban public spaces, especially along the seafront and in our town centres, integrated with high quality protected green spaces accessible to all.
  - (f) **A greener town:** To promote practices that minimise our carbon footprint through our policies and our own operations, protect and enhance biodiversity, and limit damaging consequences of human intervention on the natural environment.
  - (g) **Transforming the way we work** – To maximise the benefits provided by new technology, to take opportunities for smarter 'One Team' working and continue our drive to be more Customer First focused and efficient in the design and delivery of services.

## Financial Planning - Medium Term Financial Strategy

8. The Medium Term Financial Strategy, approved in November 2016, provided indicative budget forecasts for the 3 year period 2017/18 to 2019/20.
9. 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.

10. 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.

Whilst the principle remains sound the Council consciously strengthened its reserves in the last few years, knowing that these will be required to ease the transition to a sustainably funded Council and to meet key corporate priorities. The Council now requires the use of these reserves to achieve balanced budgets over the next few years.

- (iii) Adequate Provisions are made to meet all outstanding liabilities.
- (iv) Continue to identify and make efficiency savings

Each year there is a thorough examination of the Council's existing budgets to identify efficiency savings and to ensure existing spend is still a Council priority (Priority Income and Efficiency Reviews – PIER)

- (v) Review relevant fees and charges comprehensively and identify income generating areas as a means of generating additional funding for re-investment in priority services.
- (vi) Capital receipts and reserves will primarily be available for new investment of a non-recurring nature thereby minimising the overall financial risk.

Resources will be allocated to invest in the Council's assets to ensure they support the delivery of corporate and service priorities.

Resources will be made available to finance invest to save schemes to help modernise and improve services and generate efficiencies in the medium term.

- (vii) Ensure sufficient reserves are maintained.

Some reserves, having been built up in the last few years, are specifically identified to ease the transition to a lower spending Council and to meet key corporate priorities.

- (viii) Ensure value for money is achieved in the delivery of all services and that the Council seeks continuous improvement of all services.

It should be noted that the annual governance report produced by the Council's



external auditors in September 2016 gives a very positive opinion on the Council's provision of value for money services.

- (ix) 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.
- (x) Recognise the importance of partners in delivering cost effective solutions for services.

## **The Key Factors Impacting on the Budget**

### **Funding from Business Rates**

11. 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 2017/18 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.
12. 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.
13. The rateable value (RV) of business properties at the start of the 2017/18 year is forecast to be some £62.9m. However given the level of appeals, forecasting income levels for 2017/18 and beyond remains challenging. Business rates and the levels of appeals/ growth/ decline has been highlighted as a real risk yet again and will continue to impact significantly on the Council's level of funding. It is one of the key risks that the Council faces in terms of income volatility.
14. Multiplying the rateable value figure by the rate poundage and after charity and other reliefs the Council will collect some £20.9m of which the Council share is some 40% (£8.3m in 2017/18). For Hastings however with a Baseline Need that is lower than the Business Rate Baseline a Tariff is paid to central government – this amounts to £5,243,291 in 2017/18 as well as a levy. The estimate of the business rate income collected that will be retained by the Council in 2017/18 amounts to £2,997,000.
15. The picture for 2017/18 and beyond is further complicated by elements of business rates being reimbursed separately by central government e.g. doubling the threshold of 100% relief for small businesses to rateable values of £12,000 (tapered to £15,000). For 2017/18 a sum of £724,000 (estimate of HBC's share) has been allowed for these various elements - payable under Section 31 of the 2003 Local Government Act.

16. The Council is 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.
17. The Business Rates Pooling arrangement within East Sussex will end at 31 March 2017 due to appeal levels, revaluation implications and uncertainties on growth. The pool results in monies that would otherwise be paid to the government in terms of a levy being retained within East Sussex. A review will be undertaken in 2017/18 with a view to re-establishing a pool for 2018/19.

### External Funding – Annual Grant Settlement (and 4 year indicative forecast)

18. The 2017/18 provisional finance settlement was announced on 14 December 2016 with the final settlement figures expected to be confirmed in February 2017. The settlement provides details of the Revenue Support Grant and the levels of Business rates that the government expects councils to retain – the two figures combined make up the Settlement Funding Assessment.

Year	Settlement Funding Assessment (£ 000's)	Decrease (£ 000's)	Percentage Change (Annual)	Percentage Change (Cumulative)
2015/16	£7,194			
2016/17	£6,331	-£863	-12.0%	-12.0%
2017/18	£5,605	-£726	-11.5%	-22.1%
2018/19(Est)	£5,224	-£381	-6.8%	-27.4%
2019/20 (Est)	£4,801	-£423	-8.1%	-33.3%

19. In terms of the cash grant that the Council receives from the government (Revenue Support Grant) the Council signed up to the 4 year settlement offered. The updated figures of the grants receivable over the period are detailed below. The Council will lose £797,000 in Revenue Support Grant in 2017/18, and by 2019/20 will have lost £2,739,000 (73.5%), leaving a grant allocation of some £988,000.

Year	Revenue Support Grant (£ 000's)	Decrease (£ 000's)	Percentage Change (Annual)	Decrease (Cumulative) (£ 000's)	Percentage Change (Cumulative)
2015/16	£3,727				
2016/17	£2,835	-£891	-23.9%	-£891	-23.9%
2017/18	£2,038	-£797	-28.1%	-£1,689	-45.3%
2018/19 (Est)	£1,542	-£496	-24.3%	-£2,185	-58.6%
2019/20 (Est)	£988	-£554	-35.9%	-£2,739	-73.5%

20. The Council should also receive a small amount of Transition Grant funding in 2017/18 of £5,466 (£5,493 in 2016/17), but will not receive it thereafter.
21. Discretionary Housing Payments (DHP's) play a vital role in supporting a lot of people affected by the welfare changes. The grant figure for 2016/17 amounted to £277,703. For 2017/18 the funding amounts are yet to be advised. This funding will be fully subscribed and the budget will be updated once the details are received
22. In brief, save for the reductions in the New Homes Bonus funding the annual grant settlement figures for 2017/18 were in line with overall expectations in the Medium Term Financial Strategy.

### Summarised Grant Position

23. The level of grants received from the government between 2010/11 (the year before the previous Comprehensive Spending Review) and 2016/17 have decreased by over 50%. For the period 2010/11 to 2019/20 the reduction in cash grant funding is estimated at 70% on a like for like basis (i.e. excluding Council Tax Freeze Grant, Homelessness Grant and Council Tax Support Grant in order to provide a clear comparison). These figures are all based on cash and exclude the effects of inflation (the inclusion of which would increase the % reductions even more).
24. In 2017/18 the Council will lose £797,000 in Revenue Support Grant. New Homes Bonus is some £379,000 less than in 2016/17 as detailed in the report and is set to fall further. These two grants losses alone amounting to some £1,176,000. This loss of grant when combined with the additional costs from inflation and pay

increases and demand pressures present the Council with significant financial and resource challenges.

## Core Spending Power

25. The government identified a new term last year, which is similar to the previous Revenue Spending Power. Core Spending Power sets out the expected available revenue for local government spending through to 2019/20 using Office of Budget Responsibility (OBR) estimates.
26. The Core Spending Power figures for Hastings from 2016-17 through to 2019-20 are derived from the sum of the following core components:
- (i) The Modified Settlement Funding Assessment amounts,
  - (ii) The council tax requirement (excluding parish precepts).
  - (iii) New Homes Bonus

The table below shows the government's projections of how much funding the Council will retain after 4 years.

Illustrative Core Spending Power of Local Government;					
	2015-16	2016-17	2017-18	2018-19	2019-20
	£m	£m	£m	£m	£m
Settlement Funding Assessment*	7.29707	6.33086	5.60491	5.22377	4.80082
Council Tax of which;	5.83549	6.05425	6.29539	6.54370	6.80179
New Homes Bonus	1.01720	1.39594	1.017633	0.771364	0.740114
Transition Grant	0.00000	0.00549	0.00547	0.00000	0.00000
<b>Core Spending Power</b>	<b>14.14975</b>	<b>13.78655</b>	<b>12.92340</b>	<b>12.53883</b>	<b>12.34273</b>
Change over the Spending Review period (£ millions)					-1.8
Change over the Spending Review period (% change)					-12.8%

27. It can be seen from the above table that under this new measure, the Core Spending Power of the Council reduces by 12.8% over the period shown.
28. In practice however when looking at the year on year reductions in funding the figure is not helpful. The overall reduction in Settlement Funding Assessment (Business Rates, Revenue Support Grant and other rolled in grants) for 2017/18, is 11.5% - just in 2017/18. In real cash terms the Revenue Support Grant reduces by 28.1% (£797,000) in 2017/18 alone. The figures do not include other funding received from the government such as Housing Benefit Administration grant.

## Income Generation

29. The Council has a number of key income streams besides Council Tax and business rates. These include for example rents from land and industrial estates and shopping centres, cemetery, cliff railways, planning, licensing, lettings and land charges.

30. The Council now receives additional income of some £135,000 p.a. from renting out parts of the Town Hall and Muriel Matters House (previously Aquila House). From 2016/17 the Council is making a net saving of some £75,000 p.a. from purchasing the building rather than paying rent. The total of some £210,000 p.a. goes a little way to meeting the massive funding reductions the Council is experiencing and thus helps to protect services.
31. In November 2016 the Council purchased a small retail park in Hastings for £7.275m. This along with the completion of the new BD foods factory unit and some other small income streams will result in an additional £500,000 of income for the Council - against which there are financing costs.
32. Other projects in the pipeline already, include income from additional beach huts/chalets (£40,000 p.a.), new seafront kiosk (£8,000 p.a.).
33. Given the Council's need to generate significant levels of new income if services are to be protected, an income generation strategy will be forthcoming shortly, which will consider the merits (or otherwise) of investing within Hastings or outside of Hastings and the strategies to be employed in comparing the merits of investments in for example commercial property vs electricity generation/trading vs housing etc.
34. Given the significant funding reductions in the years ahead and the freedoms available for competent councils, the Council is continually looking to increase the income it can generate. Trading will generally require a separate company(s) to be set up e.g. housing company. Each and every opportunity will, like now, need to be supported by a careful evaluation of the opportunities and associated risks. To this end an Income Generation Board has been established which will operate within the Council's governance arrangements.
35. The Council's income generation plans will involve both capital and revenue expenditure. The Council is able to borrow for capital expenditure but must determine its overall borrowing limits prior to the start of the financial year. It is able to vary them within the year, but such decisions can only be taken by full Council. The purpose of setting borrowing limits is to ensure that the borrowing costs are prudent and affordable when determining the budget. The proposed levels are contained within the Treasury Management Strategy which is considered by the Audit Committee and Cabinet before being determined by full Council.
36. Income generation will form an increasingly important aspect of the Council's activities in order to support key services and some of the key areas are identified in the Corporate Plan. There is expected to be further calls on the remaining Invest to Save Reserve (as well as other reserves) in order to set up some of the initiatives and meet some of the revenue borrowing requirements of any newly formed trading company (s).

## **Fees and Charges**

37. The council has limited reserves and remains reliant upon income streams and investment returns to balance the budget. Given the welfare changes and low wage settlements, there are continuing implications for a number of the council's income streams in the medium term. Rental streams from shops remain under

considerable pressure e.g. Priory Meadow. Given that income streams remain a risk, fees and charges have been kept under careful review and are considered annually against the background of Council priorities, the local economy and its needs, and people's ability to pay.

38. In respect of most fees and charges, with a few exceptions, these have generally been increased by some 10%, except where set by statute. The majority of planning fees are determined nationally by government. The government had announced that they would "consult on allowing well-performing planning services to increase their fees in line with inflation at the most, providing that the revenue reduces the cross subsidy that the planning function currently gets from council tax payers". To date no announcement has been received on revising the statutory charges.
39. Car parking charges were last increased in February 2015 for a 24 month period (increases were applicable from 1 April 2015). The Council is experiencing a significant increase in business rate costs over the next few years on some of its car parks following the recent national revaluation. The Council has also recently invested heavily in updating the town's CCTV system which provides cover for the car parks. Some of the car parks are regularly full and it remains important that those car parks situated near to the commercial hub are priced effectively to ensure that spaces are available for shoppers. The Council will investigate more flexible charging rates as a way of managing car park use e.g. higher charges on summer weekends in seafront and town centre car parks. It is proposed that car parking charges are increased for 2017/18 as detailed in Appendix N.

## Investment and Borrowing

40. The low levels of interest received on balances looks set to continue for at least the next 6 months. Base rates are not expected to increase in 2017 from their current level of 0.25%. The Council's treasury advisers were indicating a fall to 0.1% by December 2016 and spring 2018 as the potential date for the next interest rate increase back to 0.25%. However following the American election result, the rate is not expected to reduce. Given the restricted counterparties list and short investment periods, investment returns of around 0.5% are predicted in 2017/18. The Treasury Management Strategy will continue to advocate a policy of keeping the respective levels of debt and investment under review.
41. The council has had additional borrowing requirements in 2016/17 to finance the acquisition of Muriel Matters House, the new factory on Castleham, the acquisition of the retail park and other capital schemes. This increases the borrowing costs as well as the amount required to be set aside each year to repay this debt (the Minimum Revenue Provision).

## Inflation

42. This has not been a major issue over the last couple of years. Inflation has however been increasing over the last few months and looks set to increase further. In December 2016 it was 2.5% (Retail Price Index) whilst the government's preferred measure CPI (Consumer Price Index) was 1.6%.

43. The council allowed 1% for inflation in 2016/17, and 2% for the years beyond in its budget projections.
44. Inflation, according to the Bank of England inflation report is expected to be at or around the 2% target in the next two years, but some commentators are suggesting a spike of around 2.7% next year or even higher.
45. Based upon the above projections, general inflation is being estimated at 2% overall for 2017/18 and beyond, with only contract inflation being allowed for in the budget i.e. a real cash freeze again for all other service expenditure areas. Any increases above this level would need to be contained within service budgets within the year.

## **Public Sector Pay Settlement and National Living Wage**

46. The figures in the budget assume a 1% increase for 2017/18 and beyond. In addition there are contractual increments (equivalent of around ½%).
47. The salaries budget together with national insurance and pension costs amounts to some £11.2m in 2016/17. The estimated costs will increase by some £190,000 in 2017/18.
48. The Council remains committed to paying the accredited living wage (£8.45 per hour), which is significantly higher than the national minimum wage of £6.95 per hour for over 21's, and the new minimum wage premium for over 25s of £7.50 per hour that will come into force across the UK in April 2017. As a result of the latter the Council can expect the costs of external service provision to rise. The Council will need to ensure it reviews specifications closely in order to ensure overall costs do not rise– as has very successfully been the case with regard to cleaning contracts.

## **Council Tax Reduction Scheme**

49. In 2013/14 the government paid an upfront grant in respect of Council Tax support, leaving the council to fund any “in year” increase in demand. In 2014/15 the Council Tax Support Grant was rolled into the Settlement Funding Assessment and thus effectively decreases in line with the annual reductions in grant funding. The council determined however that its own scheme (The Council Tax Reduction Scheme) would remain the same in 2015/16, it did the same again for 2016/17, and the same again for 2017/18 (Full Council in December 2016).
50. The Council Tax Reduction Scheme continues to pose a significant financial risk for the Council. That risk being that should claimant numbers increase the additional costs now fall on the Council and its preceptors rather than the government. The Council will need to continue to retain adequate reserves for this purpose. However, there has been a reduction of some 3% in the numbers seeking assistance and this has resulted in fewer discounts being granted. This impacts positively on the calculation of the Council Taxbase.

51. Given that overall levels of government funding continue to decline year on year, the Council will again need to review the affordability of the scheme during 2017/18, and will do so in conjunction with neighbouring authorities.

### **Universal Credit & Benefit Administration Grant**

52. In terms of Universal Credit the programme of transfer was originally expected to commence in October 2013 in respect of new claims with existing claims being completed by 2017/18. The first new claims actually took place in April 2015 but has had relatively little impact on the service until the 14 December 2016 when all new claims for those of working age and some change of circumstances transferred to Universal Credit.
53. The impact of the change is for a reduction in benefit claims, an increase in questions and support, and a reduction in the Council Tax and Housing Benefit administration grant receivable in the years ahead. The implications on staff and services will begin to be understood in the coming weeks and decisions will then be taken in the light of the funding reductions. It should be noted that the final stage of converting the stock of existing Housing Benefit claims onto Universal Credit is still some years away – to be completed by 2022.
54. The Department for Work and Pensions (DWP) are providing additional funding to the Council in 2017/18. Some of this will be required to fund external support organisations (£52,000) for those providing debt advice, etc, which is paid on a per head basis. Some funding however is to meet the additional burdens on dealing with DWP enquiries, complex cases and closing down existing claims. The total support will amount to some £117,000 in 2017/18 (some £38,000 in 2016/17).
55. The Benefit Administration Grant for 2017/18 has however been reduced to £460,841 (from £568,874) – a loss of £108,033. Please note the Council Tax Support Grant has been separated out from the Benefit Administration Grant line (see Appendix 1).
56. The government have previously stated that TUPE will not apply with the introduction of Universal Credit, but that they may meet the redundancy costs should these arise – providing the Council can prove it has taken all possible steps to avoid such costs. The DWP has committed to providing funding forecasts for 2018/19 early in the new year to aid resource planning within councils.
57. The level of Council Tax Support Administration Grant receivable in 2017/18 has now been notified at £178,467 (£189,698 received in 2016/17). This represents a reduction of £11,231 (a 5.9% reduction).
58. Sizeable reductions in grant funding are expected in the years ahead as Universal Credit is rolled out – reductions in grant will necessitate ongoing reviews as to how the Council delivers this service.

### **Council Tax Exemptions**

59. From April 2013, billing authorities in England took on an additional power over certain Council Tax discounts. The level of discounts and exemptions the Council provides has been reduced in order to bridge the gap in funding from Government



and at the same time minimise the impact on the less well-off residents in the Borough.

60. Properties which are vacant and are undergoing “major repair work” or “structural alteration”, referred to as Prescribed Class D properties, can attract a discount of between 0% and 50%, for a maximum of 12 months. Some 300 claims are expected for this discount in 2016/17. The Council has the discretion to vary both the discount percentage and the time period. The savings arising from a full reduction would amount to some £120,000 in a full year of which some £17,000 would be a saving to Hastings Borough Council. The County Council, Police and Fire Authority who are all experiencing funding pressures would also benefit. It is recommended that the percentage be reduced to 0% from 1 April 2017.
61. This does not affect the remaining exemptions e.g. registered charities, people in care homes, prisoners, student examples, carers. More information on exemptions is available on the Council website.

### **Pension Fund Contributions**

62. The Council’s contributions to the pension fund managed by East Sussex County Council are determined every three years following an actuarial valuation. A new valuation has been undertaken in 2016 with revised contribution rates becoming payable from April 2017.
63. The rates currently payable by the Council consist of the primary contribution rate plus 1% for future ill health retirements (these are percentages of salaries of staff in the pension scheme) plus a lump sum (secondary rate), namely:

2016/2017 - 20.6% +1% + lump sum of £248,800

64. The combined rates for 2017/18 and beyond are as detailed below.

2017/18 - 23.8%  
2018/19 - 24.3%  
2019/20 - 24.8%

The fund’s Actuary has now provided a split between primary and secondary rates and the budget figures have been amended as a result. In addition there is 0.75% to add for future ill health retirements (reduced from 1%).

65. The future rates become :

2017/2018 -17.3% +0.75% + lump sum of £489,000 (6.5%)  
2018/2019 -17.3% +0.75% + lump sum of £540,000 (6.5%)  
2019/2020 -17.3% +0.75% + lump sum of £594,000 (6.5%)

66. The major change in how the primary rate is calculated affects all service budgets and many recharges within the Council’s budget. County have advised as follows

“In prior valuations we have set the primary rate (i.e. the percentage of pay rate) equal to the employer’s Future Service Rate calculated at the valuation date based

on a single set of valuation assumptions. At this valuation, the Fund has taken the decision to set the primary rate in a risk-adjusted way, i.e. the rate required to ensure the cost of future service is fully funded over the employer's time horizon (e.g. 20 years for HBC). The calculation of the Primary rate is therefore consistent with comPASS modelling (this modelling enables the Fund to quantify alternative strategies by assessing the probability) which the Fund carries out for all stabilised employers.

