

Overview and Scrutiny Committee Agenda

Thursday, 23 January 2020 at 6.00 pm

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

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		Page No.
1.	Apologies for Absence	
2.	Declarations of Interest	
3.	Minutes of the Previous Overview and Scrutiny Committee	1 - 6
4.	Draft Budget and Corporate Plan Consultation 2021/22-2022/23 <i>(Jane Hartnell, Director of Corporate Services & Governance)</i>	7 - 110
5.	Draft Corporate Plan 2020/21 <i>(Jane Hartnell, Director of Corporate Services & Governance)</i>	111 - 124

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Agenda Item 3 Public Document Pack

OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2019

Present: Councillors Davies (Chair), Levane (Vice-Chair), Barnett, Battley, Beaney, Cox, Foster, O'Callaghan, Rankin, Roberts and Turner

29. APOLOGIES FOR ABSENCE

None

30. DECLARATIONS OF INTEREST

Councillor	Item	Interest
Rogers	32.	Personal- Has coordinated events for Happy Harold

31. MINUTES OF THE PREVIOUS OVERVIEW AND SCRUTINY COMMITTEE

RESOLVED – that the minutes of the meeting held on 5th September 2019 be approved by the Chair as a true record.

32. FINANCIAL MONITORING QUARTERLY REPORTS FOR 2019/20- QUARTER 2

With the committees consent the Chair moved this item on the agenda.

It was highlighted that the data in the report was from September. Updates to this are unavailable due to the Assistant Director Financial Services & Revenues unable to attend the meeting due to ongoing Budget commitments.

The current deficit has reduced from £195,000 to £159,000. The Councils current funding settlement amount from national government should be known soon. There are other factors contributing to the Councils final sum that would need consideration. The budget will be published in January but may be subject to change before the budget council meeting February.

Councillors commented that the reduction in deficit had been through the use of funds from the transitional reserves and asked if they would run out. The officers advised that when councillors voted on the budget in February they agreed to transition reserves. They suspect that they would need to be used again next year but when they would eventually run out.

Councillors commented that a lot of the savings were one off salary savings. They enquired about departmental efficiency savings for the long term. Officers responded that the salary saving were a combination of not needing to recruit or not being able to. Efficiencies savings were being continued to try to be found. Previous efficiencies had been used in budgets to prevent redundancies but the council now needs to consider this option in order to save money.

OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2019

There was a significant overspend in the homelessness of £355,263. This was due to the significant demand for bed and breakfast temporary accommodation and a lack of affordable social housing properties for people to move into. Councillors asked when this would reach a saturation point. Officers agreed that it was unsustainable.

To help with this situation the council has brought a batch of properties intended for temporary accommodation use. The council intends to buy a second batch. This will allow us to save on costs and also control the standard of accommodation people are receiving. There is still a need to strengthen structures that help homeless people external to the council. At a later date an expert will be brought in review what we are currently doing to make sure we are doing everything viable.

The Assistant Director Housing & Built Environment is exploring a number of options including the Councillors suggestion of setting up a Housing Revenue Account to help acquire homes.

The Councillors spoke about how we have spent £65,000 on Cliff railways which generates revenue for the council. They questioned why £11,000 had been spent on Happy Harold (open topped tram bus), as it doesn't make any revenue. Should the funding be stopped and Happy Harold retired to a museum.

Officers responded that the repairs to the Cliff railways were more complicated than anticipated and became more expensive. The decision to fund Happy Harold is a political one.

Councillor Rogers declared an interest as she is currently helping to coordinate Happy Harold events. The £11,000 was needed as running repairs on Happy Harold hadn't been done. There is currently a full programme of events. They do not charge the public during these but they have received £3000-£4000 in donations. Currently this money goes back into an account run by the trolley committee, maybe in the future this money should be returned to the Council instead. Happy Harold will be making a trip on Christmas Eve to the deprived wards north of the borough where children will be able to see Santa.

Councillors asked if there was a business plan for Happy Harold. They were concerned that the Council was subsidising a hobby group. Councillors would like it run more like a commercial enterprise.

Councillor Rogers responded that a business plan was being created next year in the off season. Happy Harold is now being run more professionally. Risk assessments have been done and changes such as uniform have improved the image from hobbyists to professionals.

Councillors believed that it may be worth looking at smaller budget items such as Happy Harold to see that we are getting the best out of these assets. Councillors believed that whilst it could be small amounts of money, cumulatively they could still contribute given the Councils financial situation.

Councillors also raised the possibility of looking at events in town that the council contributes too such as Hastings Week and venues such as St Mary in the Castle.

OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2019

Officers reminded Councillors that Officers had been through the budget line by line. There is a need to find £1.5 million cuts but this does need to be done in priority order. Councillors have a copy of the budget book and are welcome to look through and identify possible areas of savings. Councillors responded that not all elements that they are concerned with are identifiable in the book.

Councillors asked further questions about the repairs to the Cliff railways. They asked if they could get further information about this.

ACTIONS

- *Councillors would like a list identifying smaller budget heads such as Happy Harold*
- *Councillors would like a list that identifies smaller contributions to events and venues such as St Mary in the Castle, Hastings Week, Hastings Contemporary and other festivals and events*
- *Councillors would like information about the cliff railway repairs including;*
 - *How long the repairs are estimated to last*
 - *Was a full survey done of the condition of the site*

RESOLVED that:

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

Reasons for Recommendations

To assist the council in understanding the financial position and particularly areas of over and under spend. This assists in identifying areas for review in the revised 2019/20 budget and the production of the 2020/21 budget

33. PERFORMANCE MONITORING QUARTERLY REPORT FOR 2019/20 - QUARTER 2

Councillors looked at the performance summary section of the report first and looked at the performance indicators. Councillors were keen to celebrate the successes of several areas and ask for clarity in others. These included;

- **Street cleansing:** this had recently been brought back in house for the Council to run. Councillors were pleased with the project management to set this up but also how successful it has been in improving the cleanliness of the town.
- **Planning:** the department has exceeded targets despite having staff shortages. Councillors recognised this had not been an easy task in these circumstances.
- **Housing benefit:** the days to process a new claim were met the indicator but some councillors would like to see this quicker as they feel this could impact tenant and landlords relationships

OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2019

- **Council tax and Business rates:** Councillors asked that it looked like collection rates were at approximately 60%. The officers responded that this will increase as the year goes on (cumulative figure). The figure was lower due to no Recovery staff recruited. There are now agency staffs in place and improvements are expected.
- **Long term empty properties & neglected and derelict building improvement:** Councillors could not see the correlation between these two targets (number 11&12). Officers advised that the figures were currently incorrect. Staff shortages and new software systems contributed to this. The figures for Q3 will be better.
- **Homelessness:** Councillors congratulated the work by officers on helping homeless residents. Officers confirmed that the increase in homelessness cases has correlated with overspend on bed & breakfast accommodation. Councillors should expect to see this decrease as there are fewer cases but also shortened stays. Currently there are large shortages of social housing that prevents people from moving from temporary accommodation.

In order to move people from temporary accommodation into private landlord run accommodation, it has to meet liveable standards. Housing stock has improved in the town's private sector due to schemes such as selective licensing. Councillors raised that some of their ward residents were experiencing poor conditions from Housing Association properties.

Officers raised that there are regular meetings with the Housing Associations and the performance indicators are regularly met by them. The Housing Associations have also made improvements at the Councils previous requests.

Councillors believed that when residents ask for improvements or complain that this takes a very long time to resolve and residents have to live in poor conditions during this time.

It was suggested given how important Housing was to Councillors that there was a meeting with relevant Councillors and Officers as well as representation from the local Housing Associations.

- **Elections:** Councillors recognised the effort that Officers put into the recent election especially given the 5 week turnaround. They wanted to thank all Officers for their contribution to this.

OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2019

- **Museums:** Councillors were very pleased with the figures. The new manager was recognised for this and the secured funding for outreach work.
- **White Rock theatre:** Councillors would like more information on the outreach work. The performance had improved from last year.
- **Freedom Leisure:** Councillors expressed concern that the Summerfields swimming pool was a municipal one and that residents felt excluded when they are unable to access the facility when private parties are being held.

Councillors recognised the need to raise income but were concerned by the effects of this. Officers advised Scrutiny could look at the terms of the agreements when the next opportunity arises. Councillors would like more information about the outreach work.

- **Developing the town:** Councillors had questions relating to the Tilekiln and the Pilot field planning agreements. They also would like more information about the Memorandum of Understanding with Rother district Council.

ACTIONS

- *Housing Officers and representatives from local Housing Associations (Orbit and Optivo) to attend Overview and Scrutiny*
- *Information about the outreach work of the White Rock Theatre Contractor*
- *Information about the outreach work for Freedom Leisure*
- *Under 'Developing the Town' there was a line that read;
"Memorandum of Understanding with Rother District Council drafted pending final signature"
Councillors would like further information about this,*
- *Under 'Developing the Town' there was a line that read;
"Tilekiln & Pilot Field- Heads of terms agreement and outline planning work completed in line with agreed business plan"
Councillors would like an update on this.*

RESOLVED that:

1. **That the committees comments on 2019/20 performance be addressed by the relevant Lead Member(s) with appropriate action and report back**
2. **That staff be thanked for their hard work and achievements**

Reasons for Recommendations

To assist the council to undertake performance management arrangements

34. **SCRUTINY WORK PROGRAMME**

The work programme was discussed and Scrutiny looked at the progress made and the following was raised;

OVERVIEW AND SCRUTINY COMMITTEE

17 DECEMBER 2019

- The briefings and updates section will be replaced with the Housing Overview and Scrutiny Section
- There was to be an update on the Councils Solar Project. Scrutiny would still like this.
- Scrutiny would like a report from Safer Hastings. Residents are concerned by organised crime, drugs, sex trafficking and modern slavery. They would like to see the impact on the borough and the preventative measures in place to combat this.
- Councillor Barnett will be organising a meeting to progress the work further on the regeneration review.

(The Chair declared the meeting closed at. 7.30 pm)

Agenda Item 4



Report To:	Overview and Scrutiny Committee
Date of Meeting:	Thursday, 23 January 2020
Report Title:	Draft Budget and Corporate Plan Consultation 2020/21- 2021/22
Report By:	Jane Hartnell, Director of Corporate Services and Governance
Key Decision:	No
Classification:	Open

Purpose of Report

To invite the Budget Overview and Scrutiny Committee to comment on the draft budget and corporate plan for 2020/21 to 2021/22 and alert Scrutiny members to the wider consultation, approvals timetable and next steps.

Recommendation(s)

- 1. That the comments of the Budget Overview and Scrutiny Committee on the draft budget and corporate plan be referred to Budget Cabinet on the 20th February 2020.**

Reasons for Recommendations

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

Introduction

1. The draft corporate plan outlines the challenging financial climate in which the council continues to operate, what we want to achieve, how we will deliver and key activities we will undertake during 2020/21 under each refreshed priority.
2. The draft budget documents give the detail on how we intend to pay for what we will do in the challenging financial climate, and the reductions in staffing and services that are necessary to address our budget deficit.
3. The views of the Budget Overview and Scrutiny Committee are sought on these documents as part of the wider consultation outlined below.

Consultation Documents

Draft Budget

4. The draft budget and corporate plan were published on the council's website at the start of the public consultation period on the 10th January and can be accessed [here](#).
5. The draft [budget report](#), and [budget appendices](#) are detailed documents and [Appendix K2](#) of this document summarises the proposals for savings and reductions.

Draft Corporate Plan

6. The draft corporate plan includes infographics for our borough and the council that set the scene for our new outcomes and renewed priorities. By clicking on the infographic pebbles you can drill down on each and view how we compare and measure up.
7. It is intended that the corporate plan becomes more interactive and dynamic where via our website. Citizens can now better track how we are doing against our priorities and associated activities set.
8. Work is underway to firm up performance measures for the year ahead for those key activities under our renewed priorities so that these become more easily accessible and trackable on our website from the beginning of the new financial year in April 2020.

Consultation arrangements and next steps

9. The Leader and Deputy Leader of the council will be meeting with staff, the local community, voluntary and business sectors throughout the public consultation period (10th January – Midday on 7th February 2020).
10. Where budget proposals impact specifically on our work with partners, senior council officers are liaising accordingly and will report into the consultation process where appropriate.
11. The draft corporate plan and budget documents will be submitted to Budget Cabinet on 10 February 2020, together with any representations received during the public consultation period.
12. The Budget Council meeting on 19 February 2020 will be asked to approve the draft budget and corporate plan.

13. Once the draft budget and corporate plan have been approved, further work will be undertaken to review the performance measures and arrangements for the year ahead.
14. Our performance indicators and performance measures for our key activities during 2020/21 will be finally agreed in July 2020 once we have analysed year-end performance from 2019/20 and the Overview and Scrutiny Committee have had the opportunity to consider the targets to be set in detail.

Policy Implications

15. Equalities and financial implications are picked up in detail as part of the budget appendices. [Appendix K2](#) considers the associated draft equalities impact.

Timetable of Next Steps

16. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Draft budget & Corporate Plan published for public consultation	Documents published and accessible	10 th January	Mark Horan/Daniel Taylor
Youth Council consultation meeting	Meeting held, views sought and summarised for budget cabinet	16 th January	Cllr Kim Forward Mark Horan/Daniel Taylor
Hastings Community Network consultation meeting	Meeting held, views sought and summarised for budget cabinet	23 rd January	Cllr Kim Forward Mark Horan/Daniel Taylor
Staff and Management Forum	Meeting held, views sought and summarised for budget cabinet	23 rd January	Cllr Kim Forward Mark Horan/Daniel Taylor
Budget O & S.	Meeting held, views sought and summarised for budget cabinet	23 rd January	Cllr Peter Chowney Mark Horan
LSP	Meeting held, views sought and summarised for budget cabinet	27 th January	Cllr Peter Chowney Mark Horan

Chamber of Commerce	Meeting attended views sought and summarised for budget cabinet	30 th Jan	Cllr Peter Chowney Mark Horan
Appraising Partners of proposed budget implications	Appropriate partners engaged and views submitted as part of the consultation where appropriate	Consultation period 10 th Jan -7 th Feb.	Directors & Assistant Directors
Budget cabinet & Budget council	Report summarising consultation findings.	10 th Feb and 19 th Feb.	Mark Horan
Performance information readied for HBC website	Corporate Plan translated to council website with associated performance information for the year ahead.	1 st April	Mark Horan with senior managers and lead councillors
Yearend performance for 2019/20 and associated performance measures finalised for the year ahead.	Cabinet report detail 2019/20 performance and prospective performance indicators for the year ahead.	July	Mark Horan

Wards Affected

All.

Policy Implications

Reading Ease Score: 14.9

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

Equalities and Community Cohesiveness	<u>Y</u> /N
Crime and Fear of Crime (Section 17)	Y/ <u>N</u>
Risk Management	Y/ <u>N</u>
Environmental Issues & Climate Change	Y/ <u>N</u>
Economic/Financial Implications	<u>Y</u> /N
Human Rights Act	Y/ <u>N</u>

Organisational Consequences	Y/N
Local People's Views	Y/N
Anti-Poverty	Y/N
Legal	Y/N

Additional Information

See hyperlinks within the report.

Officer to Contact

Officer	Mark Horan
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Tel	01424 451485

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Report To: Cabinet

Date of Meeting: 10 February 2020

Report Title: Revenue Budgets 2019/20 (Revised) and 2020/21, plus Capital Programme 2020/21 to 2022/23

Report By: Peter Grace
Chief Finance Officer

Key Decision: Yes

Classification: Open

Purpose of Report

1. This report presents the revised revenue budget for 2019/20 and a budget for 2020/21. The revised budget for 2019/20 takes account of the known variations to expenditure and income streams that have occurred since setting the budget in February 2019.
2. This report will be updated for Cabinet and full Council, potentially verbally, following the receipt of the final government grant settlement - generally received in early February.
3. In setting the budget for 2020/21, recognition has to be taken of the potential ongoing reductions in external funding and the uncertainties that exist for the years ahead in the absence of the Spending Review last year.
4. The report identifies that a balanced budget can be achieved in 2020/21 although this involves using £1.248m of reserves. The forecast deficit for 2021/22 is some £851,000, in 2022/23 it is estimated at £749,000, and in 2023/24 it is estimated at £573,000.
5. The alignment of the Council's available resources to its priorities requires further and immediate attention to achieve a sustainable budget in the years ahead. Financial rules and operating procedures need to be strengthened in some areas and strictly followed to ensure that the full Council is in full control of the reducing financial resources.
6. The Cabinet meeting on the 10 February is a key part of the budget setting process. The full Council meeting on the 19 February 2020 is responsible for setting a balanced budget and determining the Council Tax. Whilst significant savings of £1,959,000 have been identified, incorporating the loss of 31.7 full time equivalent jobs, there are unavoidable increases in costs that result in further use of the Council's fast diminishing reserves – £1,248,000 of the General Reserve being required. 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 2020/21 of 1.99%.

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7. Please note that the final grant settlement figures from government have not yet been received. Likewise not all the other grant figures will be received before determining the budget. As such some figures will remain as estimates and adjustments will be made to the figures detailed in this report e.g. figures for Disabled Facility Grants are not expected until well into 2020/21. Precept figures will be updated following receipt of the final figures from the Police and Crime Commissioner, the Fire Authority and East Sussex County Council (figures shown are purely indicative).
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Recommendation(s)

Cabinet recommends that full Council:-

- (i) Approve the revised revenue budget for 2019/20 (Appendix A).
- (ii) Approve the draft 2020/21 revenue budget (Appendix A)
- (iii) Approve a 1.99% 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 £6m (plus General Fund Balance).
- (v) Approve the Capital Programme 2019/20 (revised) to 2022/23 (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 Chief Finance Officer in consultation with the Leader of the Council.
- (viii) Approve the transfer of £500,000 from the General Reserve to the Redundancy Reserve to meet future costs.
- (ix) Agree that authority be granted to enter into a Funding agreement/ Memorandum of Understanding with the government (BEIS) on Minimum Energy Efficiency enforcement subject to no adverse grant terms, and that the necessary authority is granted for expenditure up to the level of funding received (£48,600 for 2019/20).
- (x) 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.
- (xi) Agree that where a Capital scheme involves a net increase in overall costs to the Council, or where any guarantee is to be provided which does, or could, incur costs for the Council, such decisions are now made by full Council.
- (xii) Agree that, with immediate effect no Council properties or land be disposed of, either by sale or long leasehold, at less than market value without further express approval by Full Council.
- (xiii) Agree that schemes marked with an asterisk in the Capital Programme can proceed

without further reference to Cabinet or Council.

- (xiv) Agree that work on Priority Income and Efficiency Reviews (PIER) through the Strategic Oversight and Planning Board 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.
- (xv) 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 (to be updated for full Council).
- (xvi) Approve that the budget be amended as necessary to reflect the final grant figures including Disabled Facility Grants - once received.
- (xvii) Approve that the determination of eligibility and award in respect of the Business Rate Retail Relief Scheme is delegated to the Chief Finance Officer for the next financial year and any extension period thereafter.
- (xviii) Full Council adopt the existing Council Tax Support scheme subject to amendments to allowances in line with national changes. Determination of the allowances to be delegated to the Chief Finance Officer in line with prior year practice.