Setting the primary rate for stabilised employers in this way allows for expected market conditions and asset returns over the next 20 years. Because of this, the Primary rate is not as volatile as Future Service Rates valued using the single set of valuation assumptions, which are based on market conditions on a single day. Although the move to the risk-based primary rate will lead to a one-off shift in the percentage of pay rate payable by employers at this valuation, going forward we expect the Primary rates to remain more stable at future valuations."

67. An increase of 1% on the primary contribution rate (a £100,000 p.a. increase in the Council's contributions) had been included in the forward projections for 2017/18. The actual cost amounts to a stepped increase estimated at some £105,000 p.a. by 2019/20 (now expecting no additional costs in 2017/18).

## Grants

68. The Council receives a number of revenue grants each year e.g. New Homes Bonus, but has also been very successful in attracting numerous "one off" type grants in the last couple of years e.g. Rogue Landlord funding, Coastal Revival funding, Future Cities, and Active Women Programme, Answers in the Local Economy (ACE), Hastings Fisheries Local Action Group (HFLAG).
69. Regional and European funding successes have been very significant for Hastings. The Council has made further grant applications for very substantial sums of money and will continue to look to attract such funding to Hastings in the years ahead. Recent bids which the Council is involved in include, for example:-
- (i) Climate Active Neighbourhoods (CAN) (£870,000 over 3 years),
  - (ii) Sustainable Housing Inclusive Neighbourhoods (SHINE) (£1.5m over 4 years),
  - (iii) Community Led Local Development (CLLD) (£3.3m),
  - (iv) Destination White Rock – continuing the economic revival (£1.5m over 2 years),
  - (v) HFLAG 2 , (DIY TOV)DIY Regen: Transforming Ore Valley (£3.9m).
- If all, or most of these bids are successful the regeneration work within Hastings should remain significant.
70. A new grant of some £470,000 has recently been awarded across East Sussex authorities in respect of Homelessness – to cover a three year period. Initial estimates are now included in the budget.
71. The monies paid to the Council from the Clinical Commissioning Group (CCG) for various joint initiatives are included in the budget (£1.09m in 2017/18) and thus inflates the Council's net expenditure figures (funding included in transfers from reserves).

## New Homes Bonus

72. This 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. The sum receivable in 2016/17 amounted to £1,387,912.
73. The government announced in the November 2015 Autumn Statement that it would be consulting on changes to the New Homes Bonus - the money saved going to Social Care. The changes to the scheme to commence in April 2017.
74. The outcome as announced on the 15 December 2016 has been to reduce the period that it is payable for - from 6 years to 4 years with a transition year for 2017/18 whereby 5 years is payable. The government have also decided to introduce a minimum growth baseline of 0.4% below which the bonus will not be paid; this they state reflects a percentage of housing that would have been built anyway. The payment of a small amount to reflect the increase in affordable properties does not appear to be affected by the threshold decision.
75. As a result of these changes the Council will now receive only £5,600 in new Homes Bonus in respect of the 2017/18 year as against some £152,000 that would otherwise have been payable.
76. To achieve the government's estimated income of £144,730 in 2018/19 the number of completions (and empty property reductions) would need to increase from some 143 this year to some 250 next year (some 236 band D equivalent properties).
77. The table below shows the New Homes Bonus receivable by the Council in 2017/18 and the estimate for 2018/19.

Table: New Homes Bonus

Year	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 (Est) £
Year 1	194,710	194,710	194,710	194,710	194,710	194,710		
Year 2		189,838	189,838	189,838	189,838	189,838		
Year 3			119,097	119,097	119,097	119,097	119,097	
Year 4				382,670	382,670	382,670	382,670	
Year 5					119,542	119,542	119,542	119,542
Year 6						382,055	382,055	382,055
Year 7							5,600	5,600
Year 8								144,730
Total	194,710	384,548	503,645	886,315	1,005,857	1,387,912	1,008,964	762,467

78. The reduction in funding between 2016/17 and 2017/18 amounts to some £379,000 (- 27.3%).
79. Councils 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 money has been fully utilised to help balance the budgets in every year since its introduction.
80. The New Homes Bonus has been an important part of the government's effort to use funding to incentivise growth. The grant is currently funded by top-slicing the general formula grant and there are naturally real concerns over the re-distributional effects which can disadvantage deprived areas of the country with lower house prices or in areas where developers are less likely to want to build, or where land is expensive to develop.
81. The introduction of a 0.4% baseline is very unhelpful, and will impact significantly on the more urban, densely populated and deprived areas where there is generally less land available for development. It also should be noted that there remains a risk that this grant regime could effectively be ended altogether, particularly if all business rates are returned to councils in 2019/20. Representations have been made to the government in respect of the introduction of the 0.4% threshold.

### **Revised Budget 2016/17**

82. The revised 2016/17 total service expenditure budget amounts to £16.04m, against an original budget of £15.7m (Appendix A).

The main variations are summarised in Appendix C. These include:-

(1) Social Letting Agency – The original budget identified a cost to the Council of £59,566. The revised estimate identifies an improved position and that this will achieve a break even position for the year. No new properties are being taken on at present given the uncertainty on the funding regime. There is a real risk that the annual grant regime which is set to replace the current benefit payment regime will not cover the costs of the scheme. A review will be undertaken by the service as soon as grant levels become clear.

(2) Selective Licensing – the scheme was budgeted to make a surplus of £233,000 in 2016/17. The revised estimate for the year is for a deficit of £25,430 (an adverse variance of some £258,000). The 2017/18 budget is forecasting a surplus of £32,000. Any surplus achieved is being returned to the General Reserve – until such time as the deficits are extinguished. Additional enforcement and prosecutions are taking place, which will help ensure this is achieved.

(3) Development Control – an additional £116,000 was included in the budget following a restructure - as agreed by Cabinet.

(4) Homelessness and Preventing Repossessions - Expenditure on Supplies and Services (mainly temporary accommodation) looks set to increase to some £520,000 from £286,000. Whilst some of this may be recovered in Housing Benefit, there is a net growth in the budget of some £50,000 in 2016/17 and 2017/18. This

is a worrying trend, especially given the problems experienced elsewhere in the country where Universal Credit is now in place. The ability of Councils to recover the accommodation costs will be challenging and necessitates a close examination of current arrangements.

(5) Youth Homelessness – the initiative has continued in 2016/17 partially funded by a revenue grant amounting to £34,500. The net additional cost of continuing this initiative is some £22,000 in 2016/17 and £21,000 in 2017/18 and represents growth in the budget.

(6) Housing (HMO) Licensing – the scheme was budgeted to make a surplus of £108,000 in 2016/17. The revised estimate for the year is however for a deficit of £71,640 (an adverse variance of some £180,000) – the scheme formally ended in September 2016.

(7) Waste Contract – an additional £54,000 payable and represents ongoing growth.

(8) Business Improvement District (BID) – The Council is picking up the systems, staffing, and running costs incurred in billing and collecting the monies from businesses within the BID area. The Council will also be liable for the levy itself in 2017/18 and beyond. The accounting arrangements for the BID are yet to be finalised.

(9) NHS Clinical Commissioning Group – Original budgeted spend in 2016/17 was £298,000 and this is expected to increase in the year to £651,000.

### 83. Non Domestic Rates – Appeals and backdated refunds

The uncertainty and volatility around the business rate income, from amended valuations, appeals, continues to have a large negative impact on the 2016/17 accounts. The volatility risk is mitigated to a degree by retaining sufficient reserves. The Council (along with many others across the country) has received a backdated claim for mandatory rate relief for the last 6 years in respect of NHS properties; this amounts to some £4.3m in respect of Hastings. This claim has not been accepted at this stage and the implications of doing so are not included in the revised budget for 2016/17 or for 2017/18.

### 84. On a very positive note there is additional income/ reduced expenditure in the following areas:

(1) Muriel Matters House (previously Aquila House) – £75,000 p.a. following the purchase. There is an additional £100,000 saving in 2016/17 as no set aside for repayment of debt is made in year of acquisition.

(2) Muriel Matters House – Council chamber let to Coroner's office (Tuesdays)

(3) Town Hall – additional offices let,

(4) Acquisition of Retail Park – Additional income in 2016/17 with no set aside for repayment of debt.

(5) Contracts – inflation in the year slightly below expectations

85. It should be emphasised that in compiling the revised budget there remains some risk to the levels of income expected in the last quarter of 2017/18 e.g. bad weather, Pier claim.
86. Going into 2017/18 the Council needs to maintain a level of reserves that can continue to ensure a managed transition to a much lower level of activity in the years ahead. The Council set aside monies (Invest to Save to support initiatives that achieve real savings or generate income.
87. There remains a limited amount of contingency budget in 2016/17 (£340,000), which could be the first call for legal fees in respect of the Pier and NHS claims.
88. In summary the deficit for the year was estimated to be £881,792 and is now forecast to be £76,526 (net). It is recommended that if there were any underspends at year end these are transferred to the Invest to Save Reserve.

### **Budget 2017/18**

89. The Council's total net expenditure in 2017/18 is estimated at £13.699m (amount to be met from Grant and Collection Fund). This compares to a revised estimate of £14.364m for 2016/17 and represents a decrease in net expenditure of 4.6%.
90. The Revenue Support Grant receivable from the government in 2017/18 of £2,038,000 represents a £797,000 (28.1%) reduction from the 2016/17 settlement. The impact of the settlement in 2017/18 is even more severe given the reduction in New Homes Bonus monies (a reduction of £379,000 (27.3%) from 2016/17).
91. In addition to the reductions in central funding there are a number of costs, other than the expected pay increases and contract inflation, that impact on 2017/18.

These include :

- i) Waste and Street Cleaning contract – additional contribution of £54,000 p.a.
- ii) Business Improvement District (BID) – The payment of a levy of some £7,000 p.a. and some costs which are not expected to be fully recoverable.
- iii) Business rate revaluation – impact on Council properties as well as the level of business rates retained.

The national revaluation has led to an increase in the overall rateable values within the borough, but by reducing the rateable poundage (set nationally) the amount to be collected in Hastings decreases. As a result the government have reset the baseline funding level of the Council i.e. how much the Council can retain.

- iv) Apprenticeship Levy - £35,000 (estimate of £50,000 less £15,000 allowance)

- v) Pension revaluation – no cost increase now expected in 2017/18 but a stepped increase over next 3 years totalling an additional £105,000 p.a. by 2019/20.
  - vi) Development Control – £67,000 of additional expenditure in 2017/18 largely as a result of increasing staffing resources in this area.
  - vii) Insurance costs – increase in insurance premiums in respect of public liability claims and the implications of Insurance Premium Tax increasing to 12%.
  - viii) Redundancy costs fall within the year that the decision is made. Additional costs are anticipated in 2017/18 beyond the £175,000 allowed in the base budget. A further £225,000 is therefore being funded from the Redundancy Reserve i.e. £400,000 in total for 2017/18.
92. The estimate of the deficit on the Collection Fund in respect of business rates (largely appeals) is some £232,205 (£638,660 in 2016/17). This is recovered in the 2017/18 accounting period as a charge to the General Fund.
  93. The estimated balance on the Collection Fund at 31 March 2017 in respect of Council Tax is a surplus of £232,205 (Hastings BC share), but the estimated deficit of £236,693 (HBC share) in respect on business rates, brings the net deficit to some £4,488. This compares to a £474,067 deficit that was charged to the 2016/17 budget.
  94. Savings and some areas of growth have been identified through the PIER process which amount to £728,000 (net) in 2017/18 (Appendices - K and Kii).
  95. The PIER saving in respect of the Digital by Design transformation will continue for a number of years as the Council transforms itself. Savings amounting to £62,000 out of the £235,000 originally estimated were included in the 2016/17 budget with the remainder to be achieved in 2017/18.
  96. Discretionary Housing Payments – £277,000 was received in 2016/17. The figure is awaited for 2017/18.
  97. The use of Invest to Save monies 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. In February 2016 it was agreed that the use of the monies be determined under delegated powers by the Chief Finance Officer in consultation with the leader of the Council. It is recommended that the use of these sums is again determined for 2017/18 and beyond under delegated powers by the Chief Finance Officer in consultation with the leader of the Council.
  98. As a result of inflationary impacts the Council can expect the costs of external service provision to rise e.g. contracts. The Council will need to ensure it reviews specifications closely, as successfully achieved in the cleaning contracts, in order to ensure overall costs do not rise and this may also result in service reductions.
  99. The Capital programme is detailed separately in the report. There are aspects of Capital schemes e.g. feasibility studies that cannot be capitalised. These aspects will in the main continue to be funded from capital reserves. Likewise the Council can recover some costs of disposal (revenue costs) from capital receipts when

assets are sold. There are some larger studies e.g. White Rock Area where the Council has identified separate revenue resources. One such call on the revenue budget is the cost of marketing in respect of West Marina site and subsequent marketing. This will amount to an additional £30,000 in 2017/18 which is included in the budget.

100. In summary there is an estimated deficit of £555,000 in 2017/18. The savings identified and additional income generated, mean that a balanced budget can be achieved in 2017/18 using some £355,000 of the Transition Reserve, £100,000 from the Economic Development Reserve and £100,000 from the Community Safety Reserve.

## **Budget 2018/19 and beyond**

101. The Council signed up to the government's offer of a 4 year settlement i.e. the four years to 2019/20. The Council's Efficiency Plan was accepted by the government. The benefit of doing so is that there is a degree of certainty on part of the Council's grant funding for the next 3 years – as identified in previous tables.
102. The indicative Revenue Support Grant reductions to be implemented over the period 2017/18 to 2019/20 amount to £2,739,000 (73.5%). In cash terms the funding reduction in 2017/18 amounts to a further £797,000.
103. A deficit of £1.7m is estimated for 2018/19 and a deficit of some £2.1m in 2019/20 – before the use of Reserves (see Appendix G). This assumes a net saving in respect of the White Rock theatre of £370,000 in 2019/20 when the current contract expires i.e. stopping the existing subsidy of some £620,000 but retaining £250,000 within the budget for cultural purposes.
104. The Council needs to achieve a much higher level of Income generation and PIER savings than those currently identified in Appendix K in order to achieve a manageable deficit in 2018/19 and the years beyond. The further transformation of the ways that people deal with the Council and how it works (Digital by Design) remains crucial to achieving further savings. The achievement of these must remain a priority for the Council.
105. To help ensure that the Council can continue to deliver key services at this time it is again proposed that the Transition Reserve be used to help fund services in 2018/19 in the sum of £750,000 and £750,000 again for 2019/20 (if necessary), along with balances from the Economic Development Reserve and Community Safety Reserve. These sums on their own are not sufficient to balance the budgets of the future years (based on current estimates and assumptions). By 2020/21 based on current assumptions the Council will need to achieve a fully balanced budget without the use of reserves.
106. To help ensure that the Council can continue to deliver key services at this time, should there be any underspends these 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 self-sustaining Council.



107. In order to address the budgetary issues ahead whilst also looking to improve the customer experience, it is recommended that the Priority Income and Efficiency Review process (PIER) continues.

### Council Tax

108. The Council has a record of lower than average tax increases.

Year	Hastings BC Tax Increase	National Average Increase	Hastings BC Council Tax Band D (£)
2004/05	4.5%	5.9%	196.44
2005/06	3.8%	4.1%	203.86
2006/07	2.4%	4.5%	208.75
2007/08	3.5%	4.2%	216.06
2008/09	3.5%	3.9%	223.62
2009/10	3.5%	3.0%	231.45
2010/11	1.9%	1.8%	235.85
2011/12	0%	0%	235.85
2012/13	0%	0.3%	235.85
2013/14	0%	0.8%	235.85
2014/15	0%	0.9%	235.85
2015/16	1.9%	1.1%	240.33
2016/17	2.1%	3.1%	245.33

109. In considering any Council Tax increase in 2017/18 because of the fact that the Council Tax Base has decreased (due to the Council Tax Support Scheme and the government now paying grants to individual councils) 1% on the Council Tax will equate to around £62,800.

110. It is again open to the Council to increase Council Tax for 2017/18. The threshold to trigger a local referendum in 2017/18 is 2% or above as well as an increase that is greater than £5 for a Band D property.

111. The total Council Tax liability has now been established following the determination of the precept requirements of East Sussex County Council (ESCC), the Police and Crime Commissioner, and the East Sussex Fire Authority are known. The figures in the appendices show an indicative 2.04% (£5 on a Band D property) increase for Hastings BC and a 1.98% increase plus an extra 3% for ESCC in respect of the Social Care Levy, 1.94% for the Fire Authority and a £5 (3.36%) increase for the Police and Crime Commissioner - Appendix M.

112. Council Tax is at £245.33 (Band D – Hastings BC element) and a 2.04% (£5 for a Band D property) increase in 2017/18 would take this to £250.33.

## Capital Receipts

113. A number of revisions to the programme have been made to take account of changing circumstances. 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.
114. Given the income generation options that are to be brought forward, disposal of the major sites will not now be undertaken without first assessing whether they are of interest for development by the Council itself or a wholly owned Council company. Such a policy does have big implications for the Council in that more schemes within the Capital programme will need to be financed by borrowing if materially delayed – with the ongoing consequences for the revenue account.
115. As ever it remains imperative that the Council maximises its capital receipts. Failure to do so will necessitate curtailment of the already limited capital programme given the costs of borrowing. The additional costs of borrowing fall directly on the revenue account in terms of interest payments and annual contributions 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 – it does not include the implications of any major income generation schemes.
116. 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.

## Capital Programme

117. The capital programme analysed by service is attached (Appendix P).
118. 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.
119. 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 has continued to refurbish industrial units. Likewise for the economic vitality of the town it is important that infrastructure remains well maintained. To this end the sum of £50,000 p.a. within the Capital programme is retained for public realm enhancements.

120. Whilst the capital programme had been significantly reducing, albeit opportunities are still being sought for funding e.g. application to be resubmitted to the Heritage Lottery Fund in respect of the Castle, this has not been the case in 2016/17. The purchase of Muriel Matters House and the Retail Park plus completion of the BD food factory has resulted in some £13m of expenditure and a near doubling of the Council's borrowing requirement.
121. The level of Disabled Facility Grant (DFG) funding for 2016/17 was £1,407,000 and was advised on 10 February 2016. Figures have not yet been advised for 2017/18. The funding is from the Better Care Fund and paid to the Council from East Sussex County Council rather than directly by the government. The capital programme will be revised once figures for 2017/18 are advised. On a national basis funding for DFG's increased from £220m in 2015/16 to £394m in 2016/17. It is set to increase to £500m by 2019/20 but the government have provided no indicative figures beyond 2016/17. This is a capital grant and can be used for DFG purposes only. The budget is not currently being fully committed – the projected underspends are being transferred to a new earmarked reserve.
122. The schemes included within the capital programme for 2017/18 are the Coastal Space (partnership with Amicus Horizon) - £875,000 grant for a further 30 properties, Pelham Crescent Arcade and roadway, Public Realm, Groyne repairs, Castle Access, and continuation of the Empty Homes programme.
123. There are two schemes where additional funding may be required following initial investigations – namely Pelham Crescent roadway, and upgrading car parking machines and signage. Separate reports will be required to Cabinet at a future date if additional funding is to be made available.
124. The Council approved in late 2016 the purchase of a parcel of industrial land. This has recently completed and proposals will be forthcoming for potential development. No allowance for this is made within the capital programme and as such will be the subject of a further report. Likewise a report on redevelopment at York Buildings will be forthcoming shortly.
125. The schemes remaining in the capital programme for 2018/19 and beyond are in respect of groyne refurbishments (£35k), Public Realm (£50k) and the Empty Homes programme (£70k), Coastal Space phase 3 and Sea Defence works (externally funded).

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

	Revised 2016/17 £'000s	2017/18 £'000s	2018/19 £'000s	2019/20 £'000s
Gross Capital Expenditure	17,364	5,795	2,681	1,128
Net Capital Expenditure	15,379	2,118	864	116
Financing from own resources	2,154	1,243	864	116
Borrowing Requirement	13,225	875	0	0

127. In terms of net cost, the 2016/17 programme has been revised to £15,379,000 from £7,929,000. The 2017/18 programme amounts to £2,118,000 (£5,795,000 Gross).

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

- c denotes schemes which are committed
- n denotes schemes that are new
- u denotes schemes which are in the programme but as yet uncommitted

129. 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

130. 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.

131. 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 2017/18.

### Minimum Revenue Provision (MRP)

132. 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.

133. 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 2017/18 is estimated at £831,669 (excluding any notional figures for leasing arrangements).

## Reserves

134. 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.
135. 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.
136. 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.
137. The estimated reserves position, as at 31 March 2017, is shown in Appendix H. As an absolute minimum, the combined level of the Capital Reserve and General Reserve should be £5m i.e. the non- earmarked reserves. This is the same as in 2016/17 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, land charges, and the mandatory rate relief claim in respect of NHS properties. 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 - £2m
138. 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

in the year must be considered as opportunities to strengthen the reserves and improve services for the future – given the funding uncertainties.

139. A new earmarked reserve has been established for unspent Disabled Facility Grant monies. These are capital grant monies from the government and cannot be used for revenue purposes.
140. 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 Financial Officer is required to report on the reasons, and the action, if any, which he considers appropriate.
141. 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 Assistant Director - Financial Services & Revenues 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**

142. The draft Corporate Plan and Budget was the subject of consultation (from Friday 13 January 2017). The closing date for comments (Friday 10 February) was after the dispatch of the Cabinet agenda and therefore any further comments received were reported verbally to Budget Cabinet on 13 February. Comments received from the business community, voluntary and community sector organisations and the Overview and Scrutiny Committee meeting were to be included within the Corporate Plan report elsewhere on the agenda.
143. The full Council meets to set the budget on 22 February 2017.

## **Equalities and Community Cohesiveness**

144. The equalities implications of the proposals included in the draft budget and corporate plan are set out in Appendix K2. 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**

145. 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 funding and employment of staff 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 2018/19 and beyond.

146. 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.
147. 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.
148. 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.

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.

The Council continues to rebut a backdated claim for mandatory rate relief in respect of NHS properties amounting to some £4.3m for the last 6 years. If the claim were ever to be accepted the ongoing loss of revenue would amount to an estimated £776,000 p.a. of which Hastings would pick up 40% (£310,000 p.a.). The Council's share of the £4.3m would amount to some £1.7m (40%). The Local Government Association are coordinating support i.e. providing Counsel's advice on behalf of the hundred plus local authorities potentially affected. In the meantime the minimum level of Reserves that the Council has needs to be maintained.

- (ii) Income Generation (including the preservation and enhancement of existing schemes)

The Council is seeking to grow its income streams considerably. New initiatives need proper and effective governance arrangements and business cases will need to be robust. Due diligence needs to be thoroughly undertaken, often under restricted timescales, along with financial and taxation implications. The employment of the Income Generation Manager should help the Council to identify and progress viable schemes – thus helping to reduce the risk of unbalanced budgets in future years. There will however be considerable pressure on existing staff and prioritisation will be required.

The potential impact on the authority should things go wrong needs to be considered prior to the approval of individual schemes, along with potential exit strategies.

It also remains of critical importance that budget managers retain sufficient capacity to manage their services and the budgets delegated to them when new initiatives are being implemented. Careful monitoring and regular review of

existing initiatives is also required e.g. selective licensing, social lettings agency.

- (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, building control, procurement, and financial systems. 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 Credit and Council Tax Support). There is a significant financial risk of increased Council Tax support payments being made in the year should the economy falter– the financing risk falling on the Council. The scheme approved is for a further period of one year to March 2018. The Council will consider a new scheme for 2018/19 with all the implications this has on the local community and the Council in devising the scheme. The stepped roll out of Universal Credit continued on the 14 December 2016 with all new working age claimants being moved across as against just single claimants. According to the DWP timetable the transfer of existing claimants to Universal Credit is expected to be completed by 2022.
- (vi) Restructuring Costs. In order to make savings of the magnitude required in the future, the Council will need to further reconsider what services it can provide and to what level. The continued transformation and digitalisation of services continues and further restructuring seems inevitable. 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 2016 was £648,000). The intention will be to meet any additional redundancy costs from either the existing 2017/18 provision or the redundancy reserve. The reserve assists in transforming the Council to a lower spending organisation in the years ahead.
- (vii) PIER savings. The identification of new, and realisation of already identified, savings will be critical for the Council to achieve a sustainable budget in the future.
- (viii) Treasury Management – borrowing costs, investment security and level of returns.
- (ix) Potential Liabilities
  - (i) The Council is currently involved in a legal claim following the closure of the Pier in 2006 – which may see the question of costs being resolved shortly.
  - (ii) Additional costs could arise from the cliffs surveys once clearance and repair work commences - which would impact on the Renewals and Repairs reserve in the first instance. The costs of the work have been reprofiled.



- (x) The Economy. The economic and financial uncertainty surrounding Brexit will be a major risk for some years. The Council relies upon its income streams to provide services. Inflationary pressures having eased over the last few years look set to increase and will have real implications for the Council given the continued reductions in funding.
- (xi) New Legislation – changes in the Housing Act, changes in the waste directive on recycling targets for example are all likely to impact on the Council's activities over the next four years.

## **Economic/ Financial Implications**

- 149. The report supports the alignment of corporate priorities with available resources, produces a robust and balanced budget for 2017/18 (albeit with significant use of reserves). There are a number of projects forthcoming within the capital programme to assist the continuation of the regeneration of Hastings.
- 150. The financial implications in 2017/18 and beyond are detailed in the report. However, significant further action by the Council will be required to produce a sustainable budget beyond 2018/19 and this may result in more job losses.
- 151. 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 continues but will be seriously reduced in the future with the reductions in our funding. However in the short term 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 contribution to the regeneration of the town over the next few years. These are being used to support the budget in 2017/18 and beyond.
- 152. The continued reduction in government funding and public sector jobs along with the reduction in the Council's spending power could have a negative effect on the local economy.

## **Organisational Consequences**

- 153. There is a loss of a number of posts and the organisation seeks to minimise the impact on Council services through efficiencies. There will inevitably be consequences from time to time as this process continues given the substantial savings the Council is required to make. The Council seeks to minimise the impact wherever possible through redeployment and voluntary severance.

## **Anti-Poverty**

- 154. The Council took the decision to retain the Council Tax Support scheme in its existing form in December 2016 and hence help protect some of the more vulnerable households in the community.

## **Equalities and Community Cohesiveness**

An assessment of equality impacts is set out in Appendix K2 and will be considered as part of the consultation process.

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**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

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**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	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	Yes
Local People's Views	Yes
Anti-Poverty	Yes

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**Additional 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/](http://www.hastings.gov.uk/decisions_democracy/transparency/budgets_finance/)

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# Budget

## 2017-2018

### Management Edition



# Appendices to Budget Report

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## REVENUE BUDGET SUMMARY

## Appendix A

	2016-2017 Original Budget £	2016-2017 Revised Budget £	2017-2018 Estimate Budget £
<b>Directorates</b>			
Corporate Resources	3,020,824	2,511,230	2,692,710
Operational Services	12,346,189	13,056,340	11,802,367
<b>Direct Service Expenditure</b>	<b>15,367,013</b>	<b>15,567,570</b>	<b>14,495,077</b>
Contingency Provision (incl. R&R Reserve)	400,000	340,000	400,000
<b>Total Service Expenditure</b>	<b>15,767,013</b>	<b>15,907,570</b>	<b>14,895,077</b>
Provision for the Repayment of Principal (MRP)	519,642	504,975	831,669
Net Interest (Earnings) / Payments	218,000	178,436	232,753
Total Expenditure	16,504,655	16,590,981	15,959,499
<b>Amount to be met from Grant and Collection Fund</b>			
Government Grant - Revenue Support Grant	(2,835,303)	(2,835,303)	(2,038,000)
New Homes Bonus	(1,387,912)	(1,387,912)	(1,008,963)
New Homes Bonus Return Funding	(8,404)	(8,404)	(8,670)
NNDR (Surplus) / Deficit	638,660	638,660	236,693
Council Tax (Surplus) / Deficit	(164,593)	(164,593)	(232,205)
Disabled Facilities Grant	(1,407,313)	0	0
Housing Benefit Administration Grant	(560,000)	(568,874)	(460,841)
Council Tax Support Admin Grant	(190,000)	(189,698)	(178,467)
Transition Grant	(5,493)	(5,493)	(5,466)
Business Rates	(3,059,860)	(3,104,902)	(2,997,209)
Business Rates - Pooling	(58,124)	(35,603)	0
Business Rates - Section 31 Grant	(605,868)	(647,516)	(723,998)
Council Tax	(6,054,254)	(6,054,254)	(6,282,031)
Total Funding	(15,698,464)	(14,363,892)	(13,699,157)
Funding deficit / (surplus)	806,191	2,227,089	2,260,342
<b>Reserve movements</b>			
Contributions to Capital from Grant and Revenue (Appendix B)	1,377,313	0	0
Contributions to Reserves (e.g. R&R)	996,000	886,539	971,099
Use of Earmarked Reserves (see Appendix H)	(2,297,712)	(3,037,102)	(2,676,496)
Net Contribution to/(from) Reserves	75,601	(2,150,563)	(1,705,397)
<b>Use of Reserves to fund Deficit</b>			
Transfer from Transition Reserve	(581,792)	(76,526)	(354,945)
Transfer to/(from) Specific Reserve	(300,000)	0	(200,000)
Total	(881,792)	(76,526)	(554,945)
<b>General Fund Movement</b>			
Net Council Expenditure	16,580,256	14,440,418	14,254,102

**Appendix A (continued)**

**COUNCIL TAX**

<b><u>2016-2017</u></b>			<b><u>2017-2018</u></b>		
Total	Band D		Total	Band D	Increase
£	£		£	£	%
15,698,464		Budget requirement	13,699,157		
(2,835,303)		Revenue Support Grant	(2,038,000)		
(190,000)		Council Tax Administration Support Grant	(178,467)		
(1,197,912)		New Homes Bonus	(1,008,963)		
474,067		Collection Fund (Surplus) / Deficit	4,488		
(2,835,202)		Other non-ring fenced grants	(1,198,975)		
(3,059,860)		Retained Business Rates	(2,997,209)		
<b>6,054,254</b>	<b>245.33</b>	<b>Borough Council Tax</b>	<b>6,282,031</b>	<b>250.33</b>	2.04%
30,894,388	1,251.90	County Council Precept	32,983,864	1,314.36	4.99%
2,140,076	86.72	Fire Authority Precept	2,218,398	88.40	1.94%
3,674,801	148.91	Police and Crime Commissioner Precept	3,862,371	153.91	3.36%
<b>42,763,519</b>	<b>1,732.86</b>	<b>Total Council Tax</b>	<b>45,346,664</b>	<b>1,807.00</b>	4.28%
	<b>24,281.00</b>	<b>Council Taxbase at Band D</b>		<b>25,095.00</b>	

TABLE OF COUNCIL TAX BANDS AND AMOUNTS :

<b>2016-2017</b>	<b>Relationship</b>	<b>East Sussex</b>	<b>Police and Crime Commissioner</b>	<b>East Sussex</b>	<b>Hastings</b>	<b>Total</b>	
<b>Amount</b>	<b>Band and Value *</b>	<b>to Band D</b>	<b>C.C.</b>	<b>Fire Authority</b>	<b>B.C.</b>	<b>Amount</b>	
£1,155.23	A - up to £40,000	6 / 9	£876.24	£102.61	£58.93	£166.89	£ 1,204.67
£1,347.78	B - £40,001 up to £52,000	7 / 9	£1,022.28	£119.71	£68.76	£194.70	£ 1,405.45
£1,540.31	C - £52,001 up to £68,000	8 / 9	£1,168.32	£136.81	£78.58	£222.52	£ 1,606.23
£1,732.86	D - £68,001 up to £88,000	-	£1,314.36	£153.91	£88.40	£250.33	£ 1,807.00
£2,117.94	E - £88,001 up to £120,000	11 / 9	£1,606.44	£188.11	£108.04	£305.96	£ 2,208.55
£2,503.02	F - £120,001 up to £160,000	13 / 9	£1,898.52	£222.31	£127.69	£361.59	£ 2,610.11
£2,888.09	G - £160,001 up to £320,000	15 / 9	£2,190.60	£256.52	£147.33	£417.22	£ 3,011.67
£3,465.72	H - over £320,000	18 / 9	£2,628.72	£307.82	£176.80	£500.66	£ 3,614.00
43,008	Number of properties on Council Tax Banding List						43,141
£24,678.00	Each £1 of Council Tax at Band D will raise						£ 25,095

## Appendix A (continued)

### 1. BUSINESS RATES BASELINE

	Budget 2016-17 Amount £	Revised Budget 2016-17 Amount £	Budget 2017-18 Amount £
<b>NNDR Income</b>			
Gross rateable value	57,926,747	58,082,532	62,971,867
Small business multiplier	48.4	48.4	46.6
Gross rates receivable	28,036,546	28,111,945	29,344,890
Reliefs and allowances for bad debt and appeals	(6,535,811)	(6,943,805)	(8,387,381)
Net rates less losses	21,500,735	21,168,140	20,957,509
Cost of Collection allowance	(133,943)	(133,943)	(133,508)
<b>NNDR Income</b>	<b>21,366,792</b>	<b>21,034,197</b>	<b>20,824,001</b>
<b>Hastings BC Share (40%)</b>	<b>8,546,717</b>	<b>8,413,679</b>	<b>8,329,600</b>

#### Tariff Calculation

Business Rates Baseline for HBC	8,866,168	8,866,168	8,810,215
DCLG calculation of baseline funding level	3,495,559	3,495,559	3,566,924
<b>Tariff</b>	<b>5,370,609</b>	<b>5,370,609</b>	<b>5,243,291</b>

#### Levy calculation

Total income	8,546,717	8,413,679	8,329,600
Add 50% small business relief	503,032	549,648	659,301
Add reliefs attracting Section 31 grant	48,914	45,252	(486)
Adjusted income	9,098,663	9,008,579	8,988,415
Less Tariff	(5,370,609)	(5,370,609)	(5,243,291)
	3,728,054	3,637,970	3,745,124
Baseline funding level	(3,495,559)	(3,495,559)	(3,566,924)
Growth	232,495	142,411	178,200
<b>Levy payable (50% of growth)</b>	<b>116,248</b>	<b>71,206</b>	<b>89,100</b>
<b>Pooling income (50% of levy)</b>	<b>(58,124)</b>	<b>(35,603)</b>	<b>0</b>

#### Safety Net calculation

Baseline funding level	3,495,559	3,495,559	3,566,924
Threshold (92.5% of baseline funding level)	3,233,392	3,233,392	3,299,405
Adjusted income less Tariff	3,728,054	3,637,970	3,745,124
Difference	494,662	404,578	445,719

**Safety Net receivable** **0** **0** **0**

#### Business Rates Collection

Business Rates precept	8,546,717	8,546,717	8,329,600
Tariff	(5,370,609)	(5,370,609)	(5,243,291)
Levy	(116,248)	(71,206)	(89,100)
Safety Net	0	0	0

**Net Business Rates collection** **3,059,860** **3,104,902** **2,997,209**

### 2. COLLECTION FUND

	2016-2017 Original Budget £	2016-2017 Revised Budget £	2017-2018 Estimate Budget £
Council Tax (Surplus)/ Deficit	(164,593)	(164,593)	(232,205)
Non Domestic Rates (Surplus)/ Deficit	638,660	638,660	236,693
<b>Total Collection Fund (Surplus)/ Deficit</b>	<b>474,067</b>	<b>474,067</b>	<b>4,488</b>

**INTEREST, MINIMUM REVENUE PROVISION & CONTRIBUTIONS TO RESERVES**

**Appendix B**

	2016-17 Original Budget £000's	2016-17 Revised Budget £000's	2017-18 Estimated Outturn £000's
Net Interest Payments	218	178	233
Contributions to Reserves	996	887	971
Minimum Revenue Provision (Statutory provision for principal repayment arising from borrowing requirement)	520	505	832
<b>Total</b>	<b>1,734</b>	<b>1,571</b>	<b>2,036</b>
<b>Interest</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Gross Interest Payable	572	675	974
Gross Interest Received	(249)	(223)	(187)
Income and expenditure in relation to investment properties	(67)	(229)	(535)
Fees	13	6	0
Other charges	(51)	(51)	(19)
	<b>218</b>	<b>178</b>	<b>233</b>
<b>Contributions to Capital Spend from Grant and Reserves</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Disabled Facilities Grant	1,377	0	0
	<b>1,377</b>	<b>0</b>	<b>0</b>
<b>Contributions to Reserves</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
IT Reserve	214	214	214
Government Grant Reserve	0	111	213
Section 106 Reserve	0	0	0
Transfer to Reserves re: LAMS	32	23	3
Transfer to Specific Reserve re: Selective Licensing	233	0	33
R&R General	420	420	420
R&R White Rock Theatre	80	80	80
R&R re: New Vehicles	8	8	8
Registration of Electors - IER Grant	0	19	0
First World War Reserve	9	11	0
	<b>996</b>	<b>887</b>	<b>971</b>
<b>Transfers to/ between Reserves</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Transfer from General Reserve to IT Reserve	0	0	0
Transfer to Transition Reserve from Capital Reserve	0	0	0
Transfer to Transition Reserve from General Reserve	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income and Transfers</b>	<b>996</b>	<b>887</b>	<b>971</b>



Corporate Services

2015-16 ACTUAL	SERVICE	2016-17 ORIGINAL BUDGET	2016-17 REVISED BUDGET	2016-17 VARIANCE	2017-18 ESTIMATED OUTTURN	2017-18 VARIANCE
£'000	<u>SUBJECTIVE SUMMARY FOR CORPORATE SERVICES AND GOVERNANCE</u>	£'000	£'000	£'000	£'000	£'000
5,583	Employees	6,144	5,996	(149)	6,327	182
1,483	Premises	1,733	1,516	(217)	1,457	(276)
46	Transport	51	55	4	54	3
2,446	Supplies and Services	2,463	2,146	(317)	2,298	(164)
1	Third Party Payments	0	0	0	0	0
51,856	Transfer Payments	52,500	50,132	(2,368)	50,132	(2,368)
10,583	Support Services	8,994	8,011	(982)	7,855	(1,139)
1,769	Capital Finances	0	0	0	0	0
<b>73,767</b>	<b>Expenditure</b>	<b>71,886</b>	<b>67,856</b>	<b>(4,030)</b>	<b>68,124</b>	<b>(3,762)</b>
(57,367)	Income	(57,273)	(55,217)	2,056	(55,082)	2,191
(13,518)	Recharges Out	(11,192)	(10,128)	1,064	(9,949)	1,243
<b>2,882</b>	<b>Net Expenditure</b>	<b>3,421</b>	<b>2,511</b>	<b>(910)</b>	<b>3,093</b>	<b>(328)</b>

Operational Services

2015-16 ACTUAL	SERVICE	2016-17 ORIGINAL BUDGET	2016-17 REVISED BUDGET	2016-17 VARIANCE	2017-18 ESTIMATED OUTTURN	2017-18 VARIANCE
£'000	<u>SUBJECTIVE SUMMARY FOR OPERATIONAL SERVICES</u>	£'000	£'000	£'000	£'000	£'000
7,562	Employees	7,266	7,292	26	6,865	(402)
2,731	Premises	3,034	2,979	(55)	2,812	(222)
199	Transport	192	159	(33)	146	(46)
4,564	Supplies and Services	3,828	5,362	1,534	5,454	1,627
3,516	Third Party Payments	3,588	3,625	38	3,679	91
0	Transfer Payments	0	0	0	0	0
8,892	Support Services	6,950	6,693	(257)	6,457	(493)
3,669	Capital Finances	0	0	0	0	0
<b>31,132</b>	<b>Expenditure</b>	<b>24,857</b>	<b>26,110</b>	<b>1,253</b>	<b>25,413</b>	<b>556</b>
(13,798)	Income	(7,759)	(8,537)	(778)	(9,243)	(1,484)
(2,162)	Recharges Out	(4,752)	(4,580)	172	(4,366)	385
<b>15,172</b>	<b>Net Expenditure</b>	<b>12,346</b>	<b>12,994</b>	<b>648</b>	<b>11,803</b>	<b>(543)</b>