Reasons for Recommendations

1. The Council must by law set a balanced budget. It will have used nearly all of its Transition Reserves to fund 2019/20 expenditure and hence must identify significant savings for 2020/21 in order to achieve a balanced budget. The redundancy provision and Redundancy Reserve will be fully exhausted.
2. Despite identifying PIER savings of £1,959,000 (£1,595,000 during this year's PIER process) these are insufficient to balance the budget in 2020/21 without the use of General and other reserves. Further service cuts need to be made throughout the year to achieve an ongoing sustainable budget and further redundancy costs can be expected.
3. Under resourcing looks set to continue in 2020/21 and beyond and this impacts heavily upon the Council's ability to provide services or grants across all areas of existing activity in future years. A major overhaul of the funding mechanism along with the Government's Spending Review, postponed until 2020/21 continues to provide considerable uncertainty on funding for 2021/22 and beyond.
4. 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. In the light of increased in-year spend on temporary accommodation (estimated at some £380,000 above budget) this requires a much greater degree of service cuts elsewhere and spend within housing areas must be reprioritised. It remains a possibility that additional funding may be received to mitigate these new burden costs, but details may not be known before the budget.
5. The Council is now exposed to a much greater degree of volatility in terms of its income from Non Domestic Rates and expenditure in terms of Council Tax Support claims – the

cost falling directly on the Council and the preceptors. The potential downside risks of Brexit and the increased reliance on income streams provide greater volatility to the Council's funding.

6. The Council has had enormous budget cuts every year since 2010, but work will need to continue to identify and make savings in order to continue to produce balanced budgets for future years – with consequential impacts on service provision.

Introduction

1. The Council continues to find itself in a very challenging financial period that is anticipated to extend beyond 2023/24. 2021/22 sees wholesale changes in the way in which local authorities are funded. There appears to be no easing of austerity for councils like ours.
2. The Council when setting the budget in February 2019 forecast that there would be a deficit in 2019/20 of some £1,747,000, and £2,436,000 in 2020/21. A balanced budget for 2019/20 being achieved by using significant amounts of the Council's reserves.
3. Whilst the Council has identified savings of some £1,959,000 for 2020/21, it is also incurring additional expenditure and reductions in some income streams. For example the full year effect of last year's increase in waste and street cleaning costs, along with the loss of recycling credits – similar additional costs being incurred by neighbouring Councils. Temporary accommodation costs have continued to increase dramatically throughout the year and are estimated to be approaching some £380,000 above the existing 2019/20 budget once borrowing costs for purchasing new temporary accommodation are included. The Council is investing some £5.766m in purchasing temporary accommodation within the town to mitigate the impact of the higher private sector costs currently being incurred. Some redirection of Flexible Homeless Support grant is occurring to offset these costs.
4. The deficit now forecast for **2019/20** is some £2,115,557. This figure includes redundancy costs which will be funded from revenue budgets, the redundancy reserve and also the General Reserve (as the Redundancy Reserve is insufficient). The direct costs and Pension Strain costs are estimated at £1.14million – depending upon which staff leave.
5. For **2020/21** 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 £1,248,000 if all savings identified and growth areas in the report are accepted. The level of risk within the budget and uncertainty within the forecasts has increased – particularly the uncertainties surrounding Brexit, business rate income, wage inflation (settlement unknown for 2020/21), and significantly higher demands on services.
6. During the year the Council commissioned the Local Government Association to undertake a Decision Making Accountability (DMA) review, to review where and how decisions are made and the level of management required. The result being options for the Council to consider on management layers and accountability, and ideas for groupings of services to provide greater capacity. The unplanned general election has meant that time was not available before this draft budget had to be published to consider the findings and come to conclusions about the future structure of the council. However a number of senior management posts have been identified as part of the budget proposals, including two from the senior team. It is expected that there may be further reductions identified as a formal senior management restructure is undertaken over the next few months.
7. The Fair Funding Review (the level and distribution of the monies between Councils) was postponed until 2020/21. Uncertainty remains about the promised introduction of the 75%

retention of business rates (now postponed to April 2021). The ending of the New Homes Bonus Scheme and what will replace it, if anything, provides more uncertainty. What does appear to be clearer is that of the funding available those providing adult and children's care services will receive greater priority – along with the police and teaching professions.

8. The Council now finds itself in the most challenging financial period – and unless it balances its budget it will be unable to afford to undertake itself, or underwrite, the major redevelopment initiatives that remain so important for the town. Going forward the council can only sustain new initiatives where it can resource these in financial and human terms. Priority should be given to redevelopment initiatives which:-

- **Produce income or are self sustaining**
- **Can attract substantial external funding**
- **Deliver key desired outputs on climate change, housing and economic growth**
- **Address legal obligations**
- **Can be demonstrated as viable and deliverable**

This makes it critical that future potential programmes like the Town Deal are effectively co-ordinated with the use of land and resources by the council and its partners. The Council will need to continue to fund staff and other costs against programmes like this in order to maintain current staffing levels.

- 9. The Council must now seriously consider postponing all but the most important new initiatives and seek to preserve any remaining reserves until there is some clarity on funding and the ability to achieve a sustainable budget. The Council to concentrate on reviewing existing budgets and service provision, delivering those projects that produce income or have significant health and safety or climate change implications, and deliver those regeneration and economic development schemes that have significant funding attached.**
- 10. Unless the budget is balanced the further use of reserves will take the Council to the point where it reaches the absolute minimum level that it should hold and leave nothing to fund the upfront costs of schemes and expenditure that cannot be capitalised e.g. cliff works, feasibility studies.**
- 11. In terms of forward planning, even if the Council identifies sufficient savings to achieve a sustainable budget on current assumptions, until there is a degree of clarity and certainty for at least a significant part of the Council's funding stream in the years ahead the Council will need to prioritise its expenditure on the assumption of continued reductions in funding. It is understood that the MHCLG have been looking at a safety net where councils experience year on year reductions of greater than 5%p.a. This Council needs to prepare for such a scenario.**
- 12. The Council's external auditors have in the past commended the Council on its approach to financial management and its approach to maintaining and enhancing reserves whenever possible. This approach has helped the Council in its transition to date. However, the Council must now further prioritise its limited resources, at least for a while, on areas that generate or will generate additional income or where costs can be reduced or activities cut or postponed. Regrettably this involves making staff reductions along with others being redirected to other priorities.**

13. Whilst funding and increased demand is of overriding concern, there are many positives in terms of what the Council can and does achieve. The council's existing programmes would be regarded as ambitious in many places. Currently a new hotel in Cornwallis Street, Harold Place development, units at Churchfields Industrial Estate, the town's Lower Tier and West Marina development are potentially valuable regeneration schemes. However given the town's economic and social position the council needs to stimulate economic growth and the provision of new housing. Using the revision of the Borough Plan and the opportunity the Towns Fund affords (£25m for Hastings – subject to successful application) it is critical to establish an attractive framework to encourage investment and ensure the Council's resources are effectively focused in partnership with others.
14. The council and its partners are awaiting a review of the Hastings and Rother regeneration programmes before identifying new priorities. It is possible this will expose the need for increased revenue funding. This will pose a key challenge and the Council will need to argue with government that revenue investment needs to accompany capital investment if regeneration is to generate good rates of economic and social return.
15. The importance of retaining reserves is becoming ever more apparent. The uncertainties surrounding future funding, the difficulties in achieving savings and the ability to meet unexpected increases in demand. The massive increase in Temporary Accommodation costs that the council is now experiencing has been possible largely because the Council has retained sufficient reserves.

Strategic Priorities

16. The Council's strategic priorities have been reviewed for 2020/21 in the light of the continuing challenges that the Council and the community face particularly in the light of the reduced funding levels and the climate change emergency. A revised Corporate Plan is due to be considered by Budget Cabinet and Budget Council along with this budget report.
17. The priorities are:
 - Tackling poverty, homelessness and ensuring quality housing
 - Keeping Hastings clean and safe
 - Making best use of our buildings, land and public realm assets
 - Minimising environment and climate harm in all that we do
 - Delivery of our major regeneration schemes
 - Ensuring the council can survive and thrive into the future
18. The Council's corporate plan continues to remain very ambitious when set against the background of reductions in grants and the continuing demand pressures – particularly around homelessness and temporary accommodation requirements.
19. The Council has a very good track record of achieving its objectives and improving performance, and will look to further enhance income streams too. It can continue to be well placed to deliver the programme in 2020/21 but must substantially refine its priorities. Significantly reduced resources will inevitably impact on service delivery in the years ahead.

Financial Planning - Medium Term Financial Strategy

20. The Medium Term Financial Strategy, approved in September 2019, provided indicative budget forecasts for the 5 year period 2019/20 to 2023/24. These have been updated within the budget papers attached.

21. 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.

22. That robustness is built upon a foundation of key principles:

(i) Ensure the continued alignment of the Council's available resources to its priorities

All key decisions of the Council relate to the Corporate Plan. Priorities are determined and reviewed in the light of any changes to the Plan.

(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 had consciously strengthened its reserves in the last few years, knowing that these will be required to ease the transition to a lower spending Council and to meet key corporate priorities. The Council required the use of these reserves to achieve balanced budgets in 2018/19, and again in 2019/20.

(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 "base budgets" to identify efficiency savings and to ensure existing spend is still a Council priority (Priority Income and Efficiency Reviews – PIER). The Council established an Invest to Save Reserve to assist in this regard.

(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, if available, 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 were built up over a number of years and specifically identified to ease the transition to a lower spending Council and to meet key corporate priorities. These are now all but exhausted. A hardship fund was established in the February 2016 budget. Volatility within business rates and the Council Tax Support scheme resulted in the establishment of a separate reserve to smooth some of the fluctuations. The useable

earmarked reserves are reducing rapidly and this will impact significantly on Council priorities in future years e.g. funding of Renewal and Repair programmes.

(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 report produced by the Council's external auditors on the 2018/19 Final Accounts gave a 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.

23. The level of risk that the Council is facing from fluctuations in income streams has increased significantly particularly where there is reliance on commercial property income. This is recognised by the government and Chartered Institute of Public Finance Accountants (CIPFA) resulting in new codes of practice and government regulations. These have been introduced to help ensure that councils do not over extend themselves in this challenging environment. Key new prudential indicators are included in the Treasury Management Strategy, which include, for example, limitations on the use of reserves to temporarily fund capital expenditure, limitations on the gearing of the local authority i.e. total debt compared to total assets and limitations on the level of reserves that are not held in cash or cash equivalents. Additional guidance was received in November 2019 from CIPFA – “Prudential Property Investment”.

The Key Factors Impacting on the Budget

Spending Review, Fair Funding Review & Business Rates Retention

24. The government's 2019 Spending Review was delayed for a year to 2020/21. It is expected to determine the future funding for local government levels for a four year period (but could be less). The Fair Funding Review will determine the split of available funding between authorities for 2021/22 onwards.
25. Also in 2021/22 the government are changing the funding methodology for local authorities. This will see the end of direct government grant (Revenue Support Grant) for those still receiving it and a move to increased funding from business rates retention (75% retention – up from the current 50% level). This originally being to help meet the commitment given to local authorities for more control over the money they raise locally.
26. The Fair Funding Review will calculate new baseline funding levels based on an up-to-date assessment of the relative needs and resources of local authorities. Business rates will be redistributed according to the outcome of the new assessment, alongside the resetting of business rates baselines. Transitional measures are expected to assist those losing funding.
27. It is clear from the government's forward spending plans, at the time of writing, that the overall level of spending on local government will not be increasing. Given the funding pressures on Adult Social Care budgets in particular, district and borough councils cannot plan for a more equitable, or greater, distribution of funding.

Funding from Business Rates

28. 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 the Council received Revenue Support Grant (RSG) and the Business Rate Baseline Funding level (expressed as Baseline Need). The two figures effectively made 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 actually received for this element of the settlement i.e. the level of RSG was guaranteed throughout the year whilst the business rate element is not.
29. The business rate, itself, is set by the government with regard to the change in the Retail Prices Index. The proportion retained in Hastings would with 50% retention be 40% to Hastings BC, 9% to ESCC, and 1% to the Fire and Rescue Authority. The remaining 50% collected by the Council goes to the Government.
30. In order to project business rate income account is taken of planning approvals for new commercial buildings and for change of use to residential and an allowance is made for the likely reductions due to successful appeals against rateable values. Businesses see no difference in the way the tax is set. Rate setting powers remain under the control of central government and the revaluation process remains the same – save for a new revaluation (every three years now instead of five – but unclear hereafter).
31. Under the existing scheme 50% of business rates is localised through a system of top-ups and tariffs that fix an amount to be paid by high yield authorities and distributed to low yield authorities – this amount being increased annually by inflation (CPI). Local authorities retain a proportion of all business rate growth or conversely experience a reduction in resources if the business rate base declines.
32. The existing 50% central government share is distributed through the annual local government settlement process – thus enabling the government to control the overall amount received by local authorities. Where there is disproportionate growth this will be used to provide a safety net for those authorities experiencing little or negative growth and allow the treasury to top slice business rates income. A reset mechanism is in place with the first reset now in 2021/22 (overtaken with the Fair Funding review). The system, the calculations required, accounting treatments, and particularly the budgeting requirements are not straightforward.
33. The changes increase the level of instability in the forecast of resources and the interaction with economic growth or decline will increase the associated risks. A decline in an industry within the borough could result in both a decrease in the business rate base and an increase in demand for Council Tax support – both increasing Council costs.

Business Rates - Pilot Project (2019/20)

34. For 2019/20 the Council, along with the other members of the pool (East Sussex County Council, all East Sussex Boroughs and Districts, and the Fire Authority) applied for, and achieved Pilot status, whereby the Councils retain 75% of business rates, but lost all of the Revenue Support Grant. The Council's baseline funding levels being amended to reflect the loss of grant. This effectively brought forward the funding methodology that will apply from 2021/22 onwards.
35. The pilot for 2019/20 is under evaluation but appears successful. However, the government announced that no applications for a similar pilot would be sought for 2020/21 and hence

Councils have reverted to submitting an application for a 50% pooling arrangement once more. Whilst the funding will be reduced from 2019/20 levels it will still be higher than if no pool existed. The application has been successful but it will not provide significant income in 2020/21 for the Council as overall rateable values have fallen in the borough following appeals in particular.

36. The benefit to East Sussex as a whole is that more of the business rate growth is retained in the county – rather than being paid to the government in the form of a levy. The potential risk is that should the councils see a decline in the business rate income any losses are shared by the authorities in the pool.

Business Rates Income – 2020/21

37. The government after determining the business rates baseline levels back in 2013 included small business rate relief within its own budget proposals - this effectively reduced Councils' income. The government is reimbursing authorities for this and other changes it has made over the years.
38. Last year the government announced in the 2018 budget a new business rates retail discount scheme. The scheme applies to occupied retail properties with a rateable value below £51,000 in each of the years 2019/20 and 2020/21. The value of the discount is 1/3 of the bill and is applied after mandatory and discretionary reliefs are applied. The relief is for a short period only – ending after 2020/21. As a result, the level of rates that the Council will actually collect will decrease by some £660,000, of which the Council's share is assessed at some £290,000. This sum is reimbursed by Section 31 grant monies from the government. The government announced an increase in the percentage to 50% and the extension of the relief to include cinemas and pubs (details awaited).
39. The directly paid income in respect of rates is now estimated to amount to some £1,536,715 for Hastings in 2019/20. The amount for 2020/21 cannot yet be calculated.
40. The rateable value (RV) of business properties at the start of the 2020/21 year is forecast to be some £62.7m (some £217,000 lower than 2019/20). However given the level of appeals, forecasting income levels for 2020/21 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.
41. Multiplying the rateable value figure by the rate poundage and after charity and other reliefs the Council will collect some £21.1m of which the Council share is some 44% (reducing to 40% in 2020/21 - £8.45m in 2020/21). 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 £5,667,405 in 2020/21. The estimate of the business rate income collected that will be retained by the Council in 2020/21 as a result of entering into the Business rate pool amounts to £2,767,000 (compared to £3,513,000 in the 2019/20 revised budget – under the pilot scheme). These figures are subject to significant change.
42. 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.
43. The continuous changes to the legislation and the calls on a national basis to reform business rates completely provides major uncertainty for what is intended to be the Council's major source of external funding from 2021/22.

External Funding – Annual Grant Settlement

44. The 2020/21 provisional finance settlement was finally announced on 20 December 2019 with the final settlement figures expected in February 2020. The settlement provides details of the Revenue Support Grant (£1,004,283 - now reinstated for Hastings BC) and level of Business Rates that the government expects councils to retain – the Settlement Funding Assessment.
45. New Homes Bonus figures have also been received from the government but details of the Housing Benefit Administration Grant, Council Tax Support Administration Grant are still awaited.

External funding – Benefit and Council Tax Administration Grant

46. The Benefit Administration Grant for 2020/21 has been reduced to £TBC (from £389,046) – a loss of £TBC (TBC% reduction) (see Appendix 1). A revision to the methodology was announced last year which will see the Council lose further grant (transitioned over 3 years).
47. The level of Council Tax Support Administration Grant receivable in 2020/21 has now been notified at £TBC (£164,592 received in 2019/20). This represents a reduction of £TBC (a TBC% reduction).
48. Discretionary Housing Payments (DHP's) play a vital role in supporting a lot of people affected by the welfare changes. It should also be noted that the Discretionary Housing Payments (DHP's) funding received from the government to assist those in severe financial hardship, is not only covering those with Housing Benefit claims, but also covers those in receipt of Universal Credit. As such the number of referrals from Universal Credit recipients is increasing – and adding an extra layer of administrative complication. The grant figure for 2019/20 amounted to £381,729. The figure for 2020/21 is still awaited. This funding will be fully subscribed.

External Funding - New Homes Bonus

49. 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 2020/21 amounting to £199,482 (down from £556,337 in 2019/20 - **a funding loss of £356,855**).
50. The government changed the scheme in December 2016 to divert money to social care. It reduced the period it was payable for - from 6 years to 4 years with a transition year for 2017/18 whereby 5 years was payable. The government 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 was not affected by the threshold decision.
51. The Council Tax Base return (CTB 1 in October each year) identifies the number of new properties completed and the number of long term empty properties brought back into use (net). For the 2020/21 calculation this amounts to some 158 new properties but some 119 of additional empty properties and does not therefore meet the threshold of achieving more than 0.4% of the housing stock (0.12% achieved). The number of affordable properties completed amounted to some 90 for which there is a payment of £350 per property (shared with the upper tier authority); resulting in additional income amounting to some £25,200 for 2020/21. The funding for 2020/21 is a “one-off” with no ongoing legacy payments.

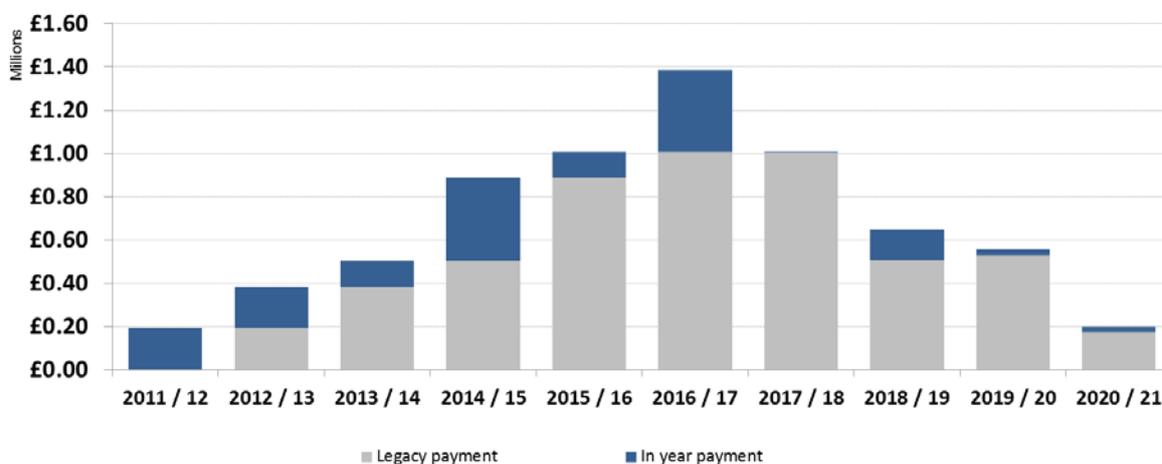
52. The table below shows the estimated New Homes Bonus receivable by the Council in 2020/21 and estimates for future years – based on no further changes to the grant.