## CAPITAL PROGRAMME SUMMARY

	Capital Costs					Total over Prog Period £'000
	2016/17 Original £'000	2016/17 Revised £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	
	Corporate Resources	6,049	14,529	500		
Operational Services	1,860	781	1,618	764	116	2,399
	<b>7,909</b>	<b>15,310</b>	<b>2,118</b>	<b>764</b>	<b>116</b>	<b>17,428</b>

### Net cost by Service

Corporate Resources	6,049	14,529	500			15,029
Operational Services	1,860	781	1,618	764	116	2,399

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**7,909    15,310    2,118    764    116    17,428**

### Net cost by Status

Committed Schemes	7,580	15,008	1,341	764	116	16,349
Uncommitted Schemes	329	105	277			382
New Schemes		197	500			697

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**7,909    15,310    2,118    764    116    17,428**

	Revenue Costs					Full Year £'000
	2016/17 Original £'000	2016/17 Revised £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	
		(236)	(177)	(177)	(159)	
	74	94	94	177	257	257
	<b>(162)</b>	<b>(83)</b>	<b>(83)</b>	<b>18</b>	<b>98</b>	<b>98</b>

	(236)	(177)	(177)	(159)	(159)	(159)
	74	94	94	177	257	257

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**(162)    (83)    (83)    18    98    98**

### Gross cost of schemes analysed by service

Corporate Resources	6,049	14,569	500			21,118
Operational Services	4,444	2,795	5,295	2,681	1,128	16,343

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**Appendix E    10,493    17,364    5,795    2,681    1,128    37,461**

**CAPITAL PROGRAMME FINANCING STATEMENT****Appendix E**

	2016/17	2016/17	2017/18	2018/19	2019/20	Total over life of Programme
	£'000	Revised £'000	£'000	£'000	£'000	£'000
<b>Spending</b>						
<b>Capital Spending</b>						
Total Gross Spend	10,493	17,364	5,795	2,681	1,128	26,968
Assumed Slippage	0	0	0	0	0	0
Funding from other HBC sources	20	69	0	100	0	169
Capital Grants and Contributions Received	(2,584)	(2,054)	(3,677)	(1,917)	(1,012)	(8,660)
<b>Capital Requirement</b>	<b>7,929</b>	<b>15,379</b>	<b>2,118</b>	<b>864</b>	<b>116</b>	<b>18,477</b>
<b>Financing available</b>						
New Capital receipts in year	530	969	3,772	530	50	5,321
Bfwd Capital Receipts	283	0	5	2,841	3,286	0
Total	813	969	3,777	3,371	3,336	5,321
<b>Finance Used</b>						
Capital Reserve / Revenue/R&R reserve	690	1,040	307	779	31	2,157
Capital Receipts used from asset sales	472	1,114	936	85	85	2,220
Capital receipts from prior years	0	0	0	0	0	0
<b>Total Financing available from internal resources</b>	<b>1,162</b>	<b>2,154</b>	<b>1,243</b>	<b>864</b>	<b>116</b>	<b>4,377</b>
<b>Remaining Financing Requirement</b>	<b>6,767</b>	<b>13,225</b>	<b>875</b>	<b>0</b>	<b>0</b>	<b>14,100</b>
<b>Net Interest Cost of the Capital Programme</b>						
Minimum Revenue Provision (MRP) based on Net Capital Financing Requirement over the Programme Period	146	146	276	306	276	890
	15	15	67	67	67	164
<b>Summary: Financial Implications of the Capital Programme:</b>						
Interest & MRP	161	161	343	373	343	1,220
Other Revenue Costs / (Savings)	0	0	0	0	0	0
<b>Total additional costs</b>	<b>161</b>	<b>161</b>	<b>343</b>	<b>373</b>	<b>343</b>	<b>1,220</b>

Government Grant Reserves

Appendix F

Cost Centre	Description	Holding account	Balance b/f 1 April 2016 £ 000's	Income & Transfers £ 000's	Expenditure & Transfers £ 000's	Balance c/f 31 March 2017 £ 000's	Income & Transfers £ 000's	Expenditure & Transfers £ 000's	Balance c/f 31 March 2018 £ 000's
1055	DCE-Revenues Division	X394	(332)		30	(302)		50	(252)
1054	New Burdens	X896	(10)			(10)			(10)
1945	Getting Hastings Ready	X406	(1)		1	(0)			(0)
1985	Coastal Change Pathfinders	X396	(25)			(25)			(25)
1988	FLAG	X407	(16)			(16)			(16)
4137	Land Auction Pilot	X409	(67)			(67)			(67)
4138	Preventing Repossessions	X408	0			0			0
5107	Tobacco control	X368	(7)		7	0			0
6000	Museums & Art Galleries	X083	0			0			0
6009	Exhibitions museums - K990	X052	(1)		1	0			0
6301	Parks & Gardens - K990	X096	0			0			0
6652	British Heart Foundation Project	X371	0			0			0
6657	Active Hastings	X094	(33)		29	(4)		4	(0)
6666	PCT play grant	X376	(4)			(4)			(4)
6667	Play Pathfinder	X375	0			0			0
6669	Active Women	X377	0			0			0
6651	Street Games	X065	(28)		22	(6)		5	(1)
1927/45	East Sussex Arts Partnership	X036	(10)		10	0			0
6675	Sports for All	X550	(6)			(6)			(6)
6508	Countryside Stewardship	X321	(36)		36	(0)			(0)
4004	Syrian Resettlement Programme	NEW	0	(111)		(111)	(213)		(324)
6640	Opening Doors - Sport England	X551	(38)		1	(37)			(37)
<b>Total</b>			<b>(614)</b>	<b>(111)</b>	<b>137</b>	<b>(588)</b>	<b>(213)</b>	<b>59</b>	<b>(743)</b>

## Revenue Budget Forward Plan

## Appendix G

Ref	<u>2016-17</u> <u>Revised</u> <u>Budget</u> <u>£000's</u>	<u>2017-18</u> <u>Budget</u> <u>£000's</u>	Forward Inflation assumption	<u>2018-19</u> <u>Projection</u> <u>£000's</u>	<u>2019-20</u> <u>Projection</u> <u>£000's</u>	
1	<b>Net Service Expenditure</b>	15,568	14,495	2.00%	14,865	15,242
2	Pension Fund - Employers Contribution Increase				50	100
3	Election Costs (bi-annually)				70	0
4	Add back White Rock area development				(50)	(50)
5	PIER savings - various				(53)	(382)
6	Fees and Charges				(40)	(80)
7	Pebsham Landfill Site income				25	25
8	Loans - Discounts and Premia				19	19
9	Contingency Provision	340	400		400	400
10	Interest Payments (net of earnings)	178	233		233	233
11	Minimum Revenue Provision	505	832		850	850
12	Contribution to Reserves	887	971		960	960
13	Net Use of Earmarked Reserves	(3,037)	(2,676)		(2,676)	(2,676)
14	<b>Net Council Expenditure</b>	<b>14,440</b>	<b>14,254</b>		<b>14,652</b>	<b>14,641</b>
15	Taxbase	24,678	25,095	0.40%	25,195	25,296
16	Council Tax	245.33	250.33	1.99%	255.33	260.41
17	<b>From Collection Fund - Council Tax</b>	(6,054)	(6,282)		(6,433)	(6,587)
18	<b>From Collection Fund - Business Rates</b>	(3,105)	(2,997)		(3,105)	(3,105)
19	<b>Revenue Support Grant</b>	(2,835)	(2,038)		(1,542)	(988)
20	<b>Efficiency Support Grant</b>	0	0		0	0
21	<b>New Homes Bonus</b>	(1,388)	(1,009)		(762)	(762)
22	<b>New Homes Bonus return funding</b>	(8)	(9)		(9)	(9)
23	<b>Council Tax Support Admin Grant</b>	(190)	(178)		(161)	(145)
24	<b>Housing Benefit Admin Grant</b>	(569)	(461)		(415)	(373)
25	<b>Transition Grant</b>	(5)	(5)		0	0
26	<b>NNDR (Surplus) / Deficit</b>	639	237		0	0
27	<b>NNDR Pooling</b>	(36)	0		0	0
28	<b>Business Rates Section 31 Grant</b>	(648)	(724)		(550)	(550)
29	<b>Council Tax Surplus</b>	(165)	(232)		0	0
30	<b>Contribution To General Fund</b>	<b>(14,364)</b>	<b>(13,699)</b>		<b>(12,976)</b>	<b>(12,519)</b>
31	<b>Funding Shortfall / (surplus)</b>	<b>77</b>	<b>555</b>		<b>1,676</b>	<b>2,122</b>
32	<b>Use of General Reserve</b>					
33	<b>Use of General Reserve</b>					
34	<b>Use of Transition Reserve</b>	(77)	(355)		(750)	(750)
35	<b>Use of Resilience and Stability Reserve</b>					
36	<b>Use of Community Safety Reserve</b>		(100)		(100)	(100)
37	<b>Use of Economic Development Reserve</b>		(100)		(100)	(100)
38	<b>Net Funding Shortfall / (Surplus)</b>	<b>0</b>	<b>(0)</b>		<b>726</b>	<b>1,172</b>

## RESERVES

## Appendix H

	2016 / 17			2017 / 18			
	Balance at 1 April 2016 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2017 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2018 £'000
General Reserve	(7,537)	0	15	(7,522)	(33)	0	(7,555)
Capital Reserve	(725)	(72)	372	(425)	0	70	(355)
<b>Earmarked Reserves</b>	0						
Renewal and Repairs Reserve	(1,854)	(508)	892	(1,470)	(508)	727	(1,252)
Risk Management Reserve	(340)	0	20	(320)	0	20	(300)
Information Technology Reserve	(218)	(214)	268	(164)	(214)	284	(94)
On-Street Car Parking Surplus Reserve	(65)	0	23	(42)	0	40	(2)
s106 reserve	(546)	0	65	(481)	0	16	(465)
VAT reserve	(257)	0	0	(257)	0	237	(20)
Government Grant Reserve	(614)	(111)	137	(588)	(213)	59	(743)
Monuments in perpetuity	(51)	0	5	(46)	0	5	(41)
Ore Valley Reserve	(250)	0	0	(250)	0	0	(250)
Mortgage reserve (LAMS)	(125)	(23)	0	(148)	(3)	0	(152)
Resilience and Stability Reserve	(600)	0	0	(600)	0	0	(600)
Transition Reserve	(2,222)	0	77	(2,145)	0	355	(1,791)
Redundancy Reserve	(648)	0	0	(648)	0	225	(423)
Community Safety Reserve	(350)	0	0	(350)	0	100	(250)
Economic Development Reserve	(504)	0	1	(503)	0	100	(403)
Registration of Electors - IER Grant	0	(19)	0	(19)	0	19	0
Safer Hastings Partnership	(41)	0	8	(32)	0	0	(32)
Disabled Facilities Grant	0	(1,407)	960	(447)	(1,407)	1,060	(795)
Bathing Water Project	(32)	0	32	0	0	0	0
First World War Project	(5)	(11)	0	(17)	0	4	(13)
Coastal Communities Grant Reserve	(10)	0	0	(10)	0	0	(10)
Invest to save and efficiency reserve	(952)	0	353	(599)	0	178	(421)
Clinical Commissioning Group	(1,695)	0	651	(1,044)	0	1,041	(3)
Young Peoples Council	(10)	0	10	(0)	0	0	(0)
Carry-forward reserve	(457)	0	457	0	0	0	0
Selective Licensing Reserve	0	0	0	0	(33)	33	0
Revenue Hardship Fund	(80)	0	0	(80)	0	0	(80)
	(20,187)	(2,366)	4,346	(18,207)	(2,411)	4,571	(16,047)

**EXPENDITURE FUNDED BY USE OF RESERVES**

	Cost Centre	2016-17 Original £	2016-17 Revised £	2017-18 Estimate £
<b>General Reserve</b>				
General Reserve Saving to/(use of)		0	0	0
Capital Expenditure (CCTV)			(15,000)	0
Total		0	(15,000)	0
<b>Transfers between Reserves</b>				
Selective Licensing Reserve to General Reserve		102,000	0	32,645
		102,000	0	32,645
<b>Carry forward Reserve</b>				
Carried forward			(457,331)	
			(457,331)	
<b>Capital Reserve</b>				
2016 - 950th Anniversary (£330k in total over 3 years)		(84,979)	(189,870)	0
Various Capital Expenditure to be Financed		(65,000)	(162,000)	
CPO - Empty Homes Strategy -capital		(70,000)	(20,000)	(70,000)
		(219,979)	(371,870)	(70,000)
<b>Disabled Facilities Grant</b>				
Disabled Facilities Grant - Salaries		0	(60,000)	(60,000)
Disabled Facilities Grant - Capital		0	(900,000)	(1,000,000)
		0	(960,000)	(1,060,000)
<b>VAT reserve</b>				
Castle Capital Scheme		(214,000)	0	(237,000)
		(214,000)	0	(237,000)
		£	£	£
<b>Economic Development Reserve</b>				
General Fund (17/18)		(1,000)	(1,160)	(100,000)
		(1,000)	(1,160)	(100,000)
<b>Community Safety Reserve</b>				
General Fund		0	0	(100,000)
		0	0	(100,000)
<b>Renewal &amp; Repairs Reserve</b>				
(per programme of works - Appendix J)		(780,100)	(772,120)	(626,500)
Capital		0	(35,000)	
Vehicles		0		
Contingency		(100,000)	(84,500)	(100,000)
		(880,100)	(891,620)	(726,500)
<b>Transition Reserve</b>				
Transfer to General Fund		(581,792)	(76,526)	(354,945)
		(300,000)	0	0
<b>Resilience and Stability Reserve</b>				
<b>Information Technology Reserve</b>				
(per programme of works - Appendix I)		(333,000)	(268,000)	(284,000)
		(333,000)	(268,000)	(284,000)
<b>Invest to Save &amp; Efficiency Reserve</b>				
Transfer to General Fund		(249,151)	(292,240)	(178,170)
Transfer to Capital Reserve		0	(61,000)	
		(249,151)	(353,240)	(178,170)
<b>Redundancy Reserve</b>				
Transfer to General Fund		(225,000)	0	(225,000)
		(225,000)	0	(225,000)

<b><u>Earmarked Reserves</u></b>	<b>Cost Centre</b>	<b>2016-17 Original £</b>	<b>2016-17 Revised £</b>	<b>2017-18 Estimate £</b>
<b><u>Government Grant Reserve</u></b>				
capital (further details - Appendix F)	various	(170,000)	(136,720)	(58,770)
		<u>(170,000)</u>	<u>(136,720)</u>	<u>(58,770)</u>
<b><u>Monuments in Perpetuity</u></b>				
capital				
Revenue	3102	(5,000)	(5,000)	(5,000)
		<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>
<b><u>s106 Reserve</u></b>				
Capital		(47,000)	(39,000)	
Revenue	various	(62,000)	(26,030)	(16,000)
		<u>(109,000)</u>	<u>(65,030)</u>	<u>(16,000)</u>
<b><u>On-Street Car Parking Surplus Reserve</u></b>				
Bus Shelter improvements	1501	(22,770)	(22,770)	0
Havelock Road Crossing	1504			(40,000)
		<u>(22,770)</u>	<u>(22,770)</u>	<u>(40,000)</u>
<b><u>Risk Management Reserve</u></b>				
Risk Management Schemes	5299	(20,000)	(20,000)	(20,000)
		<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>
<b><u>Registration of Electors</u></b>				
IER Grant				(18,600)
		<u>0</u>	<u>0</u>	<u>(18,600)</u>
<b><u>Young Peoples Council</u></b>				
		<u>(8,000)</u>	<u>(10,200)</u>	
<b><u>Safer Hastings Partnership</u></b>				
			<u>(8,080)</u>	<u>0</u>
<b><u>Bathing Water Project</u></b>				
		<u>0</u>	<u>(31,830)</u>	<u>0</u>
<b><u>Clinical Commissioning Group</u></b>				
Housing NHS CCG		(298,210)	(582,851)	(1,040,956)
Lets Get Moving		(16,480)	(68,400)	0
		<u>(314,690)</u>	<u>(651,251)</u>	<u>(1,040,956)</u>
<b><u>First World War Reserve</u></b>				
		<u>0</u>	<u>0</u>	<u>(3,500)</u>
		<u>0</u>	<u>0</u>	<u>(3,500)</u>
<b><u>Total use of earmarked and capital reserves *</u></b>				
		<u>(3,653,482)</u>	<u>(4,330,628)</u>	<u>(4,538,441)</u>
Revenue use of earmarked reserves		(2,297,712)	(3,037,102)	(2,676,496)
Transfers between Reserves		(102,000)	0	(32,645)
Capital use of earmarked reserves		(480,979)	(1,217,000)	(1,307,000)
Transition Reserve and Com / Econ Reserve		(881,792)	(76,526)	(554,945)
Total Expenditure & Transfers (Excl General Reserve Use)		<u>(3,762,483)</u>	<u>(4,330,628)</u>	<u>(4,571,086)</u>





**RENEWAL AND REPAIRS RESERVE****APPENDIX J**

2015-16		2016-17 ORIGINAL BUDGET £	2016-17 REVISED BUDGET £	2017-18 ESTIMATED BUDGET £
Actual £				
<b><u>OPENING BALANCE:</u></b>				
1,756,712	BALANCE BROUGHT FORWARD	1,555,172	1,853,643	1,470,023
<b><u>INCOME:</u></b>				
508,000	CONTRIBUTIONS TO RESERVE - GENERAL	508,000	508,000	508,000
508,000		508,000	508,000	508,000
<b><u>EXPENDITURE:</u></b>				
411,069	PROGRAMMED REPAIRS AND REDECORATIONS	280,100	354,220	213,500
	OTHER REPAIRS & RENEWALS	500,000	417,900	413,000
411,069	SUB TOTAL	780,100	772,120	626,500
0	CAPITAL EXPENDITURE FUNDED FROM RESERVES	0	35,000	0
0	VEHICLES	0	0	0
0	PROVISION FOR UNEXPECTED ITEMS	100,000	84,500	100,000
411,069		880,100	891,620	726,500
<b><u>CLOSING BALANCE:</u></b>				
1,853,643	BALANCE CARRIED FORWARD	1,183,072	1,470,023	1,251,523

**PROGRAMMED REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE**

**Appendix J (con't)**

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2016-2017	2016-17	2017-2018	2018-2019	2019-2020	2020-2021
				ORIGINAL BUDGET	REVISED BUDGET	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE
							£	£	£
1151	PR001	TOWN HALL	Internal / External redecs & repairs	50,000	56,000	30,000	30,000	20,000	20,000
1160	PR047 (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	12,000	12,000	6,000	12,000	6,000	6,000
1160	PR051 (OR238)	ALL BUILDINGS - AIR CONDITIONING	AC energy efficiency certification (every 3 years)	7,000	6,000	4,000	4,000	4,000	4,000
1160	PR52 (OR239)	ALL BUILDINGS - ENERGY CERTIFICATION	Annual Display Energy Certs for major bldgs	2,000	2,000	1,000	1,000	1,000	1,000
1160	PR54 (OR240)	ALL BUILDINGS - LEGIONELLA RISK	Automated checks & monitoring inc hygiene assess	39,000	39,000	39,000	20,000	30,000	40,000
1160	PR55 (OR225)	ALL BUILDINGS - ELECTRICAL TESTING	routine cyclical testing & works arising	6,000	8,000	6,000	6,000	6,000	6,000
1160	PR57(OR24 1)	ALL BUILDINGS - SAFETY ANCHORS	Annual testing of access safety anchors	1,600	1,600	2,000	2,000	2,000	2,000
1160	PR58(OR24 2)	ALL BUILDINGS - AUTOMATIC DOORS	Annual maintenance routine	500	500	500	500	500	500
2404	PR008	BANK BUILDINGS	External redecs to rear elevation	6,000	6,140	0	2,000	0	0
2201	PR009	MICRO UNIT FACTORIES	External redecs	5,000	5,000	0	0	0	5,000
2201	PR037	FACTORY UNITS	External redecs/roof repairs to empty units	30,000	30,000	30,000	30,000	30,000	30,000
2404	PR036	FAIRLIGHT PLACE FARM COTTAGES & FLAT	External redecs.	0	0	4,000	4,000		
2404	PR041	OTHER BUILDINGS (ESTATES MISC.)	Essential upgrades/repairs.	10,000	10,000	10,000	10,000	10,000	10,000
2502	PR023	WEST HILL CLIFF RAILWAYS	Redecorations & repairs	12,000	12,000	5,000	5,000	5,000	5,000
2502	PR024	EAST HILL CLIFF RAILWAYS	Redecorations & repairs	6,000	6,000	5,000	5,000	5,000	5,000
2640	PR034	FALAISE SPORTS CENTRE	External redecorations.	0	0	0	25,000	0	0
3102	PR013	CREMATORIUM	Internal / External redecorations.	5,000	5,000	3,000	0		
3102	PR014	CREMATORIUM - CREMATORS	Rebricking / rehearthng of cremators	0	60,000	10,000	20,000	10,000	10,000
3102	PR52	CEMETERY and PARKS (Split from Item below)	Path health & safety repairs	25,000	9,000	8,000	8,000	8,000	8,000
6301	PR52	CEMETERY and PARKS (Split from Item above)	Path health & safety repairs	0	16,000	12,000	12,000	12,000	12,000
5241	OR210	FRONT LINE	Concrete health & safety inspection & testing	6,000	6,000	6,000	6,000	6,000	6,000