Table: New Homes Bonus

Year	2017/18	2018/19	2019/20	2020/21 (Est)	2021/22 (Est)	2022/23 (Est)
	£	£	£	£	£	£
Year 1						
Year 2						
Year 3	119,097					
Year 4	382,670					
Year 5	119,542	119,542				
Year 6	382,055	382,055	382,055			
Year 7	5,600	5,600	5,600	5,600		
Year 8		142,362	142,362	142,362	142,362	
Year 9			26,320	26,320	26,320	26,320
Year 10				25,200		
Total	1,008,964	649,559	556,337	199,482	168,682	26,320

53. The reduction between 2019/20 and 2020/21 is a funding loss of £356,855. The graph below identifies the funding levels since 2011/12 and the massive reductions since 2016/17.

Total New Homes Bonus Payments



54. Councils have used 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.

55. As identified in February 2019 there remains a real risk that this grant regime could be ended as part of the “Fair Funding review” and not be replaced. The government did state that they would explore how to incentivise housing growth most effectively, by for example using the housing delivery test results to reward delivery or incentivise local plans that meet or exceed local need, but nothing has been communicated since.

Summarised Grant Position

56. For the period 2010/11 to 2020/21 the reduction in cash grant funding is estimated at 72% 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).
57. It is said that this is a one year standstill settlement. If there is a fair funding review with resources redirected towards authorities with social care responsibilities, it would be hoped that the worst case scenario would see transition schemes in place limiting the funding reductions to some 5% in future years. New Homes Bonus is set to decrease further in the years ahead as is the Benefit Administration Grant as the country moves towards Universal Credit and away from housing benefit.
58. In 2020/21 the Council will receive business rate income and also Revenue Support Grant at a combined level that is similar to the Settlement Funding Assessment for 2019/20. New Homes Bonus is however some **£357,000** less than in 2019/20 as detailed in the report and is set to fall further. This loss of grant when combined with the additional costs from inflation, waste and street cleaning, pay increases, temporary accommodation costs and other demand pressures present the Council with significant financial and resource challenges.

Income Generation

59. 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.
60. The Council identified some £50m in September 2017 to be spent on commercial property, housing and energy initiatives over a 3 year period. The commercial property allocation was spent in 2017/18 and 2018/19 and was extended on a case by case basis as further options were identified in late 2018/19 and again during 2019/20. In respect of Housing, the housing allocation has been switched to purchasing temporary accommodation directly by the Council – such sums are contained within the Capital programme. In terms of energy, a small amount was spent in 2018/19 and schemes are being developed – particularly on ground mounted solar. As a result the 2020/21 budget and capital programme sees a further revision to the predicted net income streams. These estimates will be revised further once the energy initiatives in particular are agreed – should they prove viable. The Capital programme includes sums that are earmarked for Ground Mounted Solar installations for example which may proceed subject to a satisfactory business case receiving approval by Cabinet during 2020/21.
61. The table below highlights some of the acquisitions and initiatives that have not only helped to regenerate the borough, but secured non domestic rating income as well as generating income or saving money. This goes a little way to meeting the massive funding reductions the Council is experiencing and thus helps to protect services.

Acquisitions/lettings	Estimated Income/Rent Saved- 2020/21	Estimated MRP and Interest 2020-21	Estimated Net Additional Income 2020-21	Estimated Net Additional Income by 2023/24
	£	£	£	£
Muriel Matters	321,000			
MM Shops	41,000			
Sub Total	362,000	220,800	141,200	141,200
Muriel Matters - Council Chamber etc	23,000		23,000	23,000
Town Hall	97,000		97,000	97,000
BD Food Factory	40,000	91,488	(£51,488)	(£51,488)
Sedlescombe Road North	465,067	294,613	170,454	170,454
Sea Front Kiosks	7,900		7,900	7,900
Bexhill Rd Retail Park	547,080	356,660	190,420	190,420
Sedlescombe Rd North (2)	136,527	97,346	39,181	50,435
Bexhill Road Redevelopment Site	211,200	328,789	(£117,589)	93,611
Lacuna Place	427,126	355,737	71,389	250,049
Heron House	190,000	107,952	82,048	82,048
26-28 London Rd and 35 Shepherd Street	89,900	62,210	27,690	27,690
Property Fund	85,000		85,000	85,000
Totals	2,681,800	1,915,595	766,205	1,167,319

62. 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.

Fees and Charges (Including Car Parking)

63. The Council has limited reserves and remains reliant upon income streams and investment returns to balance the budget. Rental streams from shops remain under considerable pressure. 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.

64. With a number of exceptions, fees and charges have generally been increased in line with market fees, and as a minimum by the retail price index - except where set by statute. The majority of planning fees are determined nationally by government.

65. Car parking charges were last increased in February 2019 for a 12 month period (applicable from 1 April 2019). The Council has experienced increases in business rates on some of its car parks following the 2017 national revaluation and expects to do so again at the next revaluation in 2021. Likewise the Capital programme and Capital strategy include significant expenditure for the Priory Street car park – in order to enhance its useful life.

66. It remains important that those car parks situated near to the commercial hub are priced effectively to ensure that spaces are available for shoppers whilst not deterring shoppers. As such it is proposed to hold car park charges at current levels for 2020/21.

Investment and Borrowing

67. Base rates increased to 0.75% in August 2018 from their previous level of 0.5%. The relatively low levels of interest received on investment balances looks set to continue. The Council's Treasury advisers are predicting a rate of 1% by March 2021.
68. Given the restricted counterparties list, investment returns of around 0.75% (excluding property funds) are estimated for 2019/20 and 2020/21. The Treasury Management Strategy will continue to advocate a policy of keeping the respective levels of debt and investment under review.
69. The Council will have additional borrowing requirements of some £15.4m in 2019/20 to finance the acquisition of temporary accommodation, commercial properties and other capital schemes. A sudden increase in the Public Works Loan Board (PWLB) rate by 1% across all periods in October 2019 seriously increases the borrowing costs for all capital projects in the future.
70. In 2020/21 and beyond borrowing requirements are very high given the ambitious plans of the Council. The affordability of these needs to be properly tested, on an ongoing basis given the ongoing uncertainty around Council funding, the level of reserves available, and the significant ongoing additional costs of temporary accommodation.
71. Whilst alternative borrowing sources to the PWLB can be identified, the costs may be significantly higher and the timescales to obtain funding will be far longer and processes and loan agreements far more involved and time consuming.
72. The Capital programme if approved will increase borrowing levels to some £103m by 2021/22 and potentially up to £130m if the Council approves and funds the development of the lower tier Bexhill road site at a future date. This figure excludes any borrowing in respect of Bohemia. This programme would increase annual borrowing costs substantially as well as the amount required to be set aside each year to repay this debt (the Minimum Revenue Provision) – this is not a sustainable option given the Council's financial position unless alternative funding is identified.
73. There are substantial potential projects and developments that are being considered and progressed within the Council (as detailed in the Capital Strategy) that are currently unaffordable given the current level of financial commitments and continued uncertainty on future funding.

Inflation

74. This had not been a major issue over the last couple of years. In October 2019 it was 2.1% (Retail Price Index) whilst the government's preferred measure CPI (Consumer Price Index) was 1.5%.
75. Inflation, according to the Bank of England Monetary report (November 2019) is expected to be at or around the 2% target in the next two years (mid 2021) – subject to a satisfactory Brexit arrangement.
76. Based upon the above projections, general inflation is being allowed for at 2% overall for 2020/21 and beyond. However, only contract inflation is 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

77. The budget assumes a 2.5% increase for 2020/21. There are also contractual increments (equivalent of around ½%).
78. The salaries budget together with national insurance and pension costs amount to some £13.2m in 2020/21. The Council's own salary costs have increased as a result of taking on the Street Cleaning service in 2019/20.
79. The Council remains committed to paying the accredited living wage of £9.30 per hour (for over 18's from 1 April 2020 – up from £9 p/h (a 3.3% increase). This is higher than the national minimum wage for over 25's - which increases to £8.72 from 1 April 2020 from £8.21 (a 6.2% increase). The last pay settlement caused pay scales to be amended reflecting the effects of the higher increases at lower pay scales.

Universal Credit and Benefit Administration Grant

80. Universal Credit was originally expected to commence in October 2013 in respect of new claims with the transfer of existing claims being completed by 2018/19. The first new claims actually took place in April 2015 but 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.
81. The impact of the change is a reduction in new benefit claims, an increase in questions and support, and significant year on year reductions in the Housing Benefit Administration grant receivable.
82. The timescales for the final stage of converting existing working age Housing Benefit claims onto Universal Credit remains unclear – albeit to be completed by 2022 supposedly. However there appears to be no immediate plans for the transfer of pensioners or the more complex cases away from Housing Benefit – which could see the Council retaining some 40% of cases.
83. The Department for Work and Pensions (DWP) are providing some additional funding to the Council, but much of the funding is now being paid directly to external support organisations e.g. to those providing debt advice, etc., and is paid on a per head basis; Some funding is payable to the Council to meet the additional burdens on dealing with DWP enquiries, complex cases and closing down existing claims. How much, and for how long this funding remains, is uncertain.

Council Tax Support Scheme

84. In 2013/14 the government paid an upfront grant in respect of Council Tax Support/Benefit, 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 government grant funding.
85. The Council determined that the Council Tax Support Scheme would remain the same for 2015/16, 2016/17, 2017/18 and 2018/19. In 2019/20 the Council retained 100% support for those most in need but made various changes to the scheme e.g. limiting assistance to the maximum of a Band D equivalent property.
86. The cost of the scheme is set to increase from some £10.6m to some £10.85m in 2020/21. The Council's costs are set to increase by a further £35,000 (HBC's share of the additional

£250,000 p.a.). If there is recession with more people claiming benefit the costs could increase very substantially and relatively quickly.

87. The other East Sussex Councils amended their schemes for 2016/17 given the ever increasing unaffordability of the scheme. The major change made by them being that all households of working age made a minimum 20% payment. Options have again been explored by this Council for 2020/21. These included minimum payments of 3%, 10%, or 15%.
88. Following a review by lead members it is proposed that there will not be any material change to the scheme for 2020/21 other than to amend the allowances/deductions in line with national changes. It is recommended that full Council adopt the existing scheme subject to the determination of allowances being delegated to the Chief Finance Officer in line with prior year practice.
89. The Council Tax Support 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.
90. 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 2020/21, and will look to do so in conjunction with neighbouring authorities.

Pension Fund Contributions

91. 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 2019 with revised contribution rates becoming payable from April 2020.
92. The actuary has calculated that the fund liabilities in respect of Hastings staff (past and present) amount to some £122,444,000 whilst assets amount to some £122,188,000. This represents a deficit of some £256,000 (£18.247m at 31 March 2016) and represents a significant improvement in the position of the fund within a short space of time.
93. The rates payable by the Council in 2019/20 consist of the primary contribution rate plus 0.75% for future non-ill health retirements (these are percentages of salaries of staff in the pension scheme) plus a secondary rate (or lump sum), namely:

The rate for 2019/2020 is : 17.3% +0.75% + lump sum of £594,000 (6.5%)

94. The rates payable by the Council for 2020/21 and the subsequent two years are as outlined below.

2020/2021 is : 17.6% +0.75% + secondary contribution rate of 6.5%

2021/2022 is : 17.6% +0.75% + secondary contribution rate of 6.0%

2022/2023 is : 17.6% +0.75% + secondary contribution rate of 5.5%

95. The above figures represent growth of some £18,000 in 2020/21. The reductions in secondary contributions in 2021/22 and the following year should offset the impact of the annual increase in pay on pension costs.
96. The figures released to date are not the final ones, but are not expected to vary significantly. Confirmation that the 0.75% non-ill health rate is still appropriate has been obtained. The actuary has made an allowance for a recent ruling called the McCloud judgement, but the

precise costs will not be known for many months – this will be taken account of in future valuations.

Staffing, Information Technology and Property

97. In order to deliver its priorities the Council not only requires financial resources but also good quality staff, IT, and property. There is only a finite resource available to deliver priorities whether directly by the Council or in partnership with others. Service planning is important to ensure that there is sufficient capacity to deliver the corporate plan.
98. The Council's capacity to respond to change, and lead on new initiatives is dependent upon the strengths and abilities of the workforce. The Council has a clear strategy for workforce development and sufficient funding will be retained within the budget to fully finance the training and development programme.
99. A transformation team continues to programme manage the customer first programme, process and service reviews along with IT solutions to make long term efficiencies and improvements to the customer experience.
100. The transformation programme is seen as key to making further long term savings and to preserve as many services to the community as possible – albeit delivered in a different way.

Grants

101. The Council receives a number of revenue grants each year e.g. New Homes Bonus, Flexible Homelessness Support, Discretionary Housing Payments but has also been very successful in attracting numerous “one off” type grants in the last few years e.g. Rogue Landlord funding, Rough Sleeper Prevention, Coastal Communities funding, Future Cities, and Active Women Programme, Answers in the Local Economy (ACE), Hastings Fisheries Local Action Group (HFLAG).
102. 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) Coastal Communities Fund 4 (Destination White Rock) – continuing the economic revival. Total project value (grant and match: £1,081,270).
103. Of particular significance is the Towns Fund - £3.6bn national initiative focusing on 100 towns of which Hastings is one. The Council is invited to submit proposals for a £25m funded grant to aid further transformation. To assist the Council in pulling a proposal together, developing business plans and establishing a Town Deal Board it is receiving £173,029 of funding. The Town Investment proposal to be submitted in summer 2020.
104. The Towns fund provides the means to carry on the transformation of Hastings when other funding remains unclear e.g. loss of EU grants and what if anything will replace them.

Revised Budget 2019/20

105. Since determining the budget in February 2019, the Council's budget has been enhanced by the receipt of a number of grants and additional funding sources, all of which will be matched with expenditure and are not therefore expected to reduce the in-year deficit. Of significance is the funding for Disabled Facility Grants which was advised in May 2019 and amounts to £1,812,584.
106. The revised 2019/20 total service expenditure budget amounts to £14.887m, against an original budget of £13.625m (Appendix A). The original deficit was estimated at £1.747m and is now estimated to amount to some £2.116m.

The main variations are summarised in Appendix C. Of significance are:-

(i) the additional costs of temporary accommodation – now estimated to exceed the budget by some £380,000 (including borrowing costs)

(ii) the temporary closure of the West Hill lift – estimated this will cost in the region of £100,000 in terms of lost income and the specialist repair costs

(iii) Land Charges - income is projected to reduce from £293,000 to £211,000 – a reduction of £82,000.

107. Redundancy costs fall within the year that the decision is made. The estimated costs, given the potential staff affected amount to some £1.14m. These consist of direct payments to staff and payments to the pension fund for what is termed pension strain costs. In the 2019/20 budget £400,000 was allowed for (£225,000 funded from the Redundancy Reserve). The remaining £740,000 would need to be funded by use of all the remaining redundancy reserve (£481,000) and using the remaining Transition Reserves and some of the General Reserve.
108. The Council's agreed pay policy requires any redundancy package exceeding a £95,000 cost to the Council (i.e. including Pension strain costs) has to be agreed by the Employment Committee and thereafter by full Council.
109. Given that the Council is likely to incur further significant redundancy costs in 2020/21 and beyond it is recommended that £500,000 of the remaining General Reserves be transferred to the Redundancy Reserve.
110. A number of in-year savings have been identified e.g. insurance contract (£150,000), business rate appeal on the cemetery (£35,000 p.a. ongoing saving) and a number of staff posts that have not been filled (£77,000). These, and other savings, have however been totally offset by the projected increase in temporary accommodation costs in 2019/20.
111. Business rate income remains an area of high volatility and risk – particularly with the high level of outstanding appeals. The total rateable value in 2019/20 has reduced from some £62,755,000 at the start of the year to an estimated £62,322,000 at 31 March 2020. The loss of £433,000 of rateable value translates into some £170,000 p.a. loss of income. The level of appeals outstanding both nationally and locally continues to be a threat and is impacting significantly on the retained income levels.
112. The projected deficit for 2019/20 is £2.116m and necessitates using all the remaining Transition Reserve, the Economic Development Reserve, the Community Safety Reserve and the Redundancy Reserve, as well as some £200,000 of the Resilience and Stability Reserve and some £65,000 of the General Reserve.

113. The £2.116m figure is dependent on who is made redundant, the actual pension strain costs incurred, payment of outstanding benefits e.g. accrued leave, as well as the issues which can cause financial uncertainty within the remainder of 2019/20. These include for example the business rate appeals, development control income, car parking income, commercial property income, economic climate, borrowing costs, investment returns, bad debts, legal claims and any change in employment levels, benefit costs, temporary accommodation costs.
114. In terms of Capital expenditure in 2019-20 the Council is planning to spend £18,461,000 (Original budget £19,251,000) on capital projects during 2019-20. Of this £15,395,000 is due to be funded from borrowing, £2,881,000 by grants and contributions, and £185,000 from capital receipts.

Budget 2020/21

115. The Council's total service expenditure in 2020/21 is estimated at £12.201m. This compares to a revised estimate of £14.887m for 2019/20 (which includes the £1.14m of redundancy costs). The total expenditure for the Council increases to £15.394m in 2020/21 once net borrowing and debt repayment costs are taken into account.
116. Funding reductions have continued with the loss of new homes bonus monies in particular (£357,000). After allowing for a 1.99% increase in Council Tax and an increase in the Council tax base of 1%, the total funding to be met from Grant and the Collection Fund is estimated at £13,018m (down from £13.329m).
117. A balanced budget can be achieved with the use of £2.375m of reserves in 2020/21 (£1.127m earmarked, and £1.248m to fund the remaining deficit). This £1.248m deficit being funded from the Council's General Reserve – leaving these at level which is just above the minimum level recommended (£6.24m against a minimum recommended level of £6m).
118. To help achieve the balanced budget for 2019/20, PIER saving targets were set as part of the budget setting process in February 2019; the achievement or otherwise of these will be reported to Cabinet in July 2020.
119. Services need to continue to identify opportunities to make in-year savings during 2020/21 and investigate other ways of achieving corporate objectives when staff leave the organisation.
120. After ten years of funding reductions, there are few illusions left about the difficulty in identifying the further budget reductions required to even achieve the levels of reduction required. The cuts directly impact on services, staff and their families.
121. As part of this year's process reductions of £1.959m have been identified for 2020/21, increasing to £2.397 in 2021/22 and £2.449m in 2022/23. These reductions have been partly offset by growth. Please see Appendices K and K2 for details. Some of the savings were identified as part of previous year exercises e.g. reductions in Community Partnership Funding, theatre funding and are separately identified.
122. The savings listed will impact across many parts of the Council's activities and involve the Council in significant reorganisation and job losses. Some 31.7 full time equivalent staff posts would be involved of which some are currently vacant.
123. Significant additional funding has been received in the last few years to help address the homelessness issues. These include Private Rented Sector Access funding of £329,000 in

2019/20, and Flexible Homelessness Support Grant (FHSG) - £745,258 & a further £225,000 top up in 2019/20. Large sums for rough sleeping initiatives have also been received in 2019/20 (some £1.1m in total – including £310,000 for the Rapid Rehousing Pathway). A similar funding amount has been awarded for 2020/21 in respect of FHSG (£745,258) - which has been allowed for in the 2020/21 budget. A further grant of £211,517 has been notified (23 December 2019) in respect of Housing Reduction Act. Even with these sums the net cost of Housing to the Council has increased.