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**PROGRAMMED REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE**

**Appendix J (con't)**

				2016-2017	2016-17	2017-2018	2018-2019	2019-2020	2020-2021
Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	ORIGINAL BUDGET	REVISED BUDGET	ESTIMATE	ESTIMATE	ESTIMATE	ESTIMATE
							£	£	£
5241	OR255	FRONT LINE	Concrete health & safety repair works	10,000	16,000	5,000	5,000	5,000	5,000
5241	PR025	FRONT LINE	Alcoves, seating, bottle alley - repairs/redecs	10,000	15,700	9,000	9,000	9,000	900
6005	PR029	FISHERMENS MUSEUM	External redecs/stonework pointing	2,000	2,000	0	0		
6100	PR033	SUMMERFIELDS SPORTS CENTRE	External redecs	5,000	0	0	0	0	6,000
6301	PR026	SPORTS PAVILIONS	Int/ext redecs.	10,000	10,000	10,000	10,000	10,000	10,000
6301	PR044	ALEXANDRA PARK RAILINGS	Phased railing redecorations	10,000	10,000	5,000	5,000	5,000	5,000
6301	PR046	ST. LEONARDS GARDENS	Lodge - re-decorations	0	0		10,000	0	0
6509	PR027	HASTINGS COUNTRY PARK - OPERATIONAL BUILDINGS	Int/ext redecs.	5,000	5,000	0	0	0	0
6509	PR028	HASTINGS C P - VISITOR CENTRE	Int/ext redecs.	0	0	0	0	0	0
5257	PR030	HASTINGS STATION - FISHING BOAT FEATURE	Repairs / redecs	2,000	2,280	0	0	0	0
5257	PR031	TOWN CENTRE UNDERPASS	Decoration	0	0	0	0	0	2,000
		<b>Total of Programmed work</b>		<b>280,100</b>	<b>354,220</b>	<b>213,500</b>	<b>244,500</b>	<b>187,500</b>	<b>202,400</b>

OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE				Appendix J (con't)					
Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2016-2017 ORIGINAL BUDGET £	2016-2017 REVISED BUDGET £	2017-2018 ESTIMATE £	2018-2019 ESTIMATE £	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £
1151	OR300	TOWN HALL	LIGHTNING PROTECTION	0	21,000	0	0	0	0
1300	OR307	CARLISLE CP	Redecorations	40,000	40,000	35,000	35,000	0	0
2201	OR304	THEAKLEN DRIVE	ROOFS	0	8,000	0	50,000	0	0
2502	OR247	EAST HILL LIFT	LOWER STATION	0	0	0	0	20,000	0
2510	OR220	THE CASTLE	Repair works	5,000	5,000	0	0	0	0
2601	OR250	WHITE ROCK THEATRE	General repair contributions	0	0	20,000	20,000	20,000	20,000
2601	OR251	WHITE ROCK THEATRE	Automation of stage flying system	0	0	0	100,000	0	0
6000	OR256	JOHNS PLACE MUSEUM	Repairs, H & S upgrades	0	15,590	0	0	0	0
6301	OR231	CLIFF REPAIR SURVEY	Sextennial survey	0	0	0	8,000	0	8,000
6503	OR211	HASTINGS COUNTRY PARK - TACKLEWAY	Health & safety repairs and repointing	1,000	1,000	0	1,000	0	1,000
6503	OR320	RECREATIONAL GROUNDS	Emergency lighting upgrade	0	4,000	0	0	0	0
6503	OR322	COUNTRY PARK	Access for all trail path resurfacing	0	25,000	0	17,000	0	0
65100	OR326	INDOOR BOWLS CENTRE	DDA works	50,000	0	0	50,000	0	0
65100	OR	INDOOR BOWLS CENTRE	Recovering of bowling green roof coverings	0	0	0	0	0	200,000
6301	OR327	ROCK A NORE CLIFFS	Rock a Nore Cliff Works	0	33,400	0	0	0	0
5236	OR328	STREET LIGHTS	White Rock Promenade Improvements	0	14,500	0	0	0	0
2502	OR329	WEST HILL LIFT	Former Ice House historic fabric and environmental surveys and support works	1,000	2,370	0	0	0	0
6100	OR330	SUMMERFIELDS LEISURE CENTRE	Landlord obligation - replacement of existing cold water storage tank following receipt of poor tank condition report	20,000	10,000	0	0	0	0
6100	OR331	SUMMERFIELDS LEISURE CENTRE	Landlord obligation - progressive replacement of existing swimming pool filtration plant	20,000	30,000	0	0	0	0
6100		SUMMERFIELDS LEISURE CENTRE	Installation of UV water hygiene treatment, if req'd and justified by FL due to alterations to regulations.	0	0	0	15,000	0	0
2640		FALAISE FITNESS CENTRE	Improvements to ventilation of gymnasium	0	0	15,000	0	0	0

		OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE						Appendix J (con't)	
Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2016-2017 ORIGINAL BUDGET £	2016-2017 REVISED BUDGET £	2017-2018 ESTIMATE £	2018-2019 ESTIMATE £	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £
2640	OR332	FALAISE FITNESS CENTRE	Landlord obligation - replacement of entrance doors and formation of internal lobby.	16,000	16,000	0	0	0	0
2601	OR333	WHITE ROCK THEATRE	Replacement heating boilers	40,000	0	0	0	0	0
6000	OR334	JOHNS PLACE MUSEUM	Essential stoneworks repairs - Phase1	40,000	37,040	15,000	0	0	0
3102	OR335	CEMETERY AND CREMATORIUM OFFICES	Exterior stonework repairs	10,000	10,000	10,000	0	0	0
2404	OR336	3 PLACE FARM COTTAGES, FAIRLIGHT	Energy efficiency improvements	17,000	17,000	0	0	0	0
6100	OR337	INDOOR BOWLS CENTRE	External Works (Ramp and Entrance Lobby)	30,000	18,000	12,000	0	0	0
2201	OR338	1-5 MAUNSELL ROAD, INDUSTRIAL UNITS	Overcoating of profiled steel roof sheeting to extend life.	10,000	10,000	0	0	0	0
6301	OR339	CLIFFS	Cliff Repairs arising from engineer's inspections	200,000	100,000	150,000	150,000	20,000	20,000
1157	OR340	MURIEL MATTERS HOUSE REPLACEMENT RISING MAIN	Replacement of existing rising main in rear of building to avoid further flooding issues	0	0	10,000	0	0	0
1157	OR341	MURIEL MATTERS HOUSE - HEATING CONTROLS	Control unit £20k plus £10k for valves etc.	0	0	30,000	0	0	0
1157	OR342	MURIEL MATTERS HOUSE - PASSENGER LIFTS	Heavy duty door closing mechanisms	0	0	0	0	5,000	0
6301	OR343	WHITE ROCK GARDENS - SHED DEMOLITION	Removal of redundant unsafe and easily accessible former irrigation room.	0	0	7,000	0	0	0
2502	OR344	WEST HILL LIFT - RETAINING WALL REPAIRS	Repairs to bulging brickwork retaining wall to east of rails	0	0	7,000	0	0	0
2502	OR345	WEST HILL LIFT OLD MOTOR ROOM - STRUCTURAL REPAIRS	Provision of permanent support works to café floor and external area.	0	0	20,000	0	0	0
6503	OR346	HCP PATHS WEST SIDE	Resurfacing of existing using Fibredec	0	0	17,000	0	0	0
2502	OR347	WEST HILL LIFT - ATTENDANT'S & STORE AREAS	Works to patio waterproofing prevent water ingress	0	0	0	18,000	0	0
5241	OR348	PROMENADE SURFACING	Further tarmac repairs to worst areas	0	0	10,000	10,000	20,000	20,000
6301	OR349	ALEX PARK HARMERS LAYBY	Tarmac surface (spend to save)	0	0	7,000	0	0	0
6301	OR350	GLOUCESTER COTTAGE WALL	Rebuild party wall - subject to clarification of ownership	0	0	0	20,000	0	0
6301	OR351	ST CLEMENTS CHURCHYARD REAR WALL	Rebuild wall to High Street properties	0	0	0	15,000	0	0
6301	OR352	ALEX PARK BUCKSHOLE RESERVOIR	Repairs out of 10yr survey, possibly building up channel sides	0	0	20,000	0	0	0
6301	OR353	ALEX PARK BUCKSHOLE RESERVOIR	Discharge valve replacement	0	0	0	20,000	0	0

OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE				Appendix J (con't)					
Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2016-2017 ORIGINAL BUDGET £	2016-2017 REVISED BUDGET £	2017-2018 ESTIMATE £	2018-2019 ESTIMATE £	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £
6301	OR354	PRICILLA McBEAN SANDSTONE WALLING	Repoint walling	0	0	0	3,000	0	0
6301	OR355	WHITE ROCK GARDENS WEST PATH	Removal of path and reinstatement of grass	0	0	0	3,000	0	0
6301	OR356	ALEX PARK SIGNAGE	Map board updates to include cycle paths	0	0	0	8,000	0	0
6301	OR357	ALEX PARK PEACE GARDEN	Tarmac path & resin bond surface	0	0	6,000	0	0	0
6301	OR358	SANDHURST RECREATION GROUND	Replace roadside fencing	0	0	0	8,000	0	0
6301	OR359	WARTLING CLOSE BRIDGE	Replace bridge railings	0	0	22,000	0	0	0
6301	OR360	ALEX PARK HARMERS RESERVOIR OUTFALL	Remove or cap disused outfall tower, fill tunnel and wing walls to make safe.	0	0	0	25,000	0	0
6503	OR361	HCP ECCLESBOURNE VEHICLE ACCESS	Construct retaining wall and infill path to prevent erosion and lose of access route.	0	0	0	20,000	0	0
6503	OR362	HCP PLACE FARM FARM YARD	Roadway resurfacing of farmyard	0	0	0	20,000	0	0
6502	OR363	EAST HILL LIFT LANDSCAPING	Re-landscape and lay new pathway.	0	0	0	30,000	0	0
6301	OR364	BEXHILL REC WEST	Internal redecoration	0	0	0	10,000	0	0
4157	OR365	MURIEL MATTERS HOUSE	Lightning Protection	0	0	0	25,000	0	0
		<b>Total of Other Work</b>		<b>500,000</b>	<b>417,900</b>	<b>413,000</b>	<b>681,000</b>	<b>85,000</b>	<b>269,000</b>

**PIER Outcomes****Appendix K**

		Revised <u>2016-17</u> £'000	<u>2017-18</u> £'000	<u>2018-19</u> £'000	<u>2019-20</u> £'000
<b>Cross cutting</b>					
Digital by Design					
Reduction in Software Costs	various		(26)	(26)	(26)
Reduction in paper & printing costs	various		(4)	(50)	(50)
Reduction in Staffing requirements	various		(94)	(94)	(94)
		0	(124)	(170)	(170)
Energy Savings	various	(43)	(50)	(50)	(50)
Aquila House Purchase - Borrowing/MRP vs Rent		(150)	(50)	(50)	(50)
Aquila House Operational budget			(25)	(25)	(25)
Aquila House - rental of Council chamber		(11)	(15)	(15)	(15)
Town Hall - Additional rentals			(6)	(6)	(6)
Council Tax - Prescribed Exemptions			(17)	(17)	(17)
Public Conveniences - Cleaning & Closure	3033		(100)	(100)	(100)
Building Cleaning contract	various		(41)	(41)	(41)
Environmental Health - Staffing	1009		(38)	(38)	(38)
Civic and Ceremonial	5507	(3)	(8)	(8)	(8)
Tourist Information Centre - Staffing	5714		(14)	(14)	(14)
Hastings Specific Marketing budget	5714		(9)	(9)	(9)
Events budget - Increase Income to fish festivals	1962		(10)	(10)	(10)
Communications - Staffing	1025		(49)	(49)	(49)
Public Notices	1600		(10)	(10)	(10)
Housing Options - Staffing	4050		(37)	(37)	(37)
Housing Renewal - Staffing	4051		(19)	(19)	(19)
Chalets - Income	2514		(40)	(40)	(40)
Regeneration - Staffing	1900		(33)	(33)	(33)
Regeneration - Admin Staffing	1900		(4)	(4)	(4)
Activity Budget	1900		(10)	(10)	(10)
External Funding - Staffing	1934		(20)	(20)	(20)
External Funding - Staffing	1934		(37)	(37)	(37)
Regeneration Activity Budget (Dial a ride Adj 17/18) Theatre - Reduced contribution/Closure	1922 2601		1 0	(6) 0	(6) (370)
Planning Policy - Staffing (less professional fees)	1603		(30)	(30)	(30)
Community Partnership Fund	5120		(24)	(6)	0
Community Partnership Funding - Previously agreed	5120		(18)	(36)	(54)
	<b>Total</b>	(207)	(836)	(889)	(1,271)
<b>Growth Items</b>					
Fish Fairs Organiser post	1962		20	20	20
Coastal Currents Activity Budget			20		
Community Development Activity			5	5	5
Cultural Development Manager			63	63	63
		-	108	88	88
Net Overall savings	<b>Total</b>	(207)	(728)	(801)	(1,183)



**HBC Efficiencies, Income and Savings proposals for 2017/18 onwards and equality impact assessment summary**

Activity/ Budget	Efficiency, Income or Savings proposals for 2017/18	Savings			Likelihood of negative impact on equalities/ protected characteristics Low – Medium – High
		2017/18 £	2018/19 £	2019/20 £	
Council Tax	Council Tax – to remove the 50% discount for Prescribed Class D properties (i.e. vacant residential properties that are undergoing “major repair work” or “structural alteration) with effect from April 2017. Will also be a staff time saving (currently c.17hrs p.w.) which will be re-directed to maximising Business Rates income rather than visiting pre/post work completion.	17,000	17,000	17,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Public notices	Alternative provider sought to provide some public notices at a reduced cost	10,000	10,000	10,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Public conveniences	<p>Following a review of public conveniences provision in the town to inform the re-tendering of the public conveniences cleaning contract from April 2017, savings have been identified and a number of public conveniences have been identified for alternative opening hours or closure:</p> <ul style="list-style-type: none"> <li>• Closing Harold Place toilets and an alternative regeneration use established for the site (£32k closure and £32k cleaning and staffing) (also opportunity saving of £60k refurbishment costs that would have been required in near future)</li> <li>• Closing Ore Village centre public conveniences (£14k) (NB investigating an offer by a local group to clean and maintain these toilets)</li> <li>• Introducing 3 Seasonal Closures at Alexandra Park Bowls, Rock a Nore, &amp; Falaise Road (£2k)</li> <li>• Procurement savings on cleaning contract £40k (excl Harold Place)</li> </ul> <p><b>Staffing implications: Not for HBC staff</b></p>	120,000	120,000	120,000	<p><b>MEDIUM</b> Evidence of regular usage, anti-social behaviour, costs of repair and alternative provision in the immediate surrounding area was used to inform the review prior to procurement.</p> <p>In summary:</p> <ul style="list-style-type: none"> <li>• Harold Place: Alternative disabled WC within 200m of Harold Place (Pelham Place). Other public toilets are available in Priory Meadow (internal and external provision)</li> <li>• Ore Village – no disabled toilet provision in the village</li> <li>• Falaise Road – Alternative disabled WC within 150m at Bowls Club.</li> <li>• Bowls WC – Alternative</li> </ul>

					<p>disabled WC within 250m at the Pavilion.</p> <ul style="list-style-type: none"> <li>Rock a Nore – Alternative disabled WC within 200m at The Stade.</li> </ul> <p>NB the Council's 'changing places' toilet (an adult sized, height adjustable changing bench with a ceiling tracked hoist) remains available at the Stade.</p>
Building Cleaning Contract	<p>Following a review of the councils building cleaning requirements and subsequent tendering of the contract, savings have been identified from 1<sup>st</sup> April 2017.</p> <p><b>Staffing implications:</b> N/A for HBC</p>	41,000	41,000	41,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Environmental Health	<p>Following a review, restructure the roles and responsibilities of the team and delete the role of the Deputy Environmental Health Manager.</p> <p><b>Staffing implications:</b> 0.9 FTE</p>	38,000	38,000	38,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Housing Options	<p>Following a review, reduce the overall staffing structure by 1FTE, the work has been absorbed into the role of the Housing Needs and Policy Manager.</p> <p><b>Staffing implications:</b> 1FTE vacant</p>	37,000	37,000	37,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Digital by Design	<p>Savings have been identified following investment in a new digital platform Firmstep and a transformation programme to review how services are designed and delivered, with a focus on digital delivery</p> <ul style="list-style-type: none"> <li>Reduction in software costs <ul style="list-style-type: none"> <li>Confirm Licensing £4,200</li> <li>Anite software module £4,500</li> <li>Internet link connectivity contract renegotiated £3,600</li> </ul> </li> </ul>	26,300	26,300	26,300	<b>Low</b> – a review of Digital Inclusion was completed by the Overview and Scrutiny Committee in March 2016. This set out actions we will take to ensure our digital by design approach is inclusive.

Page 57	<ul style="list-style-type: none"> <li>○ Multi-function device (printing/scanning etc.) contract renewal July 2017</li> <li>○ Revenues and Benefits disaster recovery cost reduction following new server implementation £8,000</li> <li>○ Oracle hardware support reduction £6,000</li> </ul>				
	<ul style="list-style-type: none"> <li>● Reduction in paper and printing costs*:             <ul style="list-style-type: none"> <li>○ Shred it savings</li> </ul>             * Service managers have identified £31k of savings within supplies and services budgets for 2017/18 – these have been accounted for in service budgets)           </li> </ul>	3,500	3,500	3,500	
	<ul style="list-style-type: none"> <li>● Further minimum reduction in paper and printing costs through implementation of 'Analogue Reduction Strategy' during 17/18:             <ul style="list-style-type: none"> <li>○ Photocopying savings (Uniflow)</li> <li>○ Programme to eliminate paper usage</li> <li>○ Virtual Mail Room implementation</li> </ul> </li> </ul>	20,000	20,000	20,000	
	<ul style="list-style-type: none"> <li>● Reduction in staffing requirements:             <ul style="list-style-type: none"> <li>○ Housing Renewal technical post – work absorbed by changes to DFG process 1FTE post (vacant post)</li> </ul> </li> </ul>	30,000	30,000	30,000	
	<ul style="list-style-type: none"> <li>○ People and Business Support (PBS)/Community Contact Centre – following a restructure, delete 1FTE CCC Team Leader post and (vacant) and make £18,000 net savings on changes to two other vacant posts (in PBS and Policy) equivalent to 0.8FTE</li> </ul>	32,000	32,000	32,000	
	<ul style="list-style-type: none"> <li>○ 0.5 FTE reduction in TIC staffing requirements following move of Licensing Applications on-line from April 2017</li> </ul>	18,000	18,000	18,000	
	14,000	14,000	14,000		
<b>Staffing implications: net 3.3 FTE</b>					

Regeneration	<p>a) From June 2017, delete the vacant Economic Development/ Regeneration Officer post The remaining Economic Development/Regeneration officers will focus on services supporting growth/retention of two key economic sectors: visitor economy and advanced manufacturing/high tech.</p> <p>b) Reduce the economic development activity budget</p> <p>c) Net savings from vacant p/t admin post</p> <p><b>Staffing implications: 1 FTE</b></p>	33,000	33,000	33,000	<p><b>Medium:</b> If the Community Led Local Development (CLLD) programme bid is successful, there is potential for the council to play a different but active and influential role in the programme of workforce skills development and linking people to local employment possibilities.</p>
External funding/ Programme Compliance	<p>Restructure the posts that support external funding:</p> <ul style="list-style-type: none"> <li>Reduce the 1 FTE External funding officer post to 0.5FTE (no impact - current post-holder already reduced hours to 0.5FTE)</li> <li>Delete one of the two Programme compliance and monitoring officer posts (1 FTE)</li> </ul> <p>Focus dedicated resources on funding for:</p> <ol style="list-style-type: none"> <li>economic and cultural development,</li> <li>public realm/environmental improvements;</li> <li>economic inclusion;</li> <li>Seafront strategy and White Rock area priorities</li> </ol> <p><b>Staffing implications:</b> 0.5FTE – vacant post 1FTE - re-deployment or redundancy</p>	20,000	20,000	20,000	
		37,000	37,000	37,000	
Tourist Information Centre	<p>A review of the TIC operation is underway. Initial proposals include reducing opening times and staffing levels.</p> <p><b>Staffing implications:</b> From October 2017 0.5 FTE – deployment or redundancy</p>	14,000	14,000	14,000	
Events budget	<p>Increase income to off-set reduction in events budget – increase entry costs to the Seafood and Wine Festival</p> <p><b>Staffing implications: N/A</b></p>	10,000	10,000	10,000	

Civic and Ceremonial	Alternative venue for Annual Council saving hire costs, changes to Mayoral travel arrangements outside of the borough.  <b>Staffing implications:</b> N/A	8,000	8,000	8,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Marketing	Reduction in non-staffing marketing budget  <b>Staffing implications:</b> N/A	9,000	9,000	9,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Marketing and Communications	Delete fixed term Communications Manager post (1FTE) at end of term: use some savings to fund a restructure within the team and to fund an ongoing seasonal Fish Fairs officer post (0.6)  Staffing implications: net 0.4 FTE	29,000	29,000	29,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Cultural Generation	Reduction in activity budget  <b>Staffing implications:</b> N/A	6,000	6,000	6,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
White Rock Theatre	Net savings from cessation of subsidy to the theatre when the current contract ends in January 2019, an assumption has been made that there will be some allocation made for arts activity.  <b>Staffing implications:</b> no direct HBC staffing implications	0	0	370,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Planning Policy	Reduce one senior planner post by 0.3FTE and reduce the external consultants budget to achieve the savings  <b>Staffing implications:</b> 0.3FTE – re-deployment or redundancy	30,000	30,000	30,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Community Partnership Funding	The Budget set by HBC in 2016/17 identified the following savings in the profile of CPF spend for commissioned activity.	18,000 24,000	36,000 6,000	54,000 -	<b>Medium</b> - may impact adversely/ disproportionately on groups working with equality groups.

Page 60	<p>A further proposal is to increase the saving from CPF budget for 2017/18 to match the commissioning programme for two years.</p> <p>A budget of £208,000p.a. remains for 17/18 and 18/19</p>				<p>Following a review and consultation on the future of CPF funding, the Council is focussing on priority needs groups and areas of commissioned activity:</p> <ul style="list-style-type: none"> <li>a. Housing, Legal, Welfare and Debt Advice</li> <li>b. Domestic Violence Support</li> <li>c. Advice and support to organisations (voluntary sector infrastructure support)</li> <li>d. Rough Sleepers Outreach Support</li> <li>e. Advice and support to migrant and newly settled communities</li> </ul> <p>It is acknowledged that some groups who were previously supported will no longer be eligible to apply under this criteria, however the council will continue to signpost them to agencies such as Hastings Voluntary Action who can assist them to seek alternative funding or support to become sustainable.</p> <p>The details of the review and consultation are included in the Cabinet report September 2016, available from the Council's website</p> <p><a href="https://hastingsintranet.moderngov.co.uk/ieListDocuments.aspx?CId=130&amp;MIId=2066&amp;Ver=4">https://hastingsintranet.moderngov.co.uk/ieListDocuments.aspx?CId=130&amp;MIId=2066&amp;Ver=4</a></p>
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**Growth items (funded by other reductions across Regeneration services)**

Activity		2017/18	2018/19	2019/20
Cultural Development Manager	Building on the successful delivery of the Root 1066 festival employ the fixed terms Strategic Cultural Development Specialist as a permanent Cultural Development Manager  <b>Staffing Implications: + 1FTE</b>	63,000	63,000	63,000
Community Development Activity	Small activity budget to support community regeneration activity.	5,000	5,000	5,000
Coastal Currents Activity Budget	One-year pump priming budget to enable Coastal Currents festival to become self-financing	20,000	-	-

**FIO Other savings/income – already agreed and being implemented**

Muriel Matters House (MMH)	Purchase of Council's main civic and operational building led to savings on:	50,000	50,000	50,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
	<ul style="list-style-type: none"> <li>borrowing costs vs rent liability</li> <li>service charges which would have been due</li> </ul>	25,000	25,000	25,000	
Energy savings	Reductions in costs following smarter procurement and likelihood of less energy use in Muriel Matters House following refurbishment and better insulation	50,000	50,000	50,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
MMH room rentals	Weekly rental of Council Chamber and committee rooms to Coroners Court service - income	15,000	15,000	15,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Town Hall room rentals	Income from rentals of office space in Town Hall	6,000	6,000	6,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Chalets	Income from investment in new chalets – invest to save already agreed	40,000	40,000	40,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups

**Land and Property Disposal Programme**

**Estimated  
Receipts  
£**

**2016/17**

Mayfield E  
Robsack A  
Land at Summerfields  
Land at Highfield Drive  
Land at Fairlihght Place and Hurrell Road  
Less cost of disposal  
Sale of Ex Council Houses  
Other

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**969,000**

**2017/18**

Upper Wilting Farm  
Harrow Lane Playing Fields  
Former Bathing Pool site  
Land at Bexhill Road  
Land at Sandrock  
Land r/o Bexhill Road  
Less cost of disposal  
Sale of Ex Council Houses

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**3,772,000**

**2018/19**

Mayfield E  
Less cost of disposal  
Sale of Ex Council Houses  
Other

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**530,000**

**2019/20**

Sale of Ex Council Houses  
Other

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**50,000**



## Off Street Pay &amp; Display Parking Charges – 2017 / 2018

Parking Place	Current Charges				Parking Place	Proposed Charges			
	1 Nov. - 31 March		1 April – 31 Oct			1 Nov. - 31 March		1 April – 31 Oct	
Castle Hill Road Pelham Place	1	£1.30	1	£1.50	Castle Hill Road Pelham Place Charging Hours 07:00 to 21:00	1	<b>£1.50</b>	1	<b>£1.70</b>
	2	£2.60	2	£3.00		2	<b>£3.00</b>	2	<b>£3.20</b>
	3	£3.50	3	£4.10		3	<b>£4.10</b>	3	<b>£4.30</b>
	5	£5.80	5	£6.30		5	<b>£6.30</b>	5	<b>£6.50</b>
	10	£6.90	10	£7.40		10	<b>£7.40</b>	10	<b>£7.70</b>
	24	£7.40	24	£8.40		24	<b>£8.40</b>	24	<b>£9.00</b>
Rock a Nore Road	1	£1.10	1	£1.50	Rock a Nore Road Charging Hours 07:00 to 21:00	1	<b>£1.10</b>	1	<b>£1.70</b>
	2	£2.10	2	£3.00		2	<b>£2.10</b>	2	<b>£3.20</b>
	3	£3.20	3	£4.20		3	<b>£3.20</b>	3	<b>£4.30</b>
	5	£3.20	5	£6.30		5	<b>£3.20</b>	5	<b>£6.50</b>
	10	£3.20	10	£7.40		10	<b>£3.20</b>	10	<b>£7.70</b>
	24	£3.20	24	£8.40		24	<b>£3.20</b>	24	<b>£9.00</b>
Marina	1	£1.00	1	£1.10	Marina Charging Hours 07:00 to 21:00	1	<b>£1.10</b>	1	<b>£1.20</b>
	2	£1.50	2	£1.60		2	<b>£1.60</b>	2	<b>£1.70</b>
	3	£2.10	3	£2.40		3	<b>£2.40</b>	3	<b>£2.50</b>
	5	£3.20	5	£3.20		5	<b>£3.20</b>	5	<b>£3.30</b>
	10	£4.80	10	£4.80		10	<b>£4.80</b>	10	<b>£5.20</b>
	24	£5.80	24	£5.80		24	<b>£5.80</b>	24	<b>£6.00</b>
Priory Street m/s Carlisle Parade	1	£1.20	1	£1.20	Priory Street m/s Carlisle Parade Charging Hours 07:00 to 21:00  Sunday £1.00 All Day	1	<b>£1.20</b>	1	<b>£1.30</b>
	2	£1.90	2	£1.90		2	<b>£1.90</b>	2	<b>£2.00</b>
	3	£2.50	3	£2.50		3	<b>£2.50</b>	3	<b>£2.70</b>
	5	£3.70	5	£3.70		5	<b>£3.70</b>	5	<b>£3.90</b>
	10	£5.80	10	£6.50		10	<b>£6.50</b>	10	<b>£6.70</b>
	24	£7.40	24	£7.40		24	<b>£7.40</b>	24	<b>£8.00</b>
Cornwallis Street	1	£1.20	1	£1.20	Cornwallis Street Charging Hours 07:00 to 21:00	1	<b>£1.30</b>	1	<b>£1.30</b>
	2	£1.90	2	£1.90		2	<b>£2.00</b>	2	<b>£2.00</b>
	3	£2.50	3	£2.50		3	<b>£2.60</b>	3	<b>£2.60</b>
	4	£3.60	4	£3.60		4	<b>£3.80</b>	4	<b>£3.80</b>
Pier Underground St Margaret's Rd	1	£0.60	1	£0.60	Pier Underground St Margaret's Rd Charging Hours 07:00 to 21:00	1	<b>£0.70</b>	1	<b>£0.80</b>
	2	£0.80	2	£0.80		2	<b>£0.90</b>	2	<b>£1.00</b>
	3	£1.10	3	£1.10		3	<b>£1.20</b>	3	<b>£1.30</b>
	5	£1.60	5	£1.60		5	<b>£1.60</b>	5	<b>£1.70</b>
	10	£2.10	10	£2.10		10	<b>£2.20</b>	10	<b>£2.40</b>
	24	£2.40	24	£2.40		24	<b>£2.60</b>	24	<b>£3.00</b>
Crystal Square	1	£0.60	1	£0.60	Crystal Square	1	<b>£0.70</b>	1	<b>£0.70</b>
	2	£1.10	2	£1.10		2	<b>£1.20</b>	2	<b>£1.20</b>
	3	£1.60	3	£1.60		3	<b>£1.70</b>	3	<b>£1.70</b>
	4	£2.10	4	£2.10		4	<b>£2.20</b>	4	<b>£2.20</b>
Falaise Road Falaise Hall Summerfields	1	£0.20	1	£0.20	Falaise Road Falaise Hall Summerfields	1	<b>£0.30</b>	1	<b>£0.30</b>
	2	£0.40	2	£0.40		2	<b>£0.50</b>	2	<b>£0.50</b>
	3	£0.50	3	£0.50		3	<b>£0.60</b>	3	<b>£0.60</b>
	4	£0.80	4	£0.80		4	<b>£1.00</b>	4	<b>£1.00</b>
The Bourne	1	£1.30	1	£1.40	The Bourne Charging Hours 07:00 to 21:00	1	<b>£1.50</b>	1	<b>£1.70</b>
	2	£2.60	2	£2.80		2	<b>£3.00</b>	2	<b>£3.20</b>
	3	£3.50	3	£4.00		3	<b>£4.10</b>	3	<b>£4.30</b>
	5	£5.80	5	£5.80		5	<b>£6.30</b>	5	<b>£6.50</b>
	10	£6.90	10	£7.40		10	<b>£7.40</b>	10	<b>£7.70</b>
	24	£7.40	24	£8.40		24	<b>£8.40</b>	24	<b>£9.00</b>
Russell Street	7 Spaces Previously Permit but unsold to be converted to Pay by Phone Parking.			Russell Street Charging Hours 07:00 to 21:00	1	<b>£1.30</b>	1	<b>£1.30</b>	
					2	<b>£2.00</b>	2	<b>£2.00</b>	
					3	<b>£2.60</b>	3	<b>£2.60</b>	
					4	<b>£3.80</b>	4	<b>£3.80</b>	
Hastings Country Park	All Day (8am – 6pm)		£2.00	Hastings Country Park (8am - 4pm)	2	<b>£2.00</b>	2	<b>£2.00</b>	
					8	<b>£3.00</b>	8	<b>£3.00</b>	

## Off Street Parking Season Permit Charges 2017/18

## Hastings Borough Council Season Permits

Type	Current Charge	Proposed Charge
Annual Season	£675.00	<b>£710.00</b>
Quarterly Season	£195.00	<b>£205.00</b>
Monthly Season	£70.00	<b>£75.00</b>
Weekly Season	£25.00	<b>£30.00</b>
Carlisle Parade Underground Car Park Motorcycle bay	£52.00	<b>Delete – Not viable as never purchased.</b>
Reserved Space Annual Only	£870.00	<b>£900.00</b>
Russell Street Reserved Spaces Annual Only	£675.00	<b>£675.00</b>
Restricted Zone Annual	£440.00	<b>£470.00</b>
Restricted Zone Quarterly	£135.00	<b>£145.00</b>
Restricted Zone Monthly	£45.00	<b>£50.00</b>
Bourne, High Street and Grand Parade Residents Annual	£350.00	<b>£380.00</b>
Bourne, High Street and Grand Parade Residents Quarterly	£110.00	<b>£115.00</b>
Grand Parade Motorcycle Permit	50% of car permit rate	50% of car permit rate
Priory Street Restricted Zone Motorcycle Permit	25% of car permit rate	25% of car permit rate
Country Park Annual	£25.00	<b>£35.00</b>
Hastings Country Park	£25.00	<b>£35.00</b>

**Council Tax – Overall**

**The Council is recommended to resolve as follows:**

- 1 It be noted that the Council has calculated the Council Tax Base 2017/18 for the whole Council area as 25,095 [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 2017/18 is £6,282,031
- 3 That the following amounts be calculated for the year 2017/18 in accordance with Sections 31 to 36 of the Act:
  - (a) 87,333,593 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) 81,051,562 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
  - (c) 6,282,031 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) 250.33 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) 250.33 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

## Appendix M (cont)

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 2017/18 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	166.89	194.70	222.52	250.33	305.96	361.59	417.22	500.66
East Sussex County Council (EST) (Including Adult Social Care +3%)	876.24	1,022.28	1,168.32	1,314.36	1,606.44	1,898.52	2,190.60	2,628.72
East Sussex Fire Authority (EST)	58.93	68.76	78.58	88.40	108.04	127.69	147.33	176.80
Police and Crime Commissioner (EST)	102.61	119.71	136.81	153.91	188.11	222.31	256.52	307.82
Aggregate of Council Tax Requirements	1,204.67	1,405.45	1,606.23	1,807.00	2,208.55	2,610.11	3,011.67	3,614.00

6. The Council's basic amount of Council Tax for 2017/18 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 2%, or more than 2%, and also more than £5 in 2017/18.

## CORPORATE SERVICES AND GOVERNANCE

## Appendix P

Reference NO.	2015-16 ACTUAL	SERVICE	2016-17	2016-17	2017-18 ESTIMATED OUTTURN
			ORIGINAL BUDGET	REVISED BUDGET	
	£	<b>SUMMARY OF REVENUE ESTIMATES</b>	£	£	£
CR1	197,569	1023 - Director of Corporate Services and Governance	177,256	171,150	<b>171,560</b>
CR2	368,981	1024 - Corp. Policy, Partnerships and Performance	371,412	330,630	<b>348,140</b>
CR3	296,163	1031 - Electoral Services	233,142	195,430	<b>195,900</b>
CR4	429,928	1022 - Estates Services	368,222	347,660	<b>341,860</b>
CR5	295,574	1029 - Building Surveyors	262,540	206,830	<b>204,670</b>
CR6	464,109	1032 - Legal Services	396,708	383,560	<b>382,230</b>
CR7	235,761	1051 / 1058 - Audit and Investigations Services	218,337	219,260	<b>212,140</b>
CR8	968,813	1052 - Accountancy Services	854,450	806,460	<b>785,310</b>
CR9	3,091,352	1054 / 1055 - Revenues Services	2,718,799	2,555,920	<b>2,502,840</b>
		1020 - Personnel and Organisational Development and			
CR10	757,631	Business Support	659,357	627,350	<b>608,560</b>
CR11	173,187	1090 - Corporate Personnel Expenses	175,817	173,800	<b>202,560</b>
CR12	1,116,509	5712 - Contact Centre	955,627	866,930	<b>899,330</b>
CR13	266,702	1085 - Digital by Design	160,690	249,550	<b>162,350</b>
CR14	149,807	1151 - Admin Buildings - Town Hall	84,331	109,340	<b>53,440</b>
CR15	1,756,765	1157 - Admin Buildings - Muriel Matters House	745,120	436,670	<b>424,400</b>
CR16	99,457	1160 - Admin Buildings - General Expenses	104,110	111,330	<b>100,500</b>
CR17	246,133	1169 - Admin Buildings - Corporate Archive	86,720	46,290	<b>47,420</b>
CR18	1,319,504	1080 - Corporate Expenses	1,356,060	1,185,210	<b>1,187,440</b>
CR19	931,807	1034 - IT	793,061	709,050	<b>706,910</b>
CR20	309,260	5228 - IT Reserve / Hardware	430,080	359,350	<b>374,980</b>
CR21	45,381	5227 - Land & Property Systems-GIS	43,800	39,870	<b>40,290</b>
	(13,520,392)	Less recharges to other services	(11,195,639)	(10,131,640)	<b>(9,952,830)</b>
	0	Unallocated Balance	0	0	<b>0</b>
CR22	745,665	5510 - Corporate Management Expenses	640,646	749,570	<b>725,910</b>
CR23	86,621	5511 - Non Distributed Costs	431,190	430,380	<b>670,540</b>
CR24	1,464,968	4200 / 4250 / 5900 - Benefit Payments and Administration	1,672,969	1,506,810	<b>1,469,180</b>
CR25	883,063	5950 - Council Tax and Business Rates Collection	623,350	548,690	<b>529,900</b>
CR26	(335,725)	2101 - Employment Areas	(335,430)	(338,510)	<b>(346,130)</b>
CR27	(999,313)	2201 - Factory Units	(1,198,730)	(1,183,530)	<b>(1,173,400)</b>
CR28	(816,549)	2404 - Farms and Other Properties	(1,080,920)	(1,059,620)	<b>(1,052,070)</b>
CR29	145,754	2602 - St Mary in the Castle	22,970	26,620	<b>26,570</b>
CR30	88,264	5299 - Other Expenditure	584,030	331,610	<b>522,630</b>
CR31	177,906	1200 - 1205 - Registration of Electors	155,023	184,280	<b>208,150</b>
CR32	1,061,694	5501 - Cost of Democracy	1,058,121	856,720	<b>829,300</b>
CR33	118,427	5503 / 5504 / 5505 - Election Expenses	147,004	168,640	<b>115,210</b>
CR34	26,480	5224 - Local Strategic Partnership	32,150	25,890	<b>27,260</b>
CR35	19,390	3405 - Sustainable Development	23,701	22,830	<b>23,910</b>
CR36	8,265	5513 - Public Consultation	11,860	8,630	<b>9,090</b>
CR37	923	1935 / 1997 - Climate Change Project / Ecofab Project	0	790	<b>0</b>
CR38	27,333	5004 - Pier Closure Costs	100,000	100,000	<b>0</b>
CR39	19,881	1501 - Shelters and Seats	22,770	26,490	<b>19,030</b>
CR40	13,113	1502 - Naming and Numbering	11,010	11,010	<b>8,220</b>
CR41	145,828	5236 - Decorative Lighting	99,110	93,930	<b>79,410</b>
CR42	(0)	1946 / 1983 / 1989 / 5289-96 / 6668 - Foreshore Trust	0	0	<b>0</b>
	2,881,987		3,020,824	2,511,230	<b>2,692,710</b>

OPERATIONAL SERVICES

Appendix P (cont.)