124. Energy Efficiency Regulations Enforcement

The government are looking to work with Hastings BC in 2019/20 to pilot activity in the private rented sector around minimum energy efficiency regulations enforcement. In the first year of pilots, each LA will be provided with S31 grants (£48,600 awarded for 2019/20). A Memorandum of Understanding agreed with the government will help guide activities relating to the study at a high level (advised that this would not have any formal conditions attached). The funding would all be made available through a single upfront award, and as such there would be no milestone payments or payments dependent on completing specific tasks. In order to be in a position to move quickly, it is being recommended that authority be granted to enter into a Funding agreement/ Memorandum of Understanding with the government (BEIS) subject to no adverse grant terms and that appropriate authority is granted for expenditure up to the level of funding received in 2019/20 and periods thereafter.

125. The estimated balance on the Collection Fund at 31 March 2019 in respect of Council Tax is a surplus of £50,307 (Hastings BC share). There is also however an estimated deficit on the Collection Fund in respect of business rates of some £187,752.

126. Growth Proposals

In addition to the reductions in grant funding e.g. New Homes Bonus there are a number of costs, that impact on 2020/21. These include :

- i) Pay increase (estimated)
- ii) Pension cost increase
- iii) Interest rates – Investments vs borrowing rates
- iv) Rateable values and appeals

127. There are significant areas of growth in 2020/21. These include:

- (i) the full year effects of the contracts for waste and street cleansing services (£205,000) and loss of recycling credits (£83,000),
- (ii) Temporary accommodation (£380,000) – full year impact (including borrowing costs),
- (iii) Local election (£110,000),
- (iv) Pension Fund revaluation (£18,000).
- (v) Bohemia (£100,000 – of which £65,000 is growth) for ground surveys).
- (vi) Climate Change officer (£50,000)
- (vii) Cliff works (£100,000) – funded from Renewal and Repairs Reserve
- (viii) Lower Land Charges Income (£82,000)

128. In addition funding reductions in respect of New Homes Bonus (£357,000), Housing Benefit Administration Grant (£29,000), and a deficit on the collection fund (£132,000). There are also numerous areas of uncertainty in attempting to determine the available resources e.g. wage settlements, inflation, future investment and borrowing costs.

129. The remaining Invest to Save monies are largely committed. In February 2019 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 2020/21 and beyond under delegated powers by the Chief Finance Officer in consultation with the leader of the Council. The reserve will largely be exhausted during 2020/21.
130. As a result of inflationary impacts the Council can expect the costs of external service provision and supplies to rise.
131. 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 revenue reserves. Likewise the Council can recover some costs of disposal (revenue costs) from capital receipts when assets are sold.
132. Given the continuing pressure on revenue resources and reserves the Council will soon be unable to afford the upfront costs associated with new projects/disposals unless it is able to set a sustainable budget in the very near future.
133. In summary there is an estimated deficit of £1,248,000 in 2020/21. The savings identified and additional income generated, mean that a balanced budget can be achieved in 2020/21 by using £1,248,000 of the General Reserve.
134. To achieve a balanced budget in 2020/21 without using reserves at this stage of the budget process would be difficult given the notice and consultation periods required for staff redundancies. Whilst difficult to achieve for the start of 2020/21, the Council must continue to review the level of service it can provide and transform the way it delivers those services in order to balance the budget. Priority, at least in the short to medium term, needs to be directed towards making urgent in year savings, whilst also concentrating on achieving the savings identified in the PIER process as listed in Appendix K. Priorities also remain for enhancing and preserving existing income streams, recovery of debt, transformation of services and making a successful bid for the £25m Towns Fund, and at the same time undertake a significant reorganisation without losing key staff.

Budget 2021/22 and beyond

135. The results of the government's Spending Review (2020), the Fair Funding Review and move to 75% business rate retention will undoubtedly alter the projections for 2021/22 and beyond. However based on current assumption of no new monies being available to Borough and District Councils overall, this section makes a best estimate of future budget shortfalls.
136. The table below shows deficits of £851,000 in 2021/22, £749,000 in 2022/23, and £573,000 in 2023/24 before the use of reserves. The above figures assume PIER savings and income generation projections, already identified, will be achieved in full or alternative savings to at least the same amount will be achieved. These figures are subject to change before Budget Cabinet as more funding announcements are awaited, along with further clarification on rechargeable aspects of the budget.

	2019/20 (Revised) (£000's)	2020/21 (£000's)	2021/22 (£000's)	2022/23 (£000's)	2023/24 (£000's)
Net Expenditure	15,445	14,267	14,209	14,208	14,261
Funding	(13,330)	(13,018)	(13,358)	(13,460)	(13,688)
Shortfall	2,116	1,248	851	749	573
Use of Reserves	(2,116)	(1,248)	0	0	0
Estimated Shortfall	0	0	851	749	573

137. To achieve a balanced budget in 2021/22 further savings of £851,000 need to be identified.
138. To achieve a balanced budget in 2022/23 savings of £749,000 need to be identified. By 2023/24 the figure reduces to £573,000. Such projections carry significant uncertainty – and take no account of any potential 5% annual decreases in future funding levels.
139. The future projections are identified in more detail in Appendix G. These estimates assume savings and additional expenditure and will be refined as and when more information is available.
140. The deficits are estimated to amount to:
- 2021/22 - £851,000
2022/23 - £749,000
2023/24 - £573,000

Council Tax

141. The Council has a record of lower than average tax increases, as identified in the table below.

Year	Hastings BC Tax Increase	National Average Increase	Hastings BC Council Tax Band D (£)
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% (£5)	3.1%	245.33
2017/18	2.0% (£5)	4.0%	250.33
2018/19	2.99%	5.1%	257.81
2019/20	2.98%	4.7%	265.50

142. The tax base for 2020/21 is some 1.2% higher, as a result of additional properties and the reduction in numbers of Council Tax Support claims. The effect is to increase the tax base from 25,865 to 26,197 (worth some £88,000 p.a. to HBC alone).
143. It is again open to the Council to increase Council Tax for 2020/21. One percent on the Council Tax will equate to around £69,000 of income for this Council.
144. The 2020/21 budget projection assumes a further contribution of £50,307 from the Council's Collection Fund in respect of Council Tax. In terms of business rate income there is a deficit estimated at £187,752. The overall deficit on the Collection Fund being estimated at £137,445 at 31 March 2020.
145. The government have yet to announce whether a shire district or borough Council can increase Council Tax by more than 2%. If higher then it will be required to hold a referendum.
146. The figures in the appendices (Appendix M) show an indicative 1.99% increase for Hastings BC, a 4% increase for ESCC, 1.99% for the Fire Authority and a £5 increase for the Police and Crime Commissioner. Actual figures will be included in the budget reports – once determined.
147. Council Tax is at £265.50 p.a. (Band D – Hastings BC element) and a 1.99% increase for 2020/21 would take this to £270.78 p.a. (a £5.28 per annum increase for a Band D property – a 10p per week increase in respect of Hastings Borough Council).

Asset Sales - Capital Receipts

148. 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.
149. The council will continue to consider if there are options other than outright disposal that might generate revenue income and/or address strategic housing or economic priorities. Proposals for partnership with others (particularly the private sector) may provide alternative options to achieve council objectives. If such options are developed they would obviously require close scrutiny and clear understanding of longer term implications as well as short term benefits.

150. It has been the aspiration of the Council to develop out its own sites e.g. Harrow Lane, Mayfield E, Bexhill Road sites. However, the Council can no longer afford to develop all the sites itself and needs the income streams from investing the receipts in order to help balance the budget. It also needs to ensure the sites are developed rapidly in order to meet a severe housing need – and reduce the temporary accommodation costs.
151. The budget proposals include the disposal of the Harrow Lane, Mayfield E and Bexhill Road (South) sites. Some sites the Council has already agreed to market and sell e.g. Land at Whitworth road, Old Town Hall (if a viable alternative rental is not achieved shortly).
152. It is the intention that the Council will fund (or part fund) the development of a number of sites that it owns, namely Cornwallis Street car park (hotel development), Harold Place (Restaurant/Bistro), Industrial units (Churchfields Estate), York Buildings (conversion above shop to 6 flats), Bexhill Road (housing).
153. As ever it remains imperative that the Council maximises its capital receipts. These will be invested directly or used to finance borrowing (thus avoiding borrowing costs). Failure to maximise these may 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/borrowing requirement over the life of the capital programme.

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.

154. It is recommended that where a Capital scheme involves a net increase in costs to the Council e.g. Buckshole Reservoir, or where any guarantee is to be provided which does or could incur costs for the Council, such decisions are now made by full Council. The Financial Rules and Financial Operating Procedures authorise the Cabinet to agree new Capital Schemes. This is effectively at odds to the Financial Rules which require the Cabinet to operate within the financial and budgetary envelope determined by full Council. This has not been an issue in the past, and instances are few and far between, but given the financial position of the Council such decisions should be determined by all members.
155. Likewise, it is further recommended that no properties or land be disposed of, either by sale or long leasehold, at less than market value without further express approval by Full Council.

Capital Programme

156. The capital programme analysed by service is attached (Appendix P).
157. 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.
158. For 2019/20 there is slippage on a few schemes, including the restoration of Pelham Arcade Works and Roadway, Private Sector Housing renewal, Energy (Solar).
159. The completion of the commercial development site in Bexhill Road will help to regenerate the area, provide new jobs and also produce an income stream and business rate income – completion due in late March 2020.
160. The level of Disabled Facility Grant (DFG) funding for 2019/20 was £1,812,584. Figures have not yet been advised for 2020/21. 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 2020/21 are received. 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 transferred to an earmarked reserve, with a risk that they may need to be repaid. A balance of some £2.1m is anticipated as at 31 March 2020.
161. The capital programme in summary (net of external funding) amounts to:-

	Revised 2019/20 £'000s	2020/21 £'000s	2021/22 £'000s	2022/23 £'000s
Gross Capital Expenditure	18,461	26,100	19,122	1,882
Net Capital Expenditure	15,580	16,936	17,310	70
Financing from own resources	185	185	208	70
Borrowing Requirement	15,395	16,567	17,102	0

162. In terms of **net cost**, the **2019/20** programme has been revised to £15,580,000 from £16,656,000.
163. The **2020/21** programme amounts to £16,936,000 net of grants and contributions (£26,100,000 Gross).
164. 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
165. It is proposed that **schemes marked with an asterisk (*)** proceed without further reference to Cabinet or Council.
166. **Future Proposals:** Of significance are the potential schemes that will need funding in the long term e.g. new leisure and cultural centre at Bohemia if viable, and the development of the lower tier site on the Bexhill road. The potential sums involved are very significant and are identified within the Capital Strategy elsewhere on the agenda.

167. Should the Council seek to develop any sites itself, following viability assessments and proper business cases, and financed by borrowing, then the Council's Treasury Management Strategy and the Capital Strategy will need to be further reviewed and approved by full Council – as the borrowing limits and Prudential indicators can only be determined by full Council. This can take place at any time through the financial year if necessary.

Capital Programme – Impact on Revenue Account

168. In determining the affordability of new capital proposals the Council had been required to consider the incremental impact on the Council Tax for future years (this is no longer a reporting requirement). The Council does need to scrutinise business cases for capital proposals and carefully assess the potential future financial burden of such decisions. The Buckshole reservoir works have a capital cost of £837,000 which if funded by borrowing has an annual revenue cost of some £68,000 p.a.

169. The capital programme has significantly increased in the last few years, as economic and regeneration opportunities have been taken. In 2020/21 borrowing is set to increase to some £88m and approaches £105m by the end of 2021/22. To allow for the development of the Bexhill road site (North) the Council may need to allow for an additional £30m of borrowing headroom.

Investment in Council Assets

170. In protecting the economic vitality of the town, it remains important to maintain the Council's commercial estate in order to maximise occupancy rate and to support the local economy as far as possible. In doing so the Council will be in a position to take advantage of any sustained upturn in the economy in the future.

171. The Council's Renewals and Repairs Fund is reviewed on a regular basis in order to ensure sufficient resources are available to fund necessary works. Planned maintenance is normally cheaper in the long term than reactive maintenance.

172. It should be noted that the expenditure on planned maintenance has been exceeding the annual provision made and will not be sustainable at current levels. The latest rounds of cliff works has all been funded from the reserve.

Minimum Revenue Provision (MRP)

173. 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. For example, an asset that cost £100,000 and has a 10 year life, and that was financed by borrowing, would necessitate putting aside £10,000 in each year (£100,000 divided by 10) to repay the debt.

174. 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. Should the existing financing assumptions alter, and additional borrowing is required, there will be a direct and additional pressure on the revenue budget.

175. The MRP is set to increase substantially in 2020/21 and beyond as a result of additional borrowing, particularly in respect of economic and regeneration initiatives. The MRP for 2020/21 is estimated at £1,624,000 (excluding any notional figures for leasing

arrangements). The Council's MRP policy is determined by full Council as part of the Treasury Management Strategy in February for the forthcoming year.

176. The table below identifies the estimated Capital Financing Requirement (CFR) for each of the next four years and the Minimum Revenue Provisions (MRP).

CFR	2019/20 (Rev Est)	2020/21 (Est)	2021/22 (Est)	2022/23 (Est)	2023/24 (Est)
	£	£	£	£	£
CFR-Opening	59,370,380	73,641,380	88,471,380	103,737,380	101,267,380
Less MRP	(1,176,038)	(1,623,844)	(1,883,773)	(2,424,943)	(2,434,520)
Plus, New Borrowing	15,395,000	16,567,000	17,102,000	0	0
CFR Closing	73,589,342	88,584,536	103,689,607	101,312,437	98,832,860

177. These figures are very much dependent upon the level and timing of capital acquisitions/payments, the level of capital receipts received and the useful life of the assets acquired or constructed. The figures will continue to be reviewed throughout 2020/21 and regularly thereafter, based on the proposed Capital programme, and subsequent changes and timing thereof.

178. The Commercial properties and housing assets are generally financed over 40 years. A new development on Bexhill Road will be financed over 50 years through an Annuity loan i.e. paying off principal over the period of the loan. Vehicles are financed over their useful lives (7 to 10 years).

Reserves

179. 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.

180. 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.

181. 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.

182. For the budget strategy reserves at 31 March 2020 are estimated to consist of:-

General Reserves	Estimated Balance at 31.3.2020 £'000s	Estimated Balance at 31.3.2021 £'000s
Revenue Reserves	7,488	6,240
Capital Reserve (Revenue monies)	50	50
Total	7,538	6,290

Earmarked Reserves	Estimated Balance at 31.3.2020 £'000s	Estimated Balance at 31.3.2021 £'000s
Renewals and Repairs Reserve	1,201	797
Insurance & Risk Management Reserve	326	311
IT Reserve	124	124
S106 Reserve	533	513
Government Grant Reserve	610	524
Revenue Hardship Fund	80	80
Monuments in Perpetuity	47	46
Ore Valley	250	250
Invest to Save and Efficiency Reserve	193	34
Resilience and Stability Reserve	400	400
Transition Reserve	0	0
Redundancy Reserve	500	275
Community Safety Reserve	0	0
Economic Development Reserve	0	0
Disabled Facilities Grants Reserve (DFG'S)	2,106	2,106
Clinical Commissioning Group	349	349
Selective Licensing	455	404
Housing Licensing Reserve	39	39
Other reserves	291	184
Total	£7,503	£6,436

183. At 31 March 2020 General and Capital Reserves will amount to an estimated £7.538m, of which some is already committed e.g. empty homes strategy (£150k). Earmarked Reserves amount to £7.503m of which most is not available to use on other than specific areas e.g. DFG grants. Total reserves at 31 March 2020 are estimated at £15.041m. The reserves are projected to decrease to £12.726m by 31 March 2021 (The estimated reserves position is shown in more detail in Appendix H).

184. As an absolute minimum, the General Reserve should be £6m i.e. the non- earmarked reserves. The use of the General Reserve to balance the 2020/21 budget leaves the General Reserve at just above the minimum level. The £6m level is the same as for 2019/20 and reflects the more difficult funding regime, volatility in income streams that the Council is so reliant upon as well as the experience of recent years which has seen financial claims being made against the Council e.g. pier claim 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 down turns in income sources, and was arrived at as follows:-

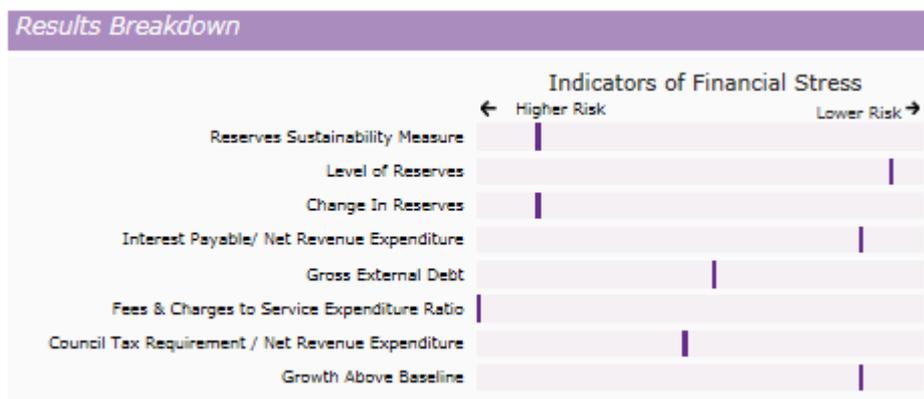
- (i) 15% downturn in income (sales, fees, rents, etc) - £2m (Projection)
- (ii) 5% over run in expenditure (including capital) - £2m
- (iii) Unforeseen events/losses - £2m

185. The transition reserves will all be exhausted in balancing the 2019/20 budget. The minimum level of reserves is set at £6m and given the economic and funding uncertainties, exposures of income streams, volatility of Council Tax support costs these should be increased further in normal circumstances.
186. 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.
- 187. It is estimated that there will be some £240,000 of unallocated (at present) general reserve by the end of 2020/21. This is the only remaining funding that would be available to help fund and cover those costs that cannot be capitalised in any development programme. If the Council does not produce a balanced or sustainable budget then these reserves would have to be used to balance it. The carrying costs e.g. up front and interest costs of building major schemes such as Lower Bexhill road, York buildings, new industrial units at Churchfields, Visitor centre, hotel, could become unaffordable.**
- 188. The Council continues to spend more on Renewal and Repair costs than it is setting aside and there are significant additional costs on the horizon e.g. further cliff maintenance and repairs that could be in the region of £1m over the medium term (1-5 years). The 2020/21 budget includes a further £100,000 funded from the renewal and Repair fund.**

Budget and Resilience (Financial Stress) & Chief Finance Officer Statement

189. Flowing from the financial problems at Northampton CC, CIPFA developed a range of financial indicators relating to the resilience of local authorities given the funding crisis. The latest results are shown below – based on 2018-19 figures.

Table: Showing CIPFA Indicators of Financial Stress for Hastings BC



190. From the above table it can be seen that the key reserves sustainability measure places the Council in the higher risk spectrum. The ones that are not in the higher risk, based on 2018/19 figures, are the level of Reserves and level of earmarked reserves. However it needs to be made clear that these results are backward looking and the useable (by HBC) earmarked reserves can provide a misleading view e.g. includes Disabled Facility grants, Clinical Commissioning Group monies which are not useable for other than specific purposes. The Council's external debt is increasing and the total debt payments will also increase.
191. The indicators highlight that the reserves are being depleted faster than at other Councils, that there is a very low level of unallocated reserves (one of the lowest of all borough and district Councils), and that earmarked reserves are being used more rapidly. The analysis identifies that grants and Council Tax form a significant element of the Council's net budget and as external funding diminishes this poses a greater risk to the Council's sustainability.