Reference NO.	2015-16 ACTUAL	SERVICE	2016-17	2016-17	2017-18
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	<b>SUMMARY OF REVENUE ESTIMATES</b>	£	£	£
OS1	843,468	1009 - Environmental Services Management & Administration	726,799	675,030	<b>631,500</b>
OS2	550,566	1071 - Amenities Administration	376,112	410,590	<b>397,410</b>
OS3	956,051	1074 - Waste and Parking Team	871,168	920,530	<b>890,070</b>
OS4	1,235,868	1072 - Administration - Housing	941,412	916,510	<b>875,260</b>
OS5	181,538	1005 - Local Land Planning Management & Admin	152,139	129,110	<b>130,270</b>
OS6	392,956	1015 - Director of Operational Services	311,277	183,580	<b>181,140</b>
OS7	311,296	1070 - Leisure Administration	287,040	240,900	<b>234,710</b>
OS8	235,384	1075 - Resort Services Management and Administration	223,162	182,330	<b>179,770</b>
OS9	510,176	1021 - Regeneration Administration Division	308,119	319,880	<b>309,120</b>
OS10	712,173	1025 - Communications & Marketing	529,840	509,710	<b>443,030</b>
	(5,936,283)	Less recharges to other services	(4,727,068)	(4,488,170)	<b>(4,272,280)</b>
	(6,807)	Unallocated Balance	0	0	<b>0</b>
OS11	91,966	1008 - Building Control	67,690	66,500	<b>53,340</b>
OS12	1,256,696	1600 - Development Control & 1607 Conservation	791,127	991,490	<b>931,930</b>
OS13	(185,987)	5211 - Local Land Charges Register	(185,580)	(212,710)	<b>(235,789)</b>
OS14	445,654	4000 - Homelessness & 4138 Preventing Repossessions	393,136	443,380	<b>443,030</b>
OS15	270,307	4001 - Homelessness Prevention	230,240	204,020	<b>204,790</b>
OS16	80,330	4025 - Social Lettings	59,566	(13,010)	<b>(45,550)</b>
OS17	168,955	4050 - Homelessness Strategy	202,458	201,720	<b>148,060</b>
OS18	141,365	4120 - Housing Register	122,300	72,060	<b>65,980</b>
OS19	298	4051 - Deposits funded by ESCC	34,450	49,390	<b>18,700</b>
OS20	43,654	4055 - Youth Homelessness	0	22,310	<b>20,660</b>
OS21	3,173	4057 - Anti Poverty	5,200	5,200	<b>5,200</b>
OS22	25	4060 - POAL Officer	0	0	<b>0</b>
OS23	(8,276)	4137 - Land Auction Pilot	22,000	0	<b>0</b>
OS24	666,734	4140 - Housing Renewal	665,347	435,870	<b>409,015</b>
OS25	(671)	4143 - Rogue landlords	0	72,140	<b>0</b>
OS26	205,756	4158 - Selective licensing	(233,291)	25,430	<b>(32,645)</b>
OS27	(63,101)	4160 - Housing Licensing	(108,700)	71,640	<b>0</b>
OS28	23,628	4130 - Housing Solution Services	9,100	40,870	<b>20,580</b>
OS29	72,886	4300 - Coastal Space Enforcement Activities	48,900	31,090	<b>11,270</b>
OS30	15,406	5001 - Dangerous Structures	2,500	2,500	<b>2,500</b>
OS31	3,244	1953 - Coastal Local economic Partnership (LEP)	0	4,650	<b>4,650</b>
OS32	101,590	4045 - Housing - NHS Clinical Commissioning Group CCG	298,210	582,850	<b>1,040,956</b>
OS33	0	4183 - Sustainable Housing in Inclusive Neighbourhoods	0	32,460	<b>30,670</b>
OS34	0	4185 - Climate Active Neighbourhoods	0	13,110	<b>12,670</b>
OS35	0	4004 - Syrian Resettlement Programme	0	(111,170)	<b>(213,054)</b>
OS36	0	4002 - Rough Sleeper Prevention	0	0	<b>0</b>
	3,333,631	<b>Housing and Built Environment</b>	2,424,653	3,031,790	<b>2,896,963</b>

## OPERATIONAL SERVICES

## Appendix P (cont.)

Reference NO.	2015-16 ACTUAL	SERVICE	2016-17	2016-17	2017-18
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	<b>SUMMARY OF REVENUE ESTIMATES</b>	£	£	£
OS37	436,278	1900, 1904 Regeneration Activity	492,819	528,640	<b>474,090</b>
OS38	310,564	1603 - Planning Policy	373,340	367,720	<b>295,580</b>
OS39	164,980	1922 - Cultural Activities	184,780	201,830	<b>140,110</b>
OS40	50,246	1945 - Cultural Development	116,800	200,770	<b>82,720</b>
OS41	2,130	1928 - Regional Growth Fund Four - SUCCESS Programme	0	0	<b>0</b>
OS42	(392)	1931 - Answers in the Carbon Economy	0	0	<b>0</b>
OS43	162,937	1934 - External Funding Initiatives	169,080	145,280	<b>88,920</b>
OS44	(8,045)	1939 - Safe Ice	0	0	<b>0</b>
OS45	57,414	1980 - Community Cohesion	51,000	54,280	<b>53,580</b>
OS46	(15,861)	1988 - Fisheries Local Action Group (FLAG)	0	0	<b>0</b>
OS47	(5,849)	1998 - Coastal Communities Fund	0	0	<b>0</b>
OS48	22,369	1999 - Employability	36,700	36,610	<b>0</b>
OS49	(994)	2020 - Talent Match	0	(230)	<b>0</b>
OS50	51	2030 - Sea Escapes - CCF III Coastal Communities Fund Revenue	0	0	<b>0</b>
OS51	364,445	5120 - Community Partnership	302,417	303,390	<b>252,190</b>
OS52	(5,494)	5121 - Older and Younger People	0	5,550	<b>0</b>
OS53	9,799	6006 - Youth Activities (Young Persons Council)	8,200	10,200	<b>5,000</b>
OS54	0	5118 - Town Centre Management	0	0	<b>9,300</b>
OS55	0	5119 - Community Development Activity	0	0	<b>5,000</b>
OS56	11,567	1995 - Image Raising Campaign Project	5,000	18,000	<b>0</b>
OS57	154,371	5701 - 1066 Country Campaign	134,560	137,490	<b>126,010</b>
OS58	236,914	5702, 5703 - Tourism Marketing	157,910	108,160	<b>108,700</b>
OS59	141,919	5714 - Tourist Information Centre	108,628	140,970	<b>106,510</b>
OS60	70,745	5705 - Community Awareness	49,750	54,040	<b>49,870</b>
OS61	13,042	5720 - Twinning / Sierra Leone	10,610	12,180	<b>10,970</b>
OS62	105,716	1962, 5719, 5721-5725, 5727-5728, 5730, 5780, 5781 Raising the Profile of Hastings	110,040	141,860	<b>122,130</b>
OS63	(484)	5731 - Norman Castles Interreg Project	0	0	<b>0</b>
OS64	3,495	5237 - Meteorological Expenses	4,800	3,800	<b>3,920</b>
OS65	75,663	5507 - Civic & Ceremonial Expenses	75,500	65,630	<b>55,890</b>
OS66	1,099	5740 - Filming	(4,000)	(4,000)	<b>(4,000)</b>
OS67	338,025	1400 - Coastal Protection	26,920	32,200	<b>31,440</b>
OS68	11,051	1410 - Navigational Aids	10,060	11,430	<b>11,090</b>
OS69	13,584	1608 - Env. Schemes Net Shops	10,160	10,700	<b>10,590</b>
OS70	49,409	2502 - Cliff Railways	(87,538)	(87,830)	<b>(120,050)</b>
OS71	(13,471)	2510 / 2512 - Castle and Caves	(32,860)	(29,160)	<b>(30,390)</b>
OS72	(125,925)	2514 - Chalets and Beach Huts	(141,540)	(157,160)	<b>(207,720)</b>
OS73	732,031	2601 - White Rock Theatre	681,420	622,580	<b>663,510</b>
OS74	512,580	5241 - Seafront	169,204	154,010	<b>146,904</b>
OS75	520,792	6000 / 6005 / 6008 / 6009 / - Museums and Art Galleries	458,280	459,440	<b>404,840</b>
OS76	4,289	6015 - First World War Project	(8,700)	(11,290)	<b>3,500</b>
OS77	58,021	6150 - Sports Management	33,810	16,960	<b>17,090</b>
OS78	59,637	2640 - Falaise Fitness Centre	40,150	37,400	<b>36,180</b>
OS79	139,970	6100 - Sports Centres	165,000	100,220	<b>53,980</b>
OS80	5,000	6409 - William Parker Athletic Track	5,000	8,430	<b>8,330</b>
OS81	115,529	6650 - Sports Development	104,280	82,510	<b>80,810</b>
OS82	37,177	6651 - Street Games	46,910	32,900	<b>15,510</b>
OS83	3,445	6675 - Sports for All	0	0	<b>0</b>
OS84	107,831	6657 - Active Hastings	95,740	90,900	<b>63,130</b>
OS85	162,384	6660 - Play Development	151,980	136,680	<b>134,680</b>
OS86	0	6666 - Primary Care Trust Play Grant	3,850	3,850	<b>0</b>
OS87	90,062	6667 - Play Pathfinder	81,200	42,660	<b>42,340</b>
OS88	0	6670 - Playground Projects	0	0	<b>0</b>
OS89	0	2040 - CHART CLLD - Connecting Hastings and Rother Together Community Led Local Development	0	0	<b>(15,800)</b>
OS90	0	5116 - 1066 Community Grants	0	30,000	<b>0</b>
OS91	(38,076)	6640 - Opening Doors	1,390	1,350	<b>0</b>
OS92	5,000	6641 - Lets get Moving (CCG)	16,480	68,400	<b>0</b>
OS93	11,386	1937 - British BID DCLG - Loan Fund (Business Improvement District)	0	18,830	<b>5,250</b>
OS94	60,000	1956 - Hastings Pier CPO	0	0	<b>0</b>
OS95	(334)	1984 - Classroom on the Coast	0	0	<b>0</b>
OS96	40,000	5003 - Hastings Pier Charity - Additional Grant	0	0	<b>0</b>
	5,258,022	<b>Regeneration and Culture</b>	4,219,130	4,208,180	<b>3,341,704</b>

OPERATIONAL SERVICES

Appendix P (cont.)

Reference NO.	2015-16 ACTUAL	SERVICE	2016-17	2016-17	2017-18
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	<b>SUMMARY OF REVENUE ESTIMATES</b>	£	£	£
OS97	303,753	3401 - Food Safety	270,440	308,630	<b>300,190</b>
OS98	119,311	3402 / 3404 - Health and Safety	103,518	128,550	<b>124,770</b>
OS99	325,211	3403 - Environmental Protection	307,139	336,230	<b>322,050</b>
OS100	59,774	3407 - Pest Control	54,370	58,340	<b>56,260</b>
OS101	(53,290)	5100 - Local Licensing	(41,190)	(49,490)	<b>(56,290)</b>
OS102	18,585	5105 - Liquor Licensing	11,680	1,930	<b>480</b>
OS103	25,378	5106 - Gambling Licensing	27,120	14,420	<b>13,330</b>
OS104	37,337	5125 - Stray Dog Contract	34,820	46,600	<b>45,640</b>
OS105	38,309	5223 - Emergency Planning	38,240	60,320	<b>58,560</b>
OS106	(236,270)	1300 / 1350 - Parking	(434,260)	(451,390)	<b>(487,990)</b>
OS107	272,894	1370 - Closed Circuit Television	253,700	225,960	<b>235,630</b>
OS108	(7,651)	1506 - ESCC Highway Tree Maintenance	(3,000)	(3,000)	<b>(3,000)</b>
OS109	5,031	1504 - Public Realm	0	0	<b>40,000</b>
OS110	1,181,343	3303 - Waste Collection	1,009,770	1,062,220	<b>1,076,820</b>
OS111	139,326	3410 - Recycling	211,800	226,260	<b>231,200</b>
OS112	1,236,409	3313 - Street Cleansing	1,242,370	1,239,930	<b>1,261,410</b>
OS113	(8,045)	3411 - Greenwaste	(16,660)	(32,010)	<b>(58,350)</b>
OS114	515,534	3412 - Waste and Environmental Enforcement Team	474,028	421,050	<b>422,260</b>
OS115	21,452	5205 - Together Action	28,270	41,100	<b>33,600</b>
OS116	128,245	5214 - Safer Hastings Partnership (HBC)	110,241	119,370	<b>125,600</b>
OS117	7,227	5219 - Safer Hastings Partnership (External)	0	8,080	<b>0</b>
OS118	0	5226 - CS Domestic Violence (CCG)	0	0	<b>0</b>
OS119	24,112	1420 - Watercourses	24,820	32,600	<b>32,300</b>
OS120	(334,405)	3102 / 3103 - Cemetery and Crematorium	(438,414)	(426,510)	<b>(517,590)</b>
OS121	28,485	5140 - Travellers Costs	29,520	22,430	<b>21,850</b>
OS122	30,621	5250 - Town Centre	29,480	50,260	<b>47,490</b>
OS123	73,363	5280 - Allotments	74,630	18,460	<b>14,300</b>
OS124	79,929	5281 - Ecology	97,948	58,330	<b>57,060</b>
OS125	158,074	6200 - Arboriculture	158,399	141,760	<b>140,970</b>
OS126	1,614,535	6301 - Parks and Gardens	1,532,231	1,604,260	<b>1,656,640</b>
OS127	127,133	6308 - Bathing Water Quality	0	31,830	<b>0</b>
OS128	194,757	1355 / 6503 - Hastings Country Park	146,926	113,890	<b>97,650</b>
OS129	32,399	6508 - Countryside Stewardship	20,850	51,720	<b>16,000</b>
OS130	428,223	3033 - Public Conveniences	343,620	354,240	<b>254,860</b>
	6,587,090	<b>Environment and Place</b>	5,702,406	5,816,370	5,563,700
	<b>15,171,936</b>	<b>Operational Services Directorate Total</b>	<b>12,346,189</b>	<b>13,056,340</b>	<b>11,802,367</b>



**CAPITAL PROGRAMME SUMMARY**

	Capital					Revenue						
	2016/17 Original £'000	2016/17 Revised £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total over Prog Period £'000	2016/17 Original £'000	2016/17 Revised £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Full Year £'000
<b>Net cost by Service</b>												
Corporate Resources	6,049	14,529	500	-	-	15,029	(236)	(177)	(177)	(159)	(159)	(159)
Operational Services	1,860	781	1,618	764	116	2,399	74	94	94	177	257	257
	<b>7,909</b>	<b>15,310</b>	<b>2,118</b>	<b>764</b>	<b>116</b>	<b>17,428</b>	<b>(162)</b>	<b>(83)</b>	<b>(83)</b>	<b>18</b>	<b>98</b>	<b>98</b>
<b>Net cost by Status</b>												
Committed Schemes	7,580	15,008	1,341	764	116	16,349	(177)	(139)	(139)	(69)	11	11
Uncommitted Schemes	329	105	277	-	-	382	15	22	22	35	35	35
New Schemes	-	197	500	-	-	697	0	34	34	52	52	52
	<b>7,909</b>	<b>15,310</b>	<b>2,118</b>	<b>764</b>	<b>116</b>	<b>17,428</b>	<b>(162)</b>	<b>(83)</b>	<b>(83)</b>	<b>18</b>	<b>98</b>	<b>98</b>
<b>Gross cost of schemes analysed by service</b>												
Corporate Resources	6,049	14,569	500	-	-	21,118						
Operational Services	4,444	2,795	5,295	2,681	1,128	16,343						
	<b>10,493</b>	<b>17,364</b>	<b>5,795</b>	<b>2,681</b>	<b>1,128</b>	<b>37,461</b>						

## CORPORATE RESOURCES - CAPITAL PROGRAMME

## Appendix Q (cont)

		Profile of Council Net Cost										
Scheme Ref.	Scheme	Class	Total Gross Cost	Total Net Cost	Before 31.3.16	2016/17	Revised		2017/18	2018/19	2019/20	Subseq. Years
(1)	(2)	(*) (3) (4)	£'000 (5)	£'000 (6)	£'000 (7)	£'000 (9)	£'000 (9)	£'000 (10)	£'000 (11)	£'000 (11)	£'000 (12)	
ES04-2	Office Accommodation	* c	716	676	629	0	47	0	0	0	0	
CR-05	Ore Valley -Land Purchase	* c	55	55	55	0	0	0	0	0	0	
CR-06	Sandrock Park - Land Purchase	* c	23	23	0	0	23	0	0	0	0	
CR-08	Aquila House Refurbishment	* c	609	609	608	0	1	0	0	0	0	
CR-09	New Factory unit	* c	1,440	1,440	87	1,200	1,353	0	0	0	0	
CR-10	Town Hall Works	* c	457	457	428	0	29	0	0	0	0	
RP16	CPO property	* c	150	150	0	0	150	0	0	0	0	
CR-11	Aquila House Purchase	* c	4,400	4,400	0	4,400	4,400	0	0	0	0	
CR-12	Kiosk above Bottle Alley	* c	79	79	0	79	79	0	0	0	0	
CR-13	Factory Block Churchfields Estates	* c	0	0	0	370	0	0	0	0	0	
CR- 15	Land at West Marina	0 n	127	127	0	0	127	0	0	0	0	
CR-16	New ERP system	0 n	500	500	0	0	0	500	0	0	0	
CR-17	Retail Property purchase	* c	7,700	7,700	0	0	7,700	0	0	0	0	
CR-18	Land on Churchfields Estate	* c	620	620	0	0	620	0	0	0	0	
	Schemes Already Committed	c	16,249	16,209	1,807	6,049	14,402	0	0	0	0	
	Schemes Uncommitted	u	0	0	0	0	0	0	0	0	0	
	New Schemes	n	627	627	0	0	127	500	0	0	0	
Total Capital Expenditure			16,876	16,836	1,807	6,049	14,529	500	0	0	0	
Revenue Costs												
	Schemes Already Committed	c				(236)	(271)	(204)	(204)	(204)	(204)	
	Schemes Uncommitted	u				0	0	0	0	0	0	
	New Schemes	n				0	4	27	45	45	45	
	No further approval required	*										
Total Revenue Costs						(236)	(267)	(177)	(159)	(159)	(159)	

## CORPORATE RESOURCES - CAPITAL PROGRAMME

	Total Cost £'000	Before 31.3.16 £'000	16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subsequent Years £'000
<b>ES04-2 Office Accommodation</b>								
9411								
Accommodation work not directly related to Aquila House project								
<u>Funding Source</u>								
Council	676	629		47				
Other	40			40				
<u>Total Funding</u>	716	629	0	87	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	3	5	5	5	5
Other								
<u>Total Revenue Costs</u>			0	3	5	5	5	5
<b>CR-06 Sandrock Park - Land Purchase</b>								
9594								
The purchase of land at Sandrock Park								
<u>Funding Source</u>								
Council	23			23				
Other	0							
<u>Total Funding</u>	23	0	0	23	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	2	3	3	3	3
Other								
<u>Total Revenue Costs</u>			0	2	3	3	3	3
<b>CR-08 Aquila House Refurbishment</b>								
9410								
Refurbishment of Aquila £450,000 also additional repair and IT works undertaken at the same time as contract to be funded by existing repair budgets etc.								
<u>Funding Source</u>								
Council	4	609	608	1				
Other		0						
<u>Total Funding</u>		609	608	1	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	1	1	1	1	1
Other			(25)	(25)	(25)	(25)	(25)	(25)
<u>Total Revenue Costs</u>			(25)	(24)	(24)	(24)	(24)	(24)
<b>CR-09 New Factory unit</b>								
9800								
Construction of additional factory unit in Castleham road to be financed by loan								
<u>Funding Source</u>								
Council	1,440	87	1,200	1,353				
Other	0							
<u>Total Funding</u>	1,440	87	1,200	1,353	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			40	45	90	90	90	90
Other			(19)	(19)	(38)	(38)	(38)	(38)
<u>Total Revenue Costs</u>			21	26	52	52	52	52
<b>CR-10 Town Hall Works</b>								
9418								
Adapt Town hall for partial rental								
<u>Funding Source</u>								
Council	83	457	428	29				
Other		0						
<u>Total Funding</u>		457	428	29	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	3	5	5	5	5
Other			(83)	(90)	(90)	(90)	(90)	(90)
<u>Total Revenue Costs</u>			(83)	(87)	(85)	(85)	(85)	(85)