Reserves

192. The increasing use of the reserves has been fully highlighted elsewhere in this report, and it was always intended to use the transition reserves to help move to a lower spending Council. Whilst the Council has found savings it needs to find a lot more during 2020/21.
- 193. There is a view that the Council has significant reserves and can continue to operate for a couple more years with the large revenue deficits. Whilst not in the Northampton County Council position of having to issue a Section 114 notice to stop all spending, the implications of reducing the reserves further severely jeopardises the ability to meet unexpected costs, claims, shortfalls in income and particularly to finance the capital programme and new regeneration opportunities.**
194. When reserves meet minimal levels and if there are no viable plans to reduce the deficits, it would be expected that the external auditors would issue a report under section 24 of the Local Audit and Accountability Act. This notice requires Councils to meet within a month, to consider any report issued, and start taking the difficult decisions required. A section 114 notice may follow shortly thereafter from the Chief Finance Officer. To reach this stage the Council could be said to have effectively failed in its responsibilities to manage its resources effectively.

Chief Finance Officer Statement

195. 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 (Chief Finance Officer) that

(i) the processes followed and the information systems used are sound and that the regular reporting and involvement of senior managers in managing budgets provides a degree of assurance that the resultant estimates are as robust as present economic circumstances and resources allow.

(ii) the reserves are currently adequate – but no more than adequate given the uncertainties

surrounding future funding streams, and the difficulties that will be faced in identifying and achieving more savings and generating additional income without risking the future sustainability of the Council.

(iii) the reserves could now quite quickly become inadequate should the funding settlements in 2020/21 prove to poor, or there continues to be significant unforeseen expenditure .The reserves would not be considered adequate to undertake any number of large capital schemes before the future funding position is known. No Council should embark on large Capital programmes without due consideration of the financing implications in both the long and short term.

(iv) Financial monitoring and control within the Council needs to be further strengthened and there are recommendations within the report to this effect. In addition when services become aware that budgets may be exceeded or income to be less than projected offsetting savings need to be identified and achieved in the year wherever possible; the Council's Financial Rules need to be fully supported and adhered to. The forthcoming Management restructure will need to ensure that it will be capable of achieving the requirements of the forthcoming Financial Management Code.

(v) The Council has a very good record of identifying and achieving savings over the last 10 years. The Council has again identified large spending reductions for 2020/21, which combined with the need to achieve PIER savings identified in prior years, transformation of existing services, a significant reorganisation, and the need to make further savings present serious challenges for the Council to achieve in a short timescale. Should some of these savings not be achieved in the timescales required there will be a greater call on the Council's reserves than already identified in this report.

Consultation

196. The draft Corporate Plan and Budget being the subject of consultation (from Friday 10 January 2020). The closing date for comments (Friday 7 February 2020) being after the dispatch of the Cabinet agenda and therefore any comments received are reported verbally to Budget Cabinet on 10 February. Comments received from the business community, voluntary and community sector organisations and the Overview and Scrutiny Committee meeting being included within the Corporate Plan report elsewhere on the agenda.

197. The full Council meets to set the budget on 19 February 2020.

Equalities and Community Cohesiveness

198. 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).

199. 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

200. 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. The Council must further prioritise its objectives and identify where it will need to make even greater savings to balance the budget in 2021/22 and beyond should there be a poor settlement or risks identified emerge.

201. 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.
202. The Council must seek to identify further opportunities for contract savings, plus identify, investigate and implement efficiencies, identify income generation opportunities and ensure that potential savings are monitored and achieved. **Where services are overspending, rapid action must be taken in year to ensure that costs are contained within overall budgets. The luxury of having reserves available to cover such costs has substantially reduced.**
203. The Council maintains risk registers for corporate risks and for individual services. These must be updated and reviewed on a more regular basis and steps taken to mitigate the risks wherever possible and practical. The transition to a Council with fewer staff and resources poses additional risks.

Key financial risks to the Council in future years include:-

204. (i) **Fair Funding Review & Business Rates retention**

External funding in terms of the government's spending round announcement in September 2019, Spending Review 2020 (SR20), the retention of business rates in 2020/21, and the Fair Funding Review (with new grant funding regime in place from 2021/22).

The move to 75% retention (from the current 50%) in 2021/22 passes on the additional risks of volatility to councils – the implications will be very much in the detail, which is awaited.

Business rates in the meantime continue to present real uncertainties. Volatility in income streams arising from both local and national economic pressures, the level of successful rating appeals, and the collection rates achieved. The appeals provision within the Council's accounts amounted to some £3.955m at 31 March 2019 of which HBC's share is some £1.582m. Rateable values, following appeals have declined in 2019/20 with the consequent impact on income.

(ii) **Income Generation** (including the preservation and enhancement of existing Income Streams)

The Council has been seeking to grow its income streams considerably. New initiatives need proper and effective governance arrangements and business cases need to be robust. Due diligence needs to be undertaken thoroughly, including complex financial and taxation implications, and often within restricted timescales.

There remains considerable pressure on existing staff and prioritisation of work is

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.

(iii) **Existing Services - Increased Demand**

Increased demand for public services – homelessness and temporary accommodation. 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, energy, temporary accommodation. Each of these has financial repercussions if business plan objectives are not achieved.

Sufficient oversight and review must be maintained on existing high priority services and areas where demand is increasing.

(iv) **Staffing / Knowledge Management.** The loss of key staff through early retirement or redundancy. The impact of illness on a smaller organisation can be more acute.

(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 Council will investigate a new scheme for 2021/22 with all the implications this has on the local community and the Council in devising the scheme.

Localisation of Council Tax – funding for Council Tax Support having been reduced by 10% and Councils are now maintaining their own schemes. The Council is not proposing any change to the scheme for 2020/21 – which will increase the cost of the scheme by some £250,000 p.a. of which Hastings BC will bear an additional £35,000 (estimated).

Universal Credit arrangements continue to change with more cases, and particularly the more complex cases falling on the shoulders of the Council. According to the DWP timetable the transfer of existing working age claimants to Universal Credit is still expected to be completed by 2022.

In the meantime benefit administration grant continues to be reduced by government.

(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 2019 was £573,000). This reserve is inadequate to meet the redundancy costs in 2019/2. The reserve needs to be added to in order to meet the expected additional costs of transformation in 2020/21 and beyond.

(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. The management of the Council's debt portfolio and its assets becomes increasingly important – especially in a rising interest rate environment.
- (ix) **Potential Liabilities**
- (i) **NHS Foundation Trust High Court Case** – The NHS and their agents have been pursuing a case in the High Court with regards applications for mandatory rate relief on the grounds of, in the first instance, foundation trusts being charitable organisations. A preliminary hearing was held on the 4th November and the decision given on 12th December 2019.

The case in question was Derby Teaching Hospitals NHS Foundation trust and 16 others Vs Derby City Council and 44 others and the Charity Commission for England and Wales.

The view of the High Court is that Derby Teaching Hospitals NHS Foundation Trust is not a charity for the purposes of S43(6) of the Local Government Finance Act 1988, which means that mandatory rate relief is not appropriate. The full decision runs to 28 pages. The cost to the Council had it been successful amounting to some £4.3m, with an ongoing loss of revenue of some £350,000 p.a. The Council's share of the £4.3m would amount to some £1.9m (44%).

This is a very welcome decision, but at the time of writing it is not known whether they will seek to appeal further (albeit permission denied by the high court). As such we may see this issue continue for some time to come.

- (ii) **Cliffs** – A further £100,000 has been allocated from the renewal and repairs reserve for additional works in 2020/21. Further costs are expected to arise once further clearance and repair work is undertaken and additional monies are included in the budget for 2021/22. The Renewal and Repairs reserve cannot sustain this level of expenditure for long.
- (x) **The Economy** – The economic and financial uncertainty surrounding Brexit and the trade agreements will be a major risk for some years. The Council relies upon its income streams to provide services.
- (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.
- (xii) **Pension Fund** – The performance of the fund and the actuarial revaluation – new rates apply from 2020/21 which are marginally higher. The period between reviews may also change. The overall funding position has improved markedly over the last 3 years much to the credit of ESCC and the pension fund managers.
- (xiii) **Contract Awards** – The Council does rely on external service providers; it is particularly reliant on external IT and software companies. Effective due diligence in the award of contracts remains critical to the effective provision of Council services.
- (xiv) **Land charges** – The transfer of key parts of the service to the land registry by 2022 will result in the loss of income – which continues to fall significantly as more searches are conducted privately.

Economic/ Financial Implications

205. The report supports the alignment of corporate priorities with available resources, and produces a balanced budget for 2020/21 (albeit with significant use of reserves).
206. The financial implications in 2020/21 and beyond are detailed in the report. However, significant further action by the Council will be required to produce a sustainable budget beyond 2020/21 and this may result in more job losses and service cuts.
207. 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. There are however a significant number of projects forthcoming within the capital programme to assist the continuation of the regeneration of Hastings.
208. The budget strategy continues to identify the risks of reduced funding levels from government for the next few years. Income streams are being re-profiled, but remain at significant risk. There are additional cost pressures in terms of Waste and Street Cleaning contracts (full year cost implications), growth in terms of the Council Tax Reduction scheme, volatility on business rates, and particularly the higher costs of temporary accommodation, inflation and wage settlements.
209. The Council's reserves are approaching the minimum level recommended. The cost of redundancies looks set to exceed the funds available within the remaining Redundancy Reserve. The additional costs falling on the General Reserve.

Organisational Consequences

210. The Council has exhausted available reserves to support the budget if it wishes to continue to fund an ambitious corporate plan. To stand a chance of achieving a sustainable budget in the future, staffing reductions have regrettably to be made and priorities must be reassessed. The consequence is that besides staff reductions others must be redirected, at least temporarily towards priority areas.
211. There will inevitably be consequences from time to time as this process continues given the substantial savings the Council is required to make and the uncertainty that still surrounds future funding. The Council seeks to minimise the impact wherever possible through redeployment and voluntary severance.

Anti-Poverty

212. The recommendation to full Council is that the Council Tax Support scheme remains unchanged save for the updating of allowances/deduction in line with national changes. The draft scheme continues to provide 100% support for those claimants most in need and hence helps to protect some of the more vulnerable households in the community. The overall costs to the scheme are estimated to be at an increased cost in 2020/21 – some £35,000 p.a. to Hastings BC alone.

Equalities and Community Cohesiveness

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

Consultation

214. The 2020/21 budget proposals will be consulted upon from the 10 January 2020 and will be considered by Cabinet on the 10 February 2020 and determined by full Council on 19 February 2020.

Timetable of Next Steps

215. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Budget Consultation	Draft Budget Papers published 10 January 2020	Consultation Closes 7 February 2020	Chief Finance Officer
Budget Cabinet		10 February 2020	Chief Finance Officer
Budget Council		19 February 2020	Chief Finance Officer

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

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 & Climate Change	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	Yes
Local People's Views	Yes
Anti-Poverty	Yes
Legal	No

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/

Officer to Contact

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Budget - DRAFT

2020-2021



Financial Services
www.hastings.gov.uk

Appendices to Budget Report

Contents:

Appendix A	REVENUE BUDGET SUMMARY
Appendix B	INTEREST, MINIMUM REVENUE PROVISION & CONTRIBUTIONS TO RESERVES
Appendix C	REVENUE BUDGET VARIATION ANALYSIS
Appendix C2	SUMMARISED FULL BUDGET VARIATION ANALYSIS
Appendix D	CAPITAL PROGRAMME SUMMARY
Appendix E	CAPITAL PROGRAMME FINANCING STATEMENT
Appendix F	GOVERNMENT GRANT RESERVE
Appendix G	REVENUE BUDGET FORWARD PLAN
Appendix H	RESERVES
Appendix I	INFORMATION TECHNOLOGY RESERVE
Appendix J	RENEWAL AND REPAIRS RESERVE
Appendix K	PRIORITY, INCOME & EFFICIENCY REVIEW (PIER OUTCOMES)
Appendix K2	COUNCIL EFFICIENCIES AND EQUALITIES IMPACTS ASSESSMENTS SUMMARY
Appendix L	LAND DISPOSAL PROGRAMME
Appendix M	COUNCIL TAX - TO FOLLOW WHEN INFORMATION AVAILABLE
Appendix N	FORESHORE TRUST BUDGET (TO FOLLOW - TO BE DETERMINED IN MARCH)
Appendix O	REVENUE BUDGET SUMMARIES
Appendix P	CAPITAL PROGRAMME

REVENUE BUDGET SUMMARY

Appendix A

	2019-2020 Original Budget £	2019-2020 Revised Budget £	2020-2021 Estimate Budget £
Directorates			
Corporate Resources	1,366,870	1,339,580	375,870
Operational Services	11,958,288	13,548,280	11,525,404
Direct Service Expenditure	13,325,158	14,887,860	11,901,274
Contingency Provision (incl. R&R Reserve)	300,000	0	300,000
Total Service Expenditure	13,625,158	14,887,860	12,201,274
Provision for the Repayment of Principal (MRP)	1,184,000	1,176,000	1,624,000
Net Interest (Earnings) / Payments	1,334,533	1,307,491	1,568,240
Total Expenditure	16,143,691	17,371,351	15,393,514
Amount to be met from Grant and Collection Fund			
Government Grant - Revenue Support Grant	0	0	(1,004,283)
New Homes Bonus	(556,337)	(556,337)	(199,482)
NNDR (Surplus) / Deficit	(28,183)	(28,183)	187,752
Council Tax (Surplus) / Deficit	(144,914)	(144,914)	(50,307)
Housing Benefit Administration Grant	(389,046)	(389,046)	(361,813)
Council Tax Support Admin Grant	(160,753)	(164,592)	(155,930)
Business Rates	(3,563,061)	(3,513,569)	(2,767,136)
Business Rates - Pooling	(91,361)	(129,107)	(9,402)
Business Rates - Section 31 Grant	(1,568,916)	(1,536,715)	(1,564,173)
Council Tax	(6,867,158)	(6,867,158)	(7,093,624)
Total Funding	(13,369,728)	(13,329,620)	(13,018,399)
Funding deficit / (surplus)	2,773,963	4,041,731	2,375,116
Reserve movements			
Contributions to Reserves (e.g. R&R)	744,440	779,000	733,000
Use of Earmarked Reserves (see Appendix H)	(1,771,850)	(2,705,174)	(1,859,840)
Net Contribution to/(from) Reserves	(1,027,410)	(1,926,174)	(1,126,840)
Use of Reserves to fund Deficit			
Transfer from Transition Reserve	(1,095,553)	(1,200,000)	0
Transfer from General Reserve	0	(64,557)	(1,248,276)
Transfer to/(from) Specific Reserve	(651,000)	(851,000)	0
Total	(1,746,553)	(2,115,557)	(1,248,276)
General Fund Movement	0	0	0
Net Council Expenditure	15,116,281	15,445,177	14,266,674

COUNCIL TAX

2019-2020			2020-2021		
Total	Band D		Total	Band D	Increase
£	£		£	£	%
13,369,728		Budget requirement	13,018,399		
0		Revenue Support Grant	(1,004,283)		
(160,753)		Council Tax Administration Support Grant	(155,930)		
(556,337)		New Homes Bonus	(199,482)		
(173,097)		Collection Fund (Surplus) / Deficit	137,445		
(2,049,323)		Other non-ring fenced grants	(1,935,388)		
(3,563,061)		Retained Business Rates	(2,767,136)		
6,867,158	265.50	Borough Council Tax	7,093,624	270.78	1.99%
37,110,585	1,434.78	County Council Precept	39,090,409	1,492.17	4.00%
2,422,775	93.67	Fire Authority Precept	2,502,705	95.53	1.99%
4,912,022	189.91	Police and Crime Commissioner Precept	5,106,057	194.91	2.63%
51,312,539	1,983.86	Total Council Tax	53,792,795	2,053.40	3.51%
	25,865.0	Council Taxbase at Band D		26,197.0	

TABLE OF COUNCIL TAX BANDS AND AMOUNTS :

2019-2020		Relationship	East Sussex	Police and Crime Commissioner	East Sussex Fire Authority	Hastings B.C.	2020-2021
Total Amount	Band and Value *	to Band D	C.C.	Commissioner	Fire Authority	B.C.	Total Amount
£1,322.58	A - up to £40,000	6 / 9	£994.78	£129.94	£63.69	£180.52	£1,368.93
£1,543.00	B - £40,001 up to £52,000	7 / 9	£1,160.58	£151.60	£74.30	£210.61	£1,597.09
£1,763.43	C - £52,001 up to £68,000	8 / 9	£1,326.37	£173.25	£84.92	£240.69	£1,825.23
£1,983.86	D - £68,001 up to £88,000	-	£1,492.17	£194.91	£95.53	£270.78	£2,053.40
£2,424.72	E - £88,001 up to £120,000	11 / 9	£1,823.76	£238.22	£116.76	£330.95	£2,509.69
£2,865.57	F - £120,001 up to £160,000	13 / 9	£2,155.36	£281.54	£137.99	£391.13	£2,966.02
£3,306.44	G - £160,001 up to £320,000	15 / 9	£2,486.95	£324.85	£159.22	£451.30	£3,422.32
£3,967.72	H - over £320,000	18 / 9	£2,984.34	£389.82	£191.07	£541.56	£4,106.79
43,525	Number of properties on Council Tax Banding List						43,683
£25,865	Each £1 of Council Tax at Band D will raise						£26,197

Appendix A (continued)

1. BUSINESS RATES BASELINE

	Budget 2019-20 Amount £	Revised Budget 2019-20 Amount £	Budget 2020-21 Amount £
NNDR Income			
Gross rateable value	62,755,809	62,322,204	62,322,204
Small business multiplier	49.1	49.1	49.9
Gross rates receivable	30,813,102	30,600,202	31,098,780
Reliefs and allowances for bad debt and appeals	(9,628,106)	(9,346,156)	(9,833,252)
Net rates less losses	21,184,996	21,254,046	21,265,528
Cost of Collection allowance	(132,166)	(132,166)	(132,166)
NNDR Income	21,052,830	21,121,880	21,133,362
Hastings BC Share (44% / 40%)	9,263,245	9,293,627	8,453,345
Tariff Calculation			
Business Rates Baseline for HBC	10,268,310	10,268,310	9,486,922
DCLG calculation of baseline funding level	4,746,465	4,746,465	3,819,518
Adjustment for Revised budget	0	0	0
Tariff	5,521,845	5,521,845	5,667,405
Levy calculation			
Total income	9,263,245	9,293,627	8,453,345
Add 50% small business relief	1,020,538	1,168,071	739,866
Add reliefs attracting Section 31 grant	345,588	323,037	331,318
Adjusted income	10,629,371	10,784,735	9,524,529
Less Tariff	(5,521,845)	(5,521,845)	(5,667,405)
	5,107,526	5,262,890	3,857,125
Baseline funding level	(4,746,465)	(4,746,465)	(3,819,518)
Growth	361,061	516,425	37,607
Levy payable (50% / 25% growth (pool share))	180,531	258,213	18,804
Pooling income (50% of levy / additional pool share)	(90,266)	(129,107)	(9,402)
Safety Net calculation			
Baseline funding level	4,746,465	4,746,465	3,819,518
Threshold (95.0% / 92.5% of baseline funding level)	4,509,142	4,509,142	3,533,054
Adjusted income less Tariff	5,107,526	5,262,890	3,857,125
Difference	598,384	753,748	324,071
Safety Net receivable	0	0	0
Business Rates Collection			
Business Rates precept	9,263,245	9,293,627	8,453,345
Tariff	(5,521,845)	(5,521,845)	(5,667,405)
Levy	(180,531)	(258,213)	(18,804)
Safety Net	0	0	0
Net Business Rates collection	3,560,869	3,513,569	2,767,136

2. COLLECTION FUND

	2019-20 Original Budget £	2019-20 Revised Budget £	2020-21 Estimate Budget £
Council Tax (Surplus) / Deficit	(144,914)	(144,914)	(50,307)
Non Domestic Rates (Surplus) / Deficit	(28,183)	(28,183)	187,752
Total Collection Fund (Surplus) / Deficit	(173,097)	(173,097)	137,445

INTEREST, MINIMUM REVENUE PROVISION & CONTRIBUTIONS TO RESERVES

Appendix B

	2019-20 Original Budget £000's	2019-20 Revised Budget £000's	2020-21 Estimated Outturn £000's
Net Interest Payments	1,335	1,307	1,568
Contributions to Reserves	744	779	733
Minimum Revenue Provision (Statutory provision for principal repayment arising from borrowing requirement)	1,184	1,176	1,624
Total	3,263	3,262	3,925
Interest	£000's	£000's	£000's
Gross Interest Payable	1,950	1,914	2,315
Gross Interest Received	(553)	(545)	(693)
Income and expenditure in relation to investment properties	(72)	(72)	(64)
Fees	10	10	10
	1,335	1,307	1,568
Contributions to Reserves	£000's	£000's	£000's
IT Reserve	214	214	214
Government Grant Reserve	0	0	11
Transfer to Specific Reserve re: Selective Licensing	3	0	0
Transfer to Specific Reserve re: Housing Licensing	19	0	0
R&R General	420	420	420
R&R White Rock Theatre	80	80	80
R&R re: New Vehicles	8	8	8
	744	779	733
Transfers to/ between Reserves	£000's	£000's	£000's
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
Transfer between General Reserve to Community Housing Reserve	0	0	0
General Reserve	0	0	0
Invest to Save and Efficiency Reserve	0	0	0
	0	0	0
Total Income and Transfers	744	779	733

REVENUE BUDGET VARIATION ANALYSIS

Appendix C

	2019-2020		2020-2021	
	£'000	£'000	£'000	£'000
Original 2019/20 Budget		13,325		13,325
<u>Inflation</u>				
Pay & Prices		0		543
<u>Income Variations</u>				
Local Land Charges	4		4	
Other income	(10)		165	
Recycling Credits	(11)		83	
Selective Licensing	120		25	
Fees and Charges	(0)		(180)	
Universal Credit Delivery Partnership	80		80	
Rental Income	(105)		(622)	
		78		(445)
<u>Budget Reductions</u>				
Turnover Savings	(438)		(11)	
Waste Contract / DSO	(188)		(231)	
Business Rates	(86)		(37)	
CHART	(0)		(13)	
Planning Policy	0		(78)	
PIER savings (appendix K)	6		(1,754)	
		(706)		(2,124)
<u>Growth & Commitments</u>				
Homelessness (excluding borrowing)	245		39	
Housing Benefit Costs	296		302	
Salaries Growth	51		51	
Election in 2020-21	0		75	
Pension costs	3		53	
Renewable Energy Solutions	20		79	
West Hill loss of income for repairs	104		0	
		719		599
Previous years unspent budgets carried forward into 2019/20		445		0
Other Minor Changes		27		18
Internal Recharges		(0)		(0)
Invest to save funded items		(144)		8
R&R Reserve funded items		155		94
IT Reserve Spend		(68)		(97)
Foreshore Trust Recharges		(47)		(20)
Revenues Services Reserve (GGR)		(35)		0
Estimated Redundancy Cost		1,139		0
TOTAL - Net Additional/ (Reduced) Council Expenditure		1,563		(1,424)
Direct Service Expenditure		<u>14,888</u>		<u>11,901</u>

CAPITAL PROGRAMME SUMMARY

	Original 2019/20	Revised 2019/20	2020/21	2021/22	2022/23	Subseq. Years	Total over Prog Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net cost by Service							
Corporate Resources	5,492	6,986	13,279	6,923	0	0	27,188
Operational Services	11,164	8,594	3,657	10,387	70	1,645	24,353
	16,656	15,580	16,936	17,310	70	1,645	51,541

Net cost by Status

Committed Schemes	c	14,156	13,262	5,471	15,194	70	1,645	35,642
Uncommitted Schemes	u	0	0	8,650	0	0	0	8,650
New Schemes	n	2,500	2,318	2,815	2,116	0	0	7,249
		16,656	15,580	16,936	17,310	70	1,645	51,541

Gross cost of schemes analysed by service

Corporate Resources	5,492	6,986	14,079	6,923	0	0	27,988
Operational Services	13,759	11,475	12,021	12,199	1,882	3,457	41,035
	19,251	18,461	26,100	19,122	1,882	3,457	69,022

CAPITAL PROGRAMME FINANCING STATEMENT

Appendix E

	2019/20 Original £'000	2019/20 Revised £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total over life of Programme £'000
<u>Spending</u>						
<u>Capital Spending</u>						
Total Gross Spend	19,251	18,461	26,100	19,122	1,882	3,457
Capital Grants and Contributions Received	(2,595)	(2,881)	(9,164)	(1,812)	(1,812)	(15,669)
Capital Requirement	16,656	15,580	16,936	17,310	70	(12,212)
<u>Financing available</u>						
New Capital receipts in year	185	185	5,185	185	185	5,740
Forw Capital Receipts	360	0	0	5,000	0	5,000
Total	545	185	5,185	5,185	185	10,740
<u>Finance Used</u>						
Capital Reserve / Revenue/R&R reserve	184	0	184	23	0	207
Capital Receipts used from asset sales	185	185	185	185	70	625
Capital receipts from prior years	0	0	0	0	0	0
Total Financing available from internal resources	369	185	369	208	70	832
<u>Remaining Financing Requirement</u>	16,287	15,395	16,567	17,102	0	49,064

Government Grant Reserves

Appendix F

Cost Centre Code	Description	Holding Account Code	Balance b/f 1 April 2019 £ 000's	Income & Transfers £ 000's	Expenditure & Transfers £ 000's	Balance c/f 31 March 2020 £ 000's	Income & Transfers £ 000's	Expenditure & Transfers £ 000's	Balance c/f 31 March 2021 £ 000's
20110	DCE-Revenues Division	Q1028	(524)	0	60	(464)	0	60	(404)
20124	EU Exit Funding Reserve	Q1039	(17)	(35)	0	(52)	0	0	(52)
20298	High Street Clean-up	Q1041	(16)	0	0	(16)	0	0	(16)
20216	FLAG	Q1011	(16)	0	0	(16)	0	0	(16)
20310	Local Authority Parks Improvement	Q1043	(15)	0	15	0	0	0	0
20262	Street Games	Q1032	(21)	0	21	0	0	0	0
20263	Sports for All	Q1030	(28)	0	28	0	0	0	0
20314	Countryside Stewardship	Q1007	(72)	0	10	(62)	0	26	(36)
Total			(710)	(35)	135	(610)	0	86	(524)

Revenue Budget Forward Plan

Appendix G

Ref	Revenue Budget Forward Plan	2019-20 Revised Budget £000's	2020-21 Budget £000's	2021-22 Projection £000's	2022-23 Projection £000's	2023-24 Projection £000's
1	Net Service Expenditure	14,888	11,901	12,239	12,584	12,936
2	Funding Commitments:-					
3	Election Costs (bi-annually)			0	120	0
4	Potential loss of Homelessness Reduction Act grant			211	211	211
5	Savings/Additional Income Identified					
6	Previous PIER savings					
7	Theatre - reduced contributions			(100)	(200)	(200)
8	Revenues and Benefits			(40)	(40)	(40)
9	Community Partnership Fund			(156)	(156)	(156)
10	PIER saving Gross Adj (shown net in Apx K)			(245)	(245)	(245)
11	Income - Commercial Property			(210)	(240)	(389)
12	Income - re Schemes in Capital Programme			(513)	(1,627)	(1,627)
13	Fees and Charges			(60)	(120)	(180)
14	Other:					
15	Contingency Provision	0	300	300	300	300
16	Interest (net of Fees) & other Adjustments	1,307	1,568	2,026	2,323	2,343
17	Minimum Revenue Provision (excl. Inc Gen Adj)	1,176	1,624	1,884	2,425	2,435
18	Contribution to Reserves	779	733	733	733	733
19	Net Use of Earmarked Reserves	(2,705)	(1,860)	(1,860)	(1,860)	(1,860)
20	Net Council Expenditure	15,445	14,267	14,209	14,208	14,261
21	Taxbase	25,865	26,197	26,459	26,724	26,991
22	Council Tax	265.50	270.78	276.17	281.66	287.27
23	Funding					
24	From Collection Fund - Council Tax	(6,867)	(7,094)	(7,307)	(7,527)	(7,754)
25	From Collection Fund - Business Rates	(3,514)	(2,767)	(2,795)	(2,823)	(2,851)
26	Revenue Support Grant	0	(1,004)	(1,004)	(1,004)	(1,004)
27	New Homes Bonus	(556)	(199)	(168)	(26)	0
28	Council Tax Support Admin Grant	(165)	(156)	(144)	(133)	(123)
29	Housing Benefit Admin Grant	(389)	(362)	(335)	(310)	(286)
30	NNDR (Surplus) / Deficit	(28)	188	0	0	0
31	NNDR Pooling	(129)	(9)	(9)	(9)	(9)
32	Business Rates Section 31 Grant	(1,537)	(1,564)	(1,595)	(1,627)	(1,660)
33	Council Tax Surplus	(145)	(50)	0	0	0
34	Contribution To General Fund	(13,330)	(13,018)	(13,358)	(13,460)	(13,688)
35	Funding Shortfall / (Surplus)	2,116	1,248	851	749	573
36	Use of General Reserve	(65)	(1,248)	0	0	0
37	Use of Transition Reserve	(1,200)	0	0	0	0
38	Use of Resilience and Stability Reserve	(200)	0	0	0	0
39	Use of Community Safety Reserve	(250)	0	0	0	0
40	Use of Economic Development Reserve	(401)	0	0	0	0
41	Net Funding Shortfall / (Surplus)	0	0	851	749	573

	2019 / 20			2020 / 21			
	Balance at 1 April 2019 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2020 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2021 £'000
General Reserve	(7,714)	(422)	648	(7,488)	0	1,248	(6,240)
Capital Reserve	(150)	0	100	(50)	0	0	(50)
Earmarked Reserves							
Renewal and Repairs Reserve	(1,600)	(508)	907	(1,201)	(508)	912	(797)
Risk Management Reserve	(330)	0	4	(326)	0	15	(311)
Information Technology Reserve	(153)	(214)	243	(124)	(214)	214	(124)
On-Street Car Parking Surplus Reserve	(40)	0	0	(40)	0	40	0
Section 106 Revenue Reserve	(496)	(57)	20	(533)	0	20	(513)
VAT Reserve	(252)	0	252	0	0	0	0
Government Grant Reserve	(710)	(35)	135	(610)	0	86	(524)
Monuments in Perpetuity	(47)	0	1	(47)	0	1	(46)
Ore Valley Reserve	(250)	0	0	(250)	0	0	(250)
Resilience and Stability Reserve	(600)	0	200	(400)	0	0	(400)
Transition Reserve	(1,200)	0	1,200	0	0	0	0
Redundancy Reserve	(606)	(500)	606	(500)	0	225	(275)
Community Safety Reserve	(250)	0	250	0	0	0	0
Economic Development Reserve	(401)	0	401	0	0	0	0
Safer Hastings Partnership	(81)	0	0	(81)	0	0	(81)
Disabled Facilities Grant	(1,493)	(1,813)	1,200	(2,106)	(1,813)	1,813	(2,106)
First World War Project	(11)	0	11	0	0	0	0
Invest to Save and Efficiency Reserve	(269)	(83)	159	(193)	0	159	(34)
Clinical Commissioning Group	(349)	0	0	(349)	0	0	(349)
Carry-forward Reserve	(686)	0	608	(78)	0	78	0
Selective Licensing Reserve	(574)	0	119	(455)	0	51	(404)
Revenue Hardship Fund	(80)	0	0	(80)	0	0	(80)
Syrian Refugee Resettlement Programme	(21)	0	0	(21)	(11)	0	(32)
Housing Licensing Reserve	(39)	0	0	(39)	0	0	(39)
Community Housing Fund	(74)	0	3	(71)	0	0	(71)
	(18,476)	(3,632)	7,066	(15,041)	(2,546)	4,861	(12,726)

EXPENDITURE FUNDED BY USE OF RESERVES

(expenditure & transfers) / Income & transfers

	Cost Centre / Account	2019-20 Original £	2019-20 Revised £	2020-21 Estimate £
General Reserve				
General reserve Saving to/(Use of)	Q1012	0	(64,557)	(1,248,276)
Total		0	(64,557)	(1,248,276)
Transfers between Reserves				
VAT Reserve to General Reserve		0	(252,000)	0
Carry Forward Reserve		0	(158,751)	0
First World War Project Reserve			(11,000)	0
Increase Redundancy Reserve from General Reserve		0	0	0
		0	(421,751)	0
Carry Forward Reserve				
Carried forward	Q1004	0	(449,509)	(77,740)
		0	(449,509)	(77,740)
Capital Reserve				
2016 - 950th Anniversary (£330k in total over 3 years)	Q1017	0	0	0
Various Capital Expenditure to be Financed				
CPO - Empty Homes Strategy -capital		(100,000)	(100,000)	0
		(100,000)	(100,000)	0
Disabled Facilities Grant				
Disabled Facilities Grant - Salaries	Q1008	(60,000)	(60,000)	(60,000)
Disabled Facilities Grant - Capital		(1,440,000)	(1,140,000)	(1,752,584)
		(1,500,000)	(1,200,000)	(1,812,584)
VAT reserve				
	Q1035	0	0	0
		0	0	0
Economic Development Reserve				
General Fund	Q1009	(401,000)	(401,000)	0
		(401,000)	(401,000)	0
Community Safety Reserve				
General Fund	Q1006	(250,000)	(250,000)	0
		(250,000)	(250,000)	0
Renewal & Repairs Reserve				
(per programme of works - Appendix J)	Q1026	(774,100)	(906,580)	(812,000)
Capital		0	0	0
Vehicles		0	0	0
Contingency		(100,000)	0	(100,000)
		(874,100)	(906,580)	(912,000)
Transition Reserve				
Transfer to General Fund	Q1034	(1,095,553)	(1,200,000)	0
Resilience and Stability Reserve				
	Q1031	0	(200,000)	0
Information Technology Reserve				
(per programme of works - Appendix I)	Q1013	(239,000)	(243,000)	(214,000)
		(239,000)	(243,000)	(214,000)
Invest to Save & Efficiency Reserve				
Transfer to General Fund	Q1015	(250,000)	(159,000)	(159,000)
Transfer to Capital Reserve		0	0	0
		(250,000)	(159,000)	(159,000)
Redundancy Reserve				
Transfer to General Fund	Q1024	(225,000)	(606,000)	(225,000)
		(225,000)	(606,000)	(225,000)

<u>Earmarked Reserves</u>	Cost Centre	2019-20 Original £	2019-20 Revised £	2020-21 Estimate £
<u>Government Grant Reserve</u>	Various			
capital (further details - Appendix F)		(94,000)	(134,556)	(86,000)
		<u>(94,000)</u>	<u>(134,556)</u>	<u>(86,000)</u>
<u>Monuments in Perpetuity</u>	Q1023			
capital				
Revenue	20303	(5,000)	(500)	(500)
		<u>(5,000)</u>	<u>(500)</u>	<u>(500)</u>
<u>S106 Reserve</u>				
Capital	Q2451	0	0	0
Revenue	Q1029	(17,000)	(20,000)	(20,000)
		<u>(17,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>
<u>On-Street Car Parking Surplus Reserve</u>	Q1003			
Havelock Road Crossing	20292	0	0	(40,000)
		<u>0</u>	<u>0</u>	<u>(40,000)</u>
<u>Risk Management Reserve</u>	Q1014			
Risk Management Schemes	20135	(15,000)	(4,000)	(15,000)
		<u>(15,000)</u>	<u>(4,000)</u>	<u>(15,000)</u>
<u>Ore Valley</u>	#REF!	0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<u>Safer Hastings partnership</u>		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<u>Clinical Commissioning Group</u>	Q1020			
Housing NHS CCG		0	0	0
Lets Get Moving		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<u>Selective Licensing</u>	Q1042			
Selective Licensing surplus / deficit	20195	0	(119,200)	(50,600)
		<u>0</u>	<u>(119,200)</u>	<u>(50,600)</u>
<u>First World War Reserve</u>	Q1010	0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<u>Housing Licensing Reserve</u>	Q1036			
Housing Licensing Reserve		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<u>Syrian Refugee Resettlement Programme</u>	Q1033	0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<u>Community Housing Fund</u>	Q1037			
Housing Administration		0	(2,830)	0
		<u>0</u>	<u>(2,830)</u>	<u>0</u>
Total use of earmarked and capital reserves *	A	<u>(5,065,653)</u>	<u>(5,996,174)</u>	<u>(3,612,424)</u>
Revenue use of earmarked reserves		(1,779,100)	(2,705,174)	(1,859,840)
Transfers between Reserves		0	421,751	0
Capital use of earmarked reserves		(1,540,000)	(1,240,000)	(1,752,584)
Transition Reserve and Com / Econ Reserve		(1,746,553)	(2,051,000)	0
Total Expenditure & Transfers (Excl General Reserve Use)	B	<u>(5,065,653)</u>	<u>(5,574,423)</u>	<u>(3,612,424)</u>

INFORMATION TECHNOLOGY RESERVE

Appendix I

	2019-20	2019-20	2020-21	2021-22	2022-23
	Original	Revised	ESTIMATE	ESTIMATE	ESTIMATE
	£'000	£'000	£'000	£'000	£'000
OPENING BALANCE :					
BALANCE B/FWD. AT 1 APRIL	(55)	(186)	(157)	(157)	(157)
EXPENDITURE :					
GOVCONNECT	9	0	9	9	9
MICROSOFT LICENSING FOR TEST ENVIRONMENT	0	0	0	0	0
RESILIENCE IMPROVMENTS	10	0	0	0	0
ANTI VIRUS	25	9	0	0	0
KACE SYSTEMS MANAGEMENT SERVER	0	5	0	0	0
SERVICE REVIEW EFFICIENCY PROJECTS	80	0	80	90	90
PC HARDWARE AND SOFTWARE	115	115	115	115	115
MICROSOFT 365	0	40	0	0	0
TELEPHONE SYSTEM UPGRADE	0	44	0	0	0
PLANNING SYSTEM UPGRADES	0	16	0	0	0
NEW ELECTORAL REGISTRATION SYSTEM	0	14	0	0	0
SERVER OPERATING SYSTEMS UPGRADES	0	0	10	0	0
	239	243	214	214	214
INCOME :					
CONTRIBUTIONS TO RESERVE - FROM GENERAL FUND	(214)	(214)	(214)	(214)	(214)
ADDITIONAL CONTRIBUTIONS TO RESERVE - FROM GENERAL FUND	0	0	0	0	0
CLOSING BALANCE :					
BALANCE IN-HAND C/FWD. AT 31 MARCH	(30)	(157)	(157)	(157)	(157)