	Total Cost £'000	Before 31.3.16 £'000	16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subsequent Years £'000
<b>RP16 CPO property</b>								
9700 Spring Cottage acquired by CPO and sold								
<u>Funding Source</u>								
Council	150	0	0	150				
Other	0							
<b>Total Funding</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			0	0	0	0	0	0
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>9407 Aquila House Purchase</b>								
CR-11 Purchase of the freehold of Aquila House								
<u>Funding Source</u>								
Council	4,400		4,400	4,400				
Other	0							
<b>Total Funding</b>	<b>4,400</b>	<b>0</b>	<b>4,400</b>	<b>4,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			126	126	251	251	251	251
Other			(279)	(279)	(279)	(279)	(279)	(279)
<b>Total Revenue Costs</b>			<b>(153)</b>	<b>(153)</b>	<b>(28)</b>	<b>(28)</b>	<b>(28)</b>	<b>(28)</b>
<b>9741 Kiosk above Bottle Alley</b>								
CR-12 Construction of circular kiosk in line with the HBC Seafront Strategy								
<u>Funding Source</u>								
Council	79		79	79				
Other	0							
<b>Total Funding</b>	<b>79</b>	<b>0</b>	<b>79</b>	<b>79</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			3	3	5	5	5	5
Other			(2)	(4)	(8)	(8)	(8)	(8)
<b>Total Revenue Costs</b>			<b>1</b>	<b>(1)</b>	<b>(3)</b>	<b>(3)</b>	<b>(3)</b>	<b>(3)</b>
<b>9801 Factory Block Churchfields Estates</b>								
CR-13 Purchase of long leasehold interest in above								
<u>Funding Source</u>								
Council	0		370	0				
Other	0							
<b>Total Funding</b>	<b>0</b>	<b>0</b>	<b>370</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			11	0	0	0	0	0
Other			(8)					
<b>Total Revenue Costs</b>			<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Land at West Marina</b>								
CR- 15 Land at West Marina from the Hastings and St Leonards Charitable Trust								
<u>Funding Source</u>								
Council	127			127				
Other	0							
<b>Total Funding</b>	<b>127</b>	<b>0</b>	<b>0</b>	<b>127</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			0	4	8	8	8	8
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>4</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>
<b>New ERP system</b>								
CR-16 Purchase and development of new Enterprise Resource Planning system								
<u>Funding Source</u>								
Council	500			500				
Other	0							
<b>Total Funding</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			0	0	19	37	37	37
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>0</b>	<b>19</b>	<b>37</b>	<b>37</b>	<b>37</b>

	Total Cost £'000	Before 31.3.16 £'000	16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subsequent Years £'000
<b>9130 Retail Property purchase</b>								
CR-17								
Purchase of new property for income generation								
<u>Funding Source</u>								
Council	7,700			7,700	0			
Other	0							
<b>Total Funding</b>	<b>7,700</b>	<b>0</b>	<b>0</b>	<b>7,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			<b>0</b>	<b>104</b>	<b>312</b>	<b>312</b>	<b>312</b>	<b>312</b>
Other				(153)	(460)	(460)	(460)	(460)
<b>Total Revenue Costs</b>			<b>0</b>	<b>(49)</b>	<b>(148)</b>	<b>(148)</b>	<b>(148)</b>	<b>(148)</b>
<hr/>								
<b>New</b>	<b>Land on Churchfields Estate</b>							
CR-18	Acquisition of Land							
<u>Funding Source</u>								
Council	620			620				
Other	0							
<b>Total Funding</b>	<b>620</b>	<b>0</b>	<b>0</b>	<b>620</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			<b>0</b>	<b>13</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>13</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>

OPERATIONAL SERVICES - CAPITAL PROGRAMME

Appendix Q (cont)

		Profile of Council Net Cost								
Scheme Ref.	Scheme	Class	Total Gross Cost	Total Net Cost	Before 31.3.16	Revised 2016/17	2017/18	2018/19	2019/20	Subseq. Years
(1)	(2)	(3) (4)	(5)	(6)	(7)	(10)	(11)	(11)	(11)	(12)
		(*)	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
H07	Private Sector Renewal Support	* c	157	0	0	0	0	0	0	0
H08	Disabled Facilities Grant	* c	3,900	0	0	0	0	0	0	0
H15	Empty Homes Strategy - CPO	* c	250	250	59	20	70	70	31	0
PL01	Central St. Leonards Town Heritage Initiative 2	* c	1,372	437	511	-74	0	0	0	0
RP04	Restoration of Pelham Crescent/ Pelham Arcade	* c	756	359	115	94	150	0	0	0
RP16	Road at Pelham Arcade	* u	125	75	0	35	40	0	0	0
RP15	Ex Malvern Public House - matched funding	* c	54	54	54	0	0	0	0	0
RP14	Coastal Space Regeneration Project - Phase II	* c	875	875	0	0	875	0	0	0
CR14	Coastal Space - Phase 3	* c	1,376	609	0	0	0	609	0	0
RP12	Hastings Pier - including matched funding	* c	310	310	310	0	0	0	0	0
ES28	Castle Access/ Interpretation (£100k -15/16*)	* u	350	350	43	70	237	0	0	0
RP11	Factory Refurbishment (ACE)	* c	584	133	133	0	0	0	0	0
RP15	White Rock Baths	* c	1,246	174	133	41	0	0	0	0
RP11	Groyne Refurbishment	* c	75	75	0	0	5	35	35	0
ES35	Work on Harbour Arm and New Groynes	* c	2,968	30	0	0	30	0	0	0
ES36	Further Sea Defence works	* c	150	0	0	0	0	0	0	0
ES39	Additional Chalets	* c	61	61	0	61	0	0	0	0
RP09	Public Realm	* c	346	255	79	26	50	50	50	0
ES34	Bottle Alley	* c	269	219	60	159	0	0	0	0
ES24	CCTV Control Room	* c	451	361	211	150	0	0	0	0
ES33	Crematorium and Chapel Enhancements	* c	113	113	113	0	0	0	0	0
ES32	Country Park -Interpretive Centre	* c	250	250	49	40	161	0	0	0
ES37	Playgrounds Upgrade Programme	* c	87	87	44	43	0	0	0	0
ES38	Playgrounds Carnoustie & Kensington Close	* c	60	0	0	0	0	0	0	0
OS2	Sea Escapes - CCF III Coastal Communities Fund Capital	* c	366	46	0	46	0	0	0	0
ES40	Purchase of new parking machines and boards	n	70	70	0	70	0	0	0	0
	Schemes Already Committed	c	16,076	4,698	1,871	606	1,341	764	116	0
	Schemes Uncommitted	u	475	425	43	105	277	0	0	0
	New Schemes	n	70	70	0	70	0	0	0	0
	<b>Total Capital Expenditure</b>		<b>16,621</b>	<b>5,193</b>	<b>1,914</b>	<b>781</b>	<b>1,618</b>	<b>764</b>	<b>116</b>	<b>0</b>
	Revenue Costs									
	Schemes Already Committed	c				31	65	215	0	215
	Schemes Uncommitted	u				6	22	35	0	35
	New Schemes	n				4	7	7	0	7
	No further approval required	*								
	<b>Total Revenue Costs</b>					<b>41</b>	<b>94</b>	<b>257</b>	<b>0</b>	<b>257</b>

**OPERATIONAL SERVICES - CAPITAL PROGRAMME**

	Total Cost £'000	Before 31.3.16 £'000	16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subseq. Years £'000
<b>H07 Private Sector Renewal Support</b>								
9314								
Property grants to bring conditions up to minimum standards.								
<u>Funding Source</u>								
Council	0							
Regional Housing Board Grant+ LEP funding of £46K	157		71	5	70	70	12	
<u>Total Funding</u>	157	0	71	5	70	70	12	0
<u>Revenue Costs</u>								
Financing Charge			0	0	0	0	0	0
Other								
<u>Total Revenue Costs</u>			0	0	0	0	0	0
<b>H08 Disabled Facilities Grant</b>								
9308								
Property Grants for disabled facilities								
<u>Funding Source</u>								
Council	0							
Government Grant /ESCC	3,900		1,377	900	1,000	1,000	1,000	
<u>Total Funding</u>	3,900	0	1,377	900	1,000	1,000	1,000	0
<u>Revenue Costs</u>								
Financing Charge			0	0	0	0	0	0
Other								
<u>Total Revenue Costs</u>			0	0	0	0	0	0
<b>H15 Empty Homes Strategy - CPO</b>								
9590								
Rolling programme of purchases and disposals								
<u>Funding Source</u>								
Council	250	59	70	20	70	70	31	
Government Grant	0							
<u>Total Funding</u>	250	59	70	20	70	70	31	0
<u>Revenue Costs</u>								
Financing Charge			6	1	5	12	16	18
Other								
<u>Total Revenue Costs</u>			6	1	5	12	16	18
<b>PL01 Central St. Leonards Town Heritage Initiative 2</b>								
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	511	63	(74)				
HLF lottery funds £700k;+ £24k-£8K and ERDF funding £250k. +	935	756	62	179				
<u>Total Funding</u>	1,372	1,267	125	105	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			3	(4)	(7)	(7)	(7)	(7)
Other								
<u>Total Revenue Costs</u>			3	(4)	(7)	(7)	(7)	(7)

	Total Cost £'000	Before 31.3.16 £'000	Revised 16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subseq. Years £'000
<b>RP04 Restoration of Pelham Crescent/ Pelham Arcade</b>								
9558								
Feasibility study and grants for restoration works, plus additional phase 2 works / grants to adjoining property								
<u>Funding Source</u>								
Council	359	115	175	94	150			
English Heritage £280K Council reserves £117K	397	284	150	36	77			
<b>Total Funding</b>	<b>756</b>	<b>399</b>	<b>325</b>	<b>130</b>	<b>227</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			8	5	16	22	22	22
Other								
<b>Total Revenue Costs</b>			<b>8</b>	<b>5</b>	<b>16</b>	<b>22</b>	<b>22</b>	<b>22</b>
<b>RP16 Road at Pelham Arcade</b>								
9554								
Road above Pelham Arcade								
<u>Funding Source</u>								
Council	75	0	65	35	40			
Other- Freeholder Contributions	50	0	50	0	50			
<b>Total Funding</b>	<b>125</b>	<b>0</b>	<b>115</b>	<b>35</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			3	2	5	7	7	7
Other								
<b>Total Revenue Costs</b>			<b>3</b>	<b>2</b>	<b>5</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>RP15 Ex Malvern Public House - matched funding</b>								
9592								
Original Work re curtailed acquisition and demolition of Malvern Public House - matched funding								
<u>Funding Source</u>								
Council	54	54						
Other	0							
<b>Total Funding</b>	<b>54</b>	<b>54</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			0	0	0	0	0	0
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>RP14 Coastal Space Regeneration Project - Phase II</b>								
9601								
Acquisition and refurbishment of dwellings in Central St Leonards, in partnership with Amicus Horizon. HBC grant funding								
<u>Funding Source</u>								
Council - Grant	875		875	0	875			
Council - Loan	0							
Other	0							
<b>Total Funding</b>	<b>875</b>	<b>0</b>	<b>875</b>	<b>0</b>	<b>875</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			24	0	24	48	48	95
Other								
<b>Total Revenue Costs</b>			<b>24</b>	<b>0</b>	<b>24</b>	<b>48</b>	<b>48</b>	<b>95</b>
<b>CR14 Coastal Space - Phase 3</b>								
Acquisition and refurbishment of dwellings in Central St Leonards in partnership with Amicus Horizon								
<u>Funding Source</u>								
Council	609					609		
Other S106 received re Affordable Housing	100					100		
LAP contribution	667					667		
<b>Total Funding</b>	<b>1,376</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,376</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			0	0	0	17	34	34
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>34</b>	<b>34</b>



	Total Cost £'000	Before 31.3.16 £'000	Revised 16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subseq. Years £'000
<b>ES28 Castle Access/ Interpretation</b> 9588								
Improvements to the Castle for the 950th anniversary and £100k for additional works								
<u>Funding Source</u>								
Council	350	43	264	70	237			
Heritage Lottery Fund	0							
<b>Total Funding</b>	<b>350</b>	<b>43</b>	<b>264</b>	<b>70</b>	<b>237</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			12	4	17	28	28	28
Other								
<b>Total Revenue Costs</b>			<b>12</b>	<b>4</b>	<b>17</b>	<b>28</b>	<b>28</b>	<b>28</b>
<b>RP11 Factory Refurbishment (ACE)</b> 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)	133	133						
Interreg (£416K less £155K in revenue 12/13 ) / LAA £87K	451	451						
<b>Total Funding</b>	<b>584</b>	<b>584</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			0	0	0	0	0	0
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
In addition to the figure above there is £155K in revenue funded by Interreg and £100K funded by partners								
<b>RP15 White Rock Baths</b> 9593								
Total project on white rock baths excluding tenant fit out - HBC £172k + loan £300k FST 150 ESI £235K								
<u>Funding Source</u>								
Council	174	133		41				
Loan FST £300K+ £127K	427	427		0				
Foreshore Trust total £200k ESCC (£235k +£85K) CCF £75k + Source (£49k)	645	645		0				
<b>Total Funding</b>	<b>1,246</b>	<b>1,205</b>	<b>0</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			0	2	4	4	4	4
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>RP11 Groyne Refurbishment</b> 9007								
To maintain beach and groins								
<u>Funding Source</u>								
Council	75		35	0	5	35	35	0
Other	0							
<b>Total Funding</b>	<b>75</b>	<b>0</b>	<b>35</b>	<b>0</b>	<b>5</b>	<b>35</b>	<b>35</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			2	0	1	3	6	7
Other								
<b>Total Revenue Costs</b>			<b>2</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>7</b>

	Total Cost £'000	Before 31.3.16 £'000	Revised 16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subseq. Years £'000
<b>ES35 Work on Harbour Arm and New Groynes</b>								
9006								
DEFRA funded works re above Investigations to take to take place in 14/15 with the majority of the work in 16/17 & 17/18								
<u>Funding Source</u>								
Council	30				30			
Contribution from DEFRA/EA	2,938	78	550	450	2,410			
<u>Total Funding</u>	2,968	78	550	450	2,440	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	0	2	3	3	3
Other								
<u>Total Revenue Costs</u>			0	0	2	3	3	3
<b>ES36 Further Sea Defence works</b>								
Works at Pier West and Bulverhythe								
<u>Funding Source</u>								
Council	0							
Other - DEFRA/EA	150				70	80		
<u>Total Funding</u>	150	0	0	0	70	80	0	0
<u>Revenue Costs</u>								
Financing Charge			0	0	0	0	0	0
Other								
<u>Total Revenue Costs</u>			0	0	0	0	0	0
<b>RP09 Public Realm</b>								
9574								
Improvement & Refurbishment of public realm assets								
<u>Funding Source</u>								
Council	255	79	50	26	50	50	50	
Other -Coastal Communities Fund revenue 2015/16 £35,000	91	56		35				
<u>Total Funding</u>	346	135	50	61	50	50	50	0
<u>Revenue Costs</u>								
Financing Charge			3	2	5	10	14	16
Maintenance of area								
<u>Total Revenue Costs</u>			3	2	5	10	14	16
<b>ES34 Bottle Alley</b>								
9740								
Improvements to Public Realm Bottle Alley lighting and concrete								
<u>Funding Source</u>								
Council	219	60		159				
Other -Coastal Revival fund	50	50						
<u>Total Funding</u>	269	110	0	159	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	8	15	15	15	15
Maintenance of area								
<u>Total Revenue Costs</u>			0	8	15	15	15	15

	Total Cost £'000	Before 31.3.16 £'000	16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subseq. Years £'000
<b>ES24 CCTV Control Room</b>								
9077								
Replacement of equipment and cost of transfer to an alternative site								
<u>Funding Source</u>								
Council	361	211		150				
ESCC £50k, Sussex Police £20k (was £15K), Sussex Coast College £20k (S106)	90	40		50				
<u>Total Funding</u>	451	251	0	200	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	7	14	14	14	14
Other								
<u>Total Revenue Costs</u>			0	7	14	14	14	14
<b>Sea Escapes - CCF III Coastal Communities</b>								
<b>Fund Capital</b>								
OS2								
9650								
Promenade improvements around White rock area partly funded by CCF								
<u>Funding Source</u>								
Council	46		46	46				
HBC revenue repair budget	30			30				
CCF £100k, FST £133k ( £85k + £12k repairs+£18k additional July 15 Charity Committee meeting + £18k other repair (less £9k spent CC, £ 50K fountain needing further Charity Committee approval) - extra CCF funding	290		154	290				
<u>Total Funding</u>	366	0	200	366	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			3	3	5	5	5	5
Other								
<u>Total Revenue Costs</u>			3	3	5	5	5	5
<b>Additional Chalets</b>								
ES39								
New								
Build new chalets for Income generation								
<u>Funding Source</u>								
Council	61	0		61				
Other	0							
<u>Total Funding</u>	61	0	0	61	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	3	6	6	6	6
Other					(40)	(40)	(40)	(40)
<u>Total Revenue Costs</u>			0	3	(34)	(34)	(34)	(34)
<b>Crematorium and Chapel Enhancements</b>								
ES33								
9604								
Provision of upgrade including building alterations works on the memorial and drainage								
<u>Funding Source</u>								
Council	113	113						
Other	0							
<u>Total Funding</u>	113	113	0	0	0	0	0	0
<u>Revenue Costs</u>								
Financing Charge			0	0	0	0	0	0
Other								
<u>Total Revenue Costs</u>			0	0	0	0	0	0

	Total Cost £'000	Before 31.3.16 £'000	Revised 16/17 £'000	Revised 16/17 £'000	17/18 £'000	18/19 £'000	19/20 £'000	Subseq. Years £'000
<b>ES32 Country Park -Interpretive Centre</b>								
9603								
Provision of a new Interpretive Centre. Council funding being provided by sale proceeds of Warren Cottage.								
<u>Funding Source</u>								
Council	250	49	177	40	161			
Other via Groundworks	0		150					
<b>Total Funding</b>	<b>250</b>	<b>49</b>	<b>327</b>	<b>40</b>	<b>161</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			<b>8</b>	<b>2</b>	<b>11</b>	<b>19</b>	<b>19</b>	<b>19</b>
Other								
<b>Total Revenue Costs</b>			<b>8</b>	<b>2</b>	<b>11</b>	<b>19</b>	<b>19</b>	<b>19</b>
<b>ES37 Playgrounds Upgrade Programme</b>								
9750								
Hare Way, Mare Bay, Highwater View, Bexhill Road and other play spaces contribution to upgrades								
<u>Funding Source</u>								
Council	87	44	40	43				
Other	0							
<b>Total Funding</b>	<b>87</b>	<b>44</b>	<b>40</b>	<b>43</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Other								
<b>Total Revenue Costs</b>			<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>ES38 Playgrounds Carnoustie &amp; Kensington Close</b>								
9751								
Carnoustie Close & Kensington Close Play spaces contribution to upgrades								
<u>Funding Source</u>								
Council	0							
Other S106	60	21	20	39				
<b>Total Funding</b>	<b>60</b>	<b>21</b>	<b>20</b>	<b>39</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ES39 Purchase of new parking machines and boards</b>								
Installation of new Parking machines and tariff boards								
<u>Funding Source</u>								
Council	70			70				
Other S106	0							
<b>Total Funding</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Revenue Costs</u>								
Financing Charge			<b>0</b>	<b>4</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
Other								
<b>Total Revenue Costs</b>			<b>0</b>	<b>4</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>