RENEWAL AND REPAIRS RESERVE**APPENDIX J**

2018-19		2019-20	2019-20	2020-21
Actual		ORIGINAL	REVISED	ESTIMATED
£		BUDGET	BUDGET	BUDGET
		£	£	£
<u>OPENING BALANCE:</u>				
1,627,865	BALANCE BROUGHT FORWARD	1,329,395	1,599,714	1,201,134
<u>INCOME:</u>				
508,000	CONTRIBUTIONS TO RESERVE - GENERAL	508,000	508,000	508,000
508,000		508,000	508,000	508,000
<u>EXPENDITURE:</u>				
536,151	PROGRAMMED REPAIRS AND REDECORATIONS	265,500	199,490	282,500
	OTHER REPAIRS & RENEWALS	508,600	707,090	529,500
536,151	SUB TOTAL	774,100	906,580	812,000
0	CAPITAL EXPENDITURE FUNDED FROM RESERVES	0	0	0
0	VEHICLES	0	0	0
0	PROVISION FOR UNEXPECTED ITEMS	100,000	0	100,000
536,151		874,100	906,580	912,000
<u>CLOSING BALANCE:</u>				
1,599,714	BALANCE CARRIED FORWARD	963,295	1,201,134	797,134

PROGRAMMED REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE

Appendix J (con't)

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2019-2020 Original Budget Plus C/F £	2019-2020 REVISED BUDGET £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £	2022-2023 ESTIMATE £
20116	PR001	TOWN HALL	Isolated internal / external redecs & repairs. MEWP high level stonework H&S inspection	20,000	10,000	20,000	30,000	30,000
20118	PR047 (OR216)	ALL BUILDINGS - ASBESTOS	Asbestos surveys and re-inspections	2,000	2,000	2,000	2,000	2,000
20118	PR048	ALL BUILDINGS - ASBESTOS	Works arising out of asbestos inspections	1,000	1,000	1,000	1,000	1,000
20118	PR049 (OR217)	ALL BUILDINGS - FIRE RISK	Fire risk assessments & works arising	6,000	6,000	6,000	6,000	6,000
20118	PR051 (OR238)	ALL BUILDINGS - AIR CONDITIONING	AC energy efficiency certification (every 3 years)	4,000	4,000	4,000	4,000	4,000
20118	PR52 (OR239)	ALL BUILDINGS - ENERGY CERTIFICATION	Annual Display Energy Certs for major bldgs	1,000	1,000	1,000	1,000	1,000
20118	PR54 (OR240)	ALL BUILDINGS - LEGIONELLA RISK	Automated checks & monitoring inc hygiene assess	30,000	30,000	25,000	20,000	25,000
20118	PR55 (OR225)	ALL BUILDINGS - ELECTRICAL TESTING	routine cyclical testing & works arising	6,000	6,000	6,000	6,000	6,000
20118	PR57 (OR241)	ALL BUILDINGS - SAFETY ANCHORS	Annual testing of access safety anchors	2,000	2,000	2,000	2,000	2,000
20118	PR58 (OR242)	ALL BUILDINGS - AUTOMATIC DOORS	Annual maintenance routine	500	500	500	500	500
20132	PR008	BANK BUILDINGS	External redecs to front elevation	0	0	0	8,000	0
20131	PR009	MICRO UNIT FACTORIES	External redecs	0	0	0	5,000	0
20131	PR037	FACTORY UNITS	External redecs/roof repairs to empty units	30,000	30,000	30,000	30,000	0
20132	PR041	OTHER BUILDINGS (ESTATES MISC.)	Essential upgrades/repairs.	10,000	10,000	10,000	10,000	0
20245	PR023	WEST HILL CLIFF RAILWAYS	Redecorations & repairs	5,000	5,000	5,000	5,000	0
20245	PR024	EAST HILL CLIFF RAILWAYS	Redecorations & repairs	5,000	5,000	5,000	5,000	0
20258	PR034	FALAISE FITNESS CENTRE	External redecorations.	0	0	0	25,000	0
20303	PR013	CREMATORIUM	Internal / External redecorations. Main GF offices	0	0	5,000	0	0
20303	PR014	CREMATORIUM - CREMATOR FT2	Rehearthng & rebricking of cremator FT2	46,000	12,000	46,000	7,000	7,000

PROGRAMMED REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE

Appendix J (con't)

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2019-2020 Original Budget Plus C/F £	2019-2020 REVISED BUDGET £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £	2022-2023 ESTIMATE £
20303	PR014	CREMATORIUM - CREMATOR FT3	Rebricking / reearthng of cremator FT3	47,000	12,000	47,000	8,000	8,000
20303	PR52a	CEMETERY	Path health & safety repairs	15,000	15,000	16,000	8,000	8,000
20310	PR52	PARKS	Path health & safety repairs	10,000	10,000	10,000	10,000	10,000
20250	OR210	FRONT LINE	Concrete health & safety inspection & testing	12,000	12,000	6,000	6,000	6,000
20250	OR255	FRONT LINE	Concrete health & safety repair works	5,000	5,000	9,000	9,000	9,000
20250	PR025	FRONT LINE	Alcoves, seating, bottle alley - repairs/redecs	9,000	9,000	9,000	9,000	9,000
20252	PR029	FISHERMENS MUSEUM	External redecs/stonework pointing	0	0	0	2,000	0
20259	PR033	SUMMERFIELDS SPORTS CENTRE	External redecs	0	0	0	6,000	0
20310	PR026	SPORTS PAVILIONS	Int/ext redecs.	8,000	6,930	8,000	8,000	8,000
20310	PR044	ALEXANDRA PARK RAILINGS	Phased railing redecorations	5,000	5,060	5,000	5,000	5,000
20306	PR030	HASTINGS STATION - FISHING BOAT FEATURE	Survey repairs / redecs	0	0	2,000	0	0
20306	PR031	TOWN CENTRE UNDERPASS	Decoration	0	0	2,000	0	0
		Total of Programmed work		279,500	199,490	282,500	238,500	147,500

OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE

Appendix J (con't)

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2019-2020 Original Budget Plus C/F £	2019-2020 REVISED BUDGET £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £	2022-23 ESTIMATE £
20131	OR304	THEAKLEN DRIVE ROOFS	Single ply over-roofing of existing worn out membrane	70,000	70,000	0	0	0
20245	OR247	EAST HILL LIFT LOWER STATION	Roof replacement	0	0	0	30,000	0
20249	OR250	WHITE ROCK THEATRE	General repair contributions	15,000	15,000	0	20,000	20,000
20249	OR251	WHITE ROCK THEATRE	Contribution to large plant / boiler replacement	0	0	51,000	0	0
20310	OR231	CLIFF REPAIR SURVEY	Biennial or Sextennial survey	0	0	8,000	0	15,000
20313	OR211	HASTINGS COUNTRY PARK - TACKLEWAY WALL	Health & safety repairs and repointing	0	0	0	0	1,000
20310	OR320	RECREATIONAL GROUNDS	Emergency lighting upgrade	11,000	10,830	0	0	0
20259	OR326	INDOOR BOWLS CENTRE	Equality Act works	50,000	20,000	20,000	10,000	0
20150	OR328	STREET LIGHTS	White Rock Promenade Improvements	14,500	14,500	0	0	0
20259	OR331	SUMMERFIELDS LEISURE CENTRE	Landlord obligation - progressive replacement of existing swimming pool filtration plant	3,000	3,000	0	0	0
20259	OR332	SUMMERFIELDS LEISURE CENTRE	Installation of UV water hygiene treatment, if req'd and justified by FL due to alterations to regulations.	0	0	0	5000	0
20251	OR334	JOHNS PLACE MUSEUM	Essential stoneworks repairs to interior of window openings	3,014	0	3,000	10,000	0
20132	OR336	3 PLACE FARM COTTAGES, FAIRLIGHT	Repointing external walls (Energy efficiency measures no longer needed).	3,000	3,000	0	0	0
20310	OR339	CLIFFS	Cliff Repairs arising from engineer's inspections	74,690	260,000	100,000	50,000	50,000
20117	OR340	MURIEL MATTERS HOUSE REPLACEMENT RISING MAIN	Replacement of existing rising main in rear of building to avoid further flooding issues	20,000	20,000	10,000	0	0
20117	OR342	MURIEL MATTERS HOUSE - PASSENGER LIFTS	Heavy duty door closing mechanisms	0	0	0	5,000	0
20245	OR345	WEST HILL LIFT OLD MOTOR ROOM - STRUCTURAL REPAIRS	Provision of permanent support works to café floor and external area.	18,000	10,000	0	0	0
20245	OR347	WEST HILL LIFT - ATTENDANT'S & STORE AREAS	Works to patio waterproofing to prevent water ingress	18,000	0	0	18,000	0
20250	OR348	PROMENADE SURFACING	Further tarmac repairs to worst areas	29,806	29,800	30,000	50,000	50,000
20313	OR362	HCP PLACE FARM FARM YARD	Roadway resurfacing of farmyard	10,000	10,000	0	0	0
20310	OR364	BEXHILL REC WEST	Internal redecoration	0	0	10,000	0	0

OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE

Appendix J (con't)

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2019-2020 Original Budget Plus C/F £	2019-2020 REVISED BUDGET £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £	2022-23 ESTIMATE £
20117	OR365	MURIEL MATTERS HOUSE	Lightning Protection	50,000	50,000	0	0	0
20310	OR366	ST LEONARDS GARDENS	Possible remedial works to sewer / drain	5,940	5,940	0	0	0
20251	OR371	HASTINGS MUSEUM - LIGHTING	Provide LED lighting	0	0	0	40,000	0
20116	OR372	TOWN HALL LED LIGHTING	Provide new LED lighting	0	0	0	30,000	0
20245	OR374	WEST HILL LIFT - ENTRANCE ROOF	Replace railings with galv. steel railings	0	0	5,000	0	0
20132	OR376	ESTATES - EPC UPGRADES	Alex Pk Depot work shop, office	15,000	17,130	0	0	0
20250	OR378	FORESHORE - FORMER LIFEGUARD STORE	Concrete repairs to prom slab	20,000	25,000	0	0	0
20132	OR379	ESTATES - INDUSTRIAL ESTATE SIGNAGE	Renew road and welcome signs	5,000	5,000	0	0	0
20287	OR380	PRIORY STREET MSCP	Structural Survey / Concrete Testing	13,000	13,000	0	0	0
20303	OR381	CEMETERY	Clear Trees for burial spaces	20,000	10,000	0	0	0
20310	OR384	ALEXANDRA PARK	Harmers Knee rail H&S	2,000	1,820	0	0	0
20310	OR385	ALEXANDRA PARK	Information Shelter lower decoration	0	0	2,000	0	0
20313	OR386	HASTINGS COUNTRY PARK	Farm Yard - levels phase 2	7,000	0	0	0	0
20310	OR390	OLD ROAR GILL	Bridge 2 repairs , replace, dredge/de-silt	4,000	2,530	0	0	0
20310	OR391	OLD ROAR GILL	Re fence , edge by ROW	4,000	4,510	0	0	0
20310	OR392	ALEXANDRA PARK	Lower Stream Culvert Wall	0	0	4,000	0	0
20310	OR394	SUMMERFIELDS WOODS	Folly Protection	3,600	3,600	0	0	0
20310	OR395	WHITE ROCK GARDENS	Demolition of old toilet block	0	0	0	9,000	0
20132	OR399	PELHAM ARCADE	Replace lead guttering with zinc	25,000	25,000	0	0	0
20132	OR400	OLD TOWN HALL	Replace lead guttering with zinc	30,000	30,000	0	0	0
20132	OR401	OLD TOWN HALL	Heating upgrade to improve EPC rating	10,000	10,000	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	2019-2020 Original Budget Plus C/F £	2019-2020 REVISED BUDGET £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £	2022-23 ESTIMATE £
20131	OR403	CBCW MAIN ROOF	Over-roofing of profiled metal roof	0	0	0	0	150,000
20245	OR405	EAST HILL CLIFF RAILWAY - UPPER STATION	Pedestrian paths resurfacing - deterioration of existing patched up surface creating trip hazards	0	0	10,000	0	0
20250	OR406	WHITE ROCK PROMENADE	Removal of remaining vestigial cycle lane markings opposite Robertson Street.	1,000	1,000	0	0	0
20303	OR409	CEMETERY OFFICE	New wireless fire alarm system	7,000	6,430	0	0	0
20303	OR410	CEMETERY CHAPEL	Front window and stone reveal repairs	0	0	0	20,000	0
20313	OR411	HASTINGS COUNTRY PARK	Surface dressing to Coastguard Lane tarmac/asphalt path surfacing	0	0	25,000	0	0
20246	OR412	HASTINGS CASTLE	Curtain wall consolidation following emergency stabilisation works	25,000	0	25,000	0	0
20251	OR413	HASTINGS MUSEUM & ART GALLERY	Works to improve security following report	20,000	20,000	10,000	0	0
20245	OR415	WEST HILL CLIFF RAILWAY	Brick repairs following tunnel survey.	10,000	10,000	0	0	0
20259	OR416	SUMMERFIELDS LEISURE CENTRE	Re-tiling of edge of pool	70,000	0	100,000	0	0
20310	OR417	BEXHILL REC BRIDGE 6	Repair & redec to steel support (H&S)	0	0	2,000	0	0
20313	OR420	HCP LOWER ECCLESBOURNE GLEN	2 no. new boardwalk bridges (H&S)	0	0	3,000	0	0
20310	OR421	ST JOHNS PLAYGROUND	Stabilise playground retention wall	0	0	2,500	0	0
20310	OR422	TORFIELD MUGA	Survey of subsidence to MUGA corner	0	0	2,000	0	0
20310	OR423	SUMMERFIELDS WOODS	New bridge over heritage site Roman Bath (H&S)	0	0	4,000	0	0
20310	OR424	WEST MARINA GARDENS	Timber repairs & redecorate	0	0	0	2,000	0
20310	OR425	ALEX PARK SHORNDEN	Reservoir access point for Idverde	0	0	0	1,500	0
20313	OR426	HCP OLD VISITOR CENTRE	External & internal redecoration	0	0	0	4,000	0
20313	OR427	HCP HIGH WICKHAM	Replace knee rail with posts	0	0	0	2,500	0
20310	OR428	GLOUCESTER COTTAGE	Wall repairs ? (Contingency figure)	0	0	0	5,000	0
20310	OR429	GENSING GARDENS	Sandstone wall repairs	0	0	0	3,000	0

OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE

Appendix J (con't)

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2019-2020 Original Budget Plus C/F £	2019-2020 REVISED BUDGET £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £	2022-23 ESTIMATE £
20310	OR430	ST CLEMENTS CHURCH	Wall repairs ? (Contingency figure)	0	0	0	5,000	0
20306	OR431	TOWN CENTRE STATION BOAT	Stone dressing	0	0	0	2,000	0
20310	OR432	WHITE ROCK GARDENS EAST	Make good to pillar remains	0	0	2,000	0	0
20310	OR434	WHITE ROCK GARDENS WEST	Repair or replace tennis court fence	0	0	0	4,000	0
20310	OR435	ALEXANDRA PARK	Resin bonded paths phased resurfacing	0	0	0	5,000	0
20313	OR436	HCP YARD	Clear historic waste	0	0	0	6,000	0
20287	OR437	CARLISLE PARADE UGCP	Replacement of lighting	0	0	10,000	0	0
20251	OR438	HASTINGS MUSEUM & ART GALLERY	Lightning protection upgrade	0	0	5,000	0	0
20250	OR439	BOTTLE ALLEY	Cleaning of glass mosaic	0	0	10,000	0	0
20117	OR440	MURIEL MATTERS HOUSE	Heating pipe insulation	0	0	0	15,000	0
20250	OR441	WEST OF HAVEN	Installation of biodigesters inc. elec power	0	0	0	40,000	0
20313	OR442	HCP PATHS EAST COASTGUARD LANE	Reapply 'Fibredec' last laid in 2015	0	0	25,000	0	0
20116	OR443	TOWN HALL PASSENGER LIFT	Upgrade lift door operating gear	0	0	0	10,000	0
20117	OR444	MURIEL MATTERS HOUSE	Repairs to rear car park waterproofing	0	0	20,000	0	0
20250	OR445	WEST OF HAVEN	Resurface MP path to worn areas of mesh	0	0	6,000	0	0
20250	OR446	CINQUE PORTS WAY	Resurface highway tarmac (non ESCC)	0	0	15,000	0	0
20250	OR447	MILLSTONE FOUNTAIN	Replace inlet grille & improve internals	0	0	0	2,000	0
20250	OR448	BOTTLE ALLEY UPPER	Railing replacement - heritage railings poor	0	0	0	25,000	0
20245	OR449	EAST HILL LIFT PC	Interior refit due to dampness	0	0	10,000	0	0
		Total of Other Work		687,550	707,090	529,500	337,000	286,000

PIER Outcomes

Appendix K

	Cost Centre	Revised			
		2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
PIER Savings identified in 2019/20 for 2020/21 (not included elsewhere)					
1 Street Cleaning	20295	0	12	12	12
2 Parks and Open Spaces	20310	0	7	7	7
3 Business Support	20111	0	5	5	5
4 Community Contact Centre - Staff Savings	20113	0	23	23	23
5 Revenues and Benefits - Staff Savings	Various	0	150	150	190
6 Community Cohesion - reduce compliance officer post	20215	0	15	15	15
7 Theatre - Reduced Contribution	20249	0	100	200	200
8 Community Partnership Fund - Cease from 2021/22	20219	0	8	156	156
9 ICT Manager post	Various	44	44	44	44
Total Prior year identified savings for 2020-21 onwards		44	364	612	652
PIER Savings identified for 2020/21 Budget Process					
10 Insurance contract retender	Various	150	150	150	150
11 Cemetery rate revaluation appeal	20303	86	37	37	37
12 Accountancy - Reduced hours of a number of posts	20109	0	30	30	30
13 ICT - Delete ICT support officer currently vacant	20121	0	20	20	20
14 Continuous Improvement & Democratic Services - Delete Policy & Performance Co-ordinator post	20102	0	30	30	30
15 HR/Business Support team - Restructure team	20111	0	10	10	10
16 Pensions Contributions - Implement salary sacrifice scheme	20135	0	17	17	17
17 Legal Services - Delete vacant senior legal admin post and other savings	20106	0	10	10	10
18 CCTV - Cease activity	20290	0	150	150	150
19 Hate Crime - Budget given to Hastings Voluntary Action ceased	20299	0	20	20	20
20 Waste and Street Cleansing - Reduction in agency staff costs	Various	0	30	30	30
21 Bowling greens - Reduce subsidy given by undertaking maintenance etc.	20310	0	20	20	20
22 Economic Development - Delete Economic Development Officer post	20208	0	31	31	31
23 Regeneration and Culture - Delete Community Cohesion Officer post	20215	0	20	20	20
24 Community Partnership Fund - Project Support and compliance officer post to be transferred to Foreshore Trust	20219	0	15	15	15
25 Resorts Services - Resort Facilities Officer - Reduce hours and responsibility	20176	0	9	9	9
26 Regeneration and Culture - Cultural Regeneration Officer reduction in hours	20212	0	27	27	27
27 Leisure Services - Seasonal Sports worker post deleted	20257	0	10	10	10
28 Leisure Services - Delete 2 x play worker posts	20265	0	7	7	7
29 Tourism Marketing - Reduce hours of TIC – reduce call on casual staff	20225	0	11	11	11
30 Museum Services - reduced hours.	20251	0	14	14	14
31 Development Control Restructure	20182	0	104	104	104
32 Housing Options - Delete Housing Solutions Officer	20172	0	7	7	7
33 Housing Options - Fund expenditure by FHSG	20172	0	32	32	32
34 Housing Options - Delete Administration Officer post	20172	0	9	9	9
35 Community Contact Centre - Delete CCC Team Leader post	20113	0	30	30	30
36 LLPG & Land Charges - Delete the LLPG & Land Charges Manager post	20173	0	52	52	52
37 Licensing - Delete Licensing Manager post	20281	0	34	34	34
38 Parks and Open Spaces - Delete Natural Environment Manager post	20171	0	30	30	30
39 Communications - Restructure communications team and refocus work	20324	0	30	30	30
40 Senior Management restructure	20135	0	260	260	260
41 Reduce support to In 2 Play	20267	0	10	20	32
42 Create admin hub	Various	0	0	30	30
43 Selective / Housing Licencing Restructure	20195/20196	0	95	95	95
44 Regeneration - Senior manager cost part funded by grant funding for 1 year	20208	0	25	0	0
45 Active Hastings - Core funding reduced	20264	0	24	24	24
46 Stade Saturdays - Core funding reduced	20212	0	10	10	10
PIER Savings identified for 2020/21 Budget Process	Sub-total	236	1,420	1,435	1,447
47 Land sales - Income generated by proceeds from land sales being invested.	Various	0	75	150	150
48 Commercial Property/Economic Development income generated from further £10m investment	20132	6	100	200	200
PIER Additional Income Identified 2020/21 Budget Process (excluding fees and charges)	Sub-total	6	175	350	350
	Total PIER Savings	286	1,959	2,397	2,449
Growth Items					
49 Renewable Energy Commitment additional FTE	20321	0	(50)	(50)	(50)
50 Housing temporary accommodation costs	20182	(386)	(386)	(386)	(386)
51 Development - Bohemia feasibility and land studies	20209	0	(65)	0	0
52 Cliffs works	20310	0	(100)	(100)	(100)
53 Reservoir works	42346	0	(68)	(68)	(68)
54 Council Tax Reduction Scheme	Various	0	(35)	(35)	(35)
55 Land Charges - reduced Income	20181	(82)	(82)	(82)	(82)
56 Cliff railway lost income from downtime and repair costs.	20245	(100)	0	0	0
Total Growth	Sub-total	(568)	(786)	(721)	(721)
Net Overall Savings	Total	(282)	1,173	1,676	1,728

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
PIER Savings identified in 2019/20 for 2020/21						Assessment of likelihood of disproportionate impact on equalities/protected characteristics: Low / Medium / High
1 Street cleansing service	• Reduction in assumptions about fuel costs • Re-charging accurate costs to FT for beach cleaning • Cost of year 1 process mapping and systems support met from prioritising existing resources	£12,000	£12,000	£12,000	N/A	Low
2 Parks and Open Spaces - Grounds maintenance	Reduce grounds maintenance costs by: prioritising key areas: Alexandra Park, St Leonards Gardens (green flags) and lower part of Warrior Square and Seafront.	£7,000	£7,000	£7,000	N/A	Low
3 Business Support	Reduction to training budget due to increased usage of e-learning suite of training packages	£5,000	£5,000	£5,000	N/A	Low
4 Community Contact Centre	1 Customer Support Officer	£23,000	£23,000	£23,000	1 FTE	Low - adequate staffing levels remain and will be prioritised to support most vulnerable residents.
5 Revenues and Benefits - Staff Savings	Staff reductions in line with transition to Universal Credit and implementation of new technology enabling self-service for more customers	£150,000	£150,000	£190,000	3 FTE	Low - adequate staffing levels remain and will be prioritised to support most vulnerable residents.
6 Community Cohesion	Reduce Compliance Officer post – in line with changes to CPF funding	£15,000	£15,000	£15,000	0.5 FTE	Low
7 White Rock Theatre - Reduced Contribution	Reduced contribution following Cabinet decision to negotiate terms for the extension of the current contract with HQ Theatres & Hospitality for a period of 5 years	£100,000	£200,000	£200,000	N/A	Low
8 Community Partnership Fund	Cease from 2021/22	£8,000	£156,000	£156,000	N/A	High - The Council is exploring options for alternative funding sources together with other key partners.
9 ICT Manager	Manager vacant position.	£44,000	£44,000	£44,000	1 FTE	Low
Sub Total	PIER Savings identified in 2019/20	£364,000	£612,000	£652,000	5.50	
PIER Savings identified for 2020/21 Budget Process						
10 Insurance contract retender	Savings resulting from retendering insurance contract.	£150,000	£150,000	£150,000	N/A	Low
11 Cemetery rate revaluation appeal	Appeal of ratings valuation	£37,000	£37,000	£37,000	N/A	Low
12 Accountancy	Reduced hours of a number of posts.	£30,000	£30,000	£30,000	Reduced by 0.6 FTE	Low
13 ICT	Delete ICT support officer (1FTE). Currently vacant.	£20,000	£20,000	£20,000	1 FTE	Low
14 Continuous Improvement and Democratic Services	Delete 1 x Policy and Performance Co-ordinator post (0.8FTE)	£30,000	£30,000	£30,000	0.8 FTE	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
15 HR/Business Support team	Delete vacant Senior HR officer (0.6FTE) Create new grade 10 trainee HR officer (1FTE) to assist remaining seniors Create Little Gate Farm apprentice (0.4 FTE) (already in place)	£10,000	£10,000	£10,000	Net 0.8FTE gain (lower graded posts)	Low
16 Pensions Contributions	Undertake work to implement AVC salary sacrifice scheme to save on NI payments at no disadvantage to HBC or employee	£17,000	£17,000	£17,000	N/A	Low
17 Legal Services	Delete vacant senior legal administration post and replace with 0.8FTE administration officer post. Also licenses, supplies and services reductions	£10,000	£10,000	£10,000	0.2 FTE	Low
18 CCTV	<p>Pause service: Cease activity and mothball equipment until adequate funding for monitoring is found from Police and/or ESCC or other sources. Savings will arise from:</p> <ul style="list-style-type: none"> • Deleting 4 posts • Cease monitoring CCTV cameras owned by HBC • Cease maintenance payments to Sussex Police • Cease payments to contractors for maintenance of car park and buildings cameras and data transmission associated with this infrastructure. • Stop operating: <ul style="list-style-type: none"> ○ town centre pedestrianised area rising bollards on behalf of ESCC ○ access arrangements to the Stade - move to fully automated user fob system ○ as the 'control' for the shopwatch and barwatch radio networks • Introduce alternative emergency call handling arrangements for the Priory Street car park lift. <p>Some savings will be re-directed to:</p> <ul style="list-style-type: none"> • Extend externalized out of hours cover to times covered by CCTV team • Different lone worker monitoring arrangements for services that use the CCTV control room staff 	£150,000	£150,000	£150,000	4 FTE	Medium/High – The council acknowledges that this service is valued by the community, but it is not a statutory function and the council's financial position means we are unable to continue to provide this service until other funding is made available.
19 Hate Crime	Funding to Hastings Voluntary Action ceased	£20,000	£20,000	£20,000	N/A	High – The council acknowledges that this will have a disproportionate impact, however our financial position means we are unable to continue our support in this way.

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
20 Waste and Street Cleansing	Reduction in agency staff costs by moving to new weekend shift patterns. Other supplies and services	£30,000	£30,000	£30,000	N/A	Low
21 Bowling greens	Reduce subsidy given by undertaking maintenance etc.	£20,000	£20,000	£20,000	N/A	Medium – The council acknowledges that this will have a disproportionate impact to these service users, however our financial position means we are unable to continue our support in this way.
22 Economic Development	Delete Economic Development Officer	£31,000	£31,000	£31,000	0.72FTE	Low
23 Regeneration and Culture	Delete Community Cohesion Officer	£20,000	£20,000	£20,000	1 FTE	Medium - A key function of this post is to support the Youth Council, however the council is retaining some funds and will seek alternative support to the YC
24 Community Partnership Fund	Duties of 0.5FTE* Project Support and compliance officer post to be transferred to Foreshore Trust to administer the FT grants programme from 2020/21	£15,000	£15,000	£15,000	N/A	Low
25 Resorts Services	Change role of Resort Facilities officer - Reduce hours and responsibility 0.45 FTE	£9,000	£9,000	£9,000	0.55 FTE	Low
26 Regeneration and Culture	Change role of Cultural Regeneration Officer to focus on specific duties - Reduce hours by 0.5FTE and responsibility	£27,000	£27,000	£27,000	0.5 FTE	Low
27 Sports Development	Seasonal Sports worker – delete when bowls consolidated	£10,000	£10,000	£10,000	0.7 FTE	Medium – The council acknowledges that this will have a disproportionate impact to these service users, however our financial position means we are unable to continue our support in this way.
28 Leisure Services	Delete 2x casual play worker posts (already achieved).	£7,000	£7,000	£7,000	0.32 FTE	Medium/High - this will directly impact on children and families, however our future play activity will be targeted closely at deprived communities where our very limited resources may be applied
29 Tourism Marketing	Reduce hours of TIC – reduce call on casual staff	£11,000	£11,000	£11,000	N/A	Low
30 Museum Services	Museum – reduced hours.	£14,000	£14,000	£14,000	N/A	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
31 Development Control Restructure	Restructure of Development Control Team completed resulting in some posts being deleted and some new posts being created. Net loss of 3.72 FTE but no further redundancies as posts are vacant. Reduce vacant administration posts within Development Control <ul style="list-style-type: none"> • Administrative officers (-1.49 FTE) • Administrative apprentice (-1 FTE) Loss of <ul style="list-style-type: none"> • Enforcement Manager (-1 FTE) • Principal Planners (-1.81 FTE) • Planning Officer (-0.42 FTE) • Affordable Housing Officer (-0.5 FTE) Creation of new post <ul style="list-style-type: none"> • Senior Planning Officer (+1 FTE) • Assistant Planning Officer (+1 FTE) • Planning Obligations Officer (+0.5 FTE) 	£104,000	£104,000	£104,000	Net loss of 3.72 FTE	Low
32 Housing Options	Delete Housing Solutions Officer	£7,000	£7,000	£7,000	0.5FTE	Low - adequate staffing levels remain to meet our statutory duties and support vulnerable residents
33 Housing Options	Fund from FHSG not core - Housing Options Officer	£32,000	£32,000	£32,000	N/A	Low
34 Housing Options	Delete Administration Officer	£9,000	£9,000	£9,000	0.5 FTE	Low
35 Community Contact Centre	Following further channel shift and increased on-line services Delete 1 x CCC Team Leader post	£30,000	£30,000	£30,000	1 FTE	Low - adequate staffing levels remain and will be prioritised to support most vulnerable residents.
36 LLPG & Land Charges	Delete the LLPG & Land Charges Manager	£52,000	£52,000	£52,000	1 FTE	Low
37 Licensing	Delete Licensing Manager post	£34,000	£34,000	£34,000	0.6 FTE	Low
38 Parks and Open Spaces	Delete: Natural Environment Manager	£30,000	£30,000	£30,000	1 FTE	Low
39 Communications	Restructure communications team Delete: <ul style="list-style-type: none"> • Communications Manager 1FTE (£48k saving) • Vacant 0.8FTE Graphic Designer post (£25k saving) Create 1.5 FTE grade 8 officers. Retain some budget to purchase external support only if essential.	£30,000	£30,000	£30,000	0.3 FTE Net loss Loss 1.8 FTE + 1.5FTE lower graded posts	Low
40 Senior Management restructure	Delete 1 x Director Delete 1 x Assistant Director Delete 2 x Pas from senior PAs pool	£260,000	£260,000	£260,000	4 FTE	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
41 In 2 Play	Taper support to In 2 Play over a number of years.	£10,000	£20,000	£32,000	N/A	High – The council acknowledges that this will have a disproportionate impact to these service users, however our financial position means we are unable to continue our support in this way.
42 Create admin hub	Project underway to identify new a service support model to provide appropriate levels of admin, technical and project support across HBC as the council continues to reduce in overall size.	£0	£30,000	£30,000	N/A	Low
43 Selective / Housing Licencing Restructure	Delete a Technical Assistant and Admin Assistant post (presently funded from licensing income) Use licensing income to fund core EHO (existing post). Deletion of Licensing Team Leader (presently funded from fee income). Saving to licensing income will be used to fund core service team leader.	£95,000	£95,000	£95,000	3 FTE	Low
44 Regeneration	Senior manager – core cost part funded by grant funding for one year	£25,000	£0	£0	N/A	Low
45 Active Hastings	Core funding reduced by £24k	£24,000	£24,000	£24,000	N/A	Low - the model applied means the team will continue to seek external funding to support activities and will continue to target the most vulnerable groups/communities
46 Stade Saturdays	Reduce core budget to £5k	£10,000	£10,000	£10,000	N/A	Low
Sub Total	PIER Savings identified in 2020/21	£1,420,000	£1,435,000	£1,447,000	25.21	
PIER Income identified for 2020/21 Budget Process						
47 Commercial Property/economic development	Indicative income from investing a further £10m in economic development schemes commercial property	£100,000	£200,000	£200,000	N/A	Low
48 Land sales	Indicative capital receipts from sale e.g. Harrow Lane, Mayfield E and Bexhill Road South and investment of proceeds to generate interest or finance capital expenditure.	£75,000	£150,000	£150,000	N/A	Low
Sub Total	PIER Savings identified in 2020/21	£175,000	£350,000	£350,000	0.00	

Activity/Budget Cost Code	Proposal	Growth (£)			HBC Staff impact (net loss)	Equalities Impact Assessment
		2020/21	2021/22	2022/23		
Growth						
49 Climate change	Establish a budget to demonstrate what resources will be applied to meeting Renewable Energy Commitment	-£50,000	-£50,000	-£50,000	N/A	Low
50 Housing	Temporary accommodation costs including borrowing.	-£386,000	-£386,000	-£386,000	N/A	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
51 Development	Bohemia feasibility and land studies £65k growth for site surveys (£19k left from this year plus ACE funding)	-£65,000	£0	£0	N/A	Low
52 Cliffs works	Ongoing cliff maintenance revenue costs	-£100,000	-£100,000	-£100,000	N/A	Low
53 Reservoir works	Cost of borrowing £1m over 20-40 years	-£68,000	-£68,000	-£68,000	N/A	Low
54 Council Tax Reduction Scheme	Council Tax Reduction Scheme 100% our share	-£35,000	-£35,000	-£35,000	N/A	Low
55 Land charges - reduced income	Reduction in income	-£82,000	-£82,000	-£82,000	N/A	Low
Sub Total	Growth	-£786,000	-£721,000	-£721,000	0.00	

SUMMARY	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)
	2020/21	2021/22	2022/23	
PIER Savings identified in 2019/20	£364,000	£612,000	£652,000	6.50
PIER Savings identified in 2020/2021	£1,420,000	£1,435,000	£1,447,000	25.21
PIER Income identified in 2020/2021	£175,000	£350,000	£350,000	0.00
Savings subtotal	£1,959,000	£2,397,000	£2,449,000	31.71
Growth	-£786,000	-£721,000	-£721,000	0.00
TOTAL	£1,173,000	£1,676,000	£1,728,000	31.71

Land and Property Disposal Programme

**Estimated
Receipts
£**

2019/20

Sale of Ex Council Houses
Other

185,000

2020/21

Harrow Lane
Mayfield E
Bexhill Road South
West Marina (long leasehold - freehold on houses)
Old Town Hall (subject to rental bids received)
Land at Whitworth Road
Sale of Ex Council Houses
Other

5,185,000

2021/22

Sale of Ex Council Houses
Other

185,000

2022/23

Sale of Ex Council Houses
Other

185,000

2023/24

Sale of Ex Council Houses
Other

185,000

CORPORATE SERVICES AND GOVERNANCE

Appendix O

Reference NO.	2018-19 ACTUAL	SERVICE	2019-20	2019-20	2020-21
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	SUMMARY OF REVENUE ESTIMATES	£	£	£
CR1	171,559	20101 (1023) - Director of Corporate Services and Governance	179,380	177,010	179,710
CR2	324,891	20102 (1024) - Corp. Policy, Partnerships and Performance	349,060	314,650	271,630
CR3	203,800	20103 (1031) - Electoral Services	218,000	215,180	223,130
CR4	358,889	20104 (1022) - Estates Services	383,950	444,580	453,810
CR5	211,921	20105 (1029) - Building Surveyors	219,680	216,650	221,840
CR6	415,093	20106 (1032) - Legal Services	458,360	463,650	462,990
CR7	200,067	20107 / 20108 (1051 / 1058) - Audit and Investigations Services	224,130	238,720	232,760
CR8	948,144	20109 (1052) - Accountancy Services	982,720	996,940	1,015,490
CR9	2,491,262	20110 (1055) - Revenues Services	2,560,010	2,528,630	2,493,450
CR10	652,649	20111 (1020) - People, Customer and Business Support	619,330	612,040	618,560
CR11	218,074	20112 (1090) - Corporate Personnel Expenses	187,980	196,920	185,760
CR12	832,608	20113 (5712) - Contact Centre	927,930	871,140	876,530
CR13	267,402	20115 (1085) - Transformation Team	314,370	280,360	265,660
CR14	12,507	20116 (1151) - Admin Buildings - Town Hall	51,420	75,800	50,290
CR15	473,905	20117 (1157) - Admin Buildings - Murial Matters House	488,940	522,960	487,140
CR16	78,633	20118 (1160) - Admin Buildings - General Expenses	75,870	78,560	73,930
		20119 (1169) - Admin Buildings - Corporate Archive / DSO			
CR17	60,899	Operational Building	63,200	60,940	57,310
CR18	1,174,201	20120 (1080) - Corporate Expenses	1,393,170	1,318,270	1,255,700
CR19	734,964	20121 (1034) - IT	783,040	755,660	736,710
CR20	295,293	20122 (5228) - IT Reserve / Hardware	411,670	340,330	313,690
CR21	42,792	20123 (5227) - Land & Property Systems-GIS	44,170	46,590	48,770
	(10,169,274)	Less recharges to other services	(10,936,380)	(10,755,580)	(10,524,860)
	271	Unallocated Balance	0	0	0
CR22	787,289	20124 (5510) - Corporate Management Expenses	776,880	566,130	608,200
CR23	730,365	20125 (5511) - Non Distributed Costs	767,350	769,960	820,000
CR24	1,521,798	20126 / 20127 / 20128 (4200 / 4250 / 5900) - Benefit Payments	1,288,640	1,562,290	1,547,060
CR25	521,691	20129 (5950) - Council Tax and Business Rates Collection	684,610	663,600	651,170
CR26	(349,831)	20130 (2101) - Employment Areas	(349,480)	(363,430)	(358,500)
CR27	(1,267,722)	20131 (2201) - Factory Units	(1,175,630)	(1,207,050)	(1,299,490)
CR28	(2,237,490)	20132 (2404) - Farms and Other Properties	(2,713,350)	(2,713,570)	(3,310,320)
CR29	0	20133 (2602) - St Mary in the Castle	0	0	0
CR30	50,777	20135 (5299) - Other Expenditure	576,000	276,620	163,600
CR31	200,506	20136 / 20137 (1200 / 1205) - Registration of Electors	211,750	217,360	214,750
CR32	828,403	20138 (5501) - Cost of Democracy	893,300	889,280	897,290
CR33	228,490	20139 / 20140 (5503 / 5505) - Election Expenses	126,970	124,350	201,690
CR34	25,439	20144 (5224) - Local Strategic Partnership	27,330	24,640	21,270
CR35	20,394	20145 (3405) - Sustainable Energy & Development	23,970	19,510	16,840
CR36	8,480	20146 (5513) - Public Consultation	9,110	8,210	7,090
CR37	0	20147 (5004) - Pier Closure Costs	0	0	0
CR38	14,811	20148 (1501) - Shelters and Seats	19,250	18,140	18,260
CR39	7,718	20149 (1502) - Street Naming and Numbering	8,210	8,350	8,210
CR40	65,926	20150 (5236) - Decorative Lighting	80,570	116,810	87,910
CR41	18,194	20318 (5514) - Corporate Systems ERP	0	0	0
CR42	0	20151 / 20152 / 20155-61 (1983 / 1989 / 5289-96 / 6668) - Fore	0	0	0
CR43	104,720	20324 - Communications and Design	111,390	100,380	80,840
		Estimated Redundancy Costs	0	258,000	0
	1,280,229		1,366,870	1,339,580	375,870

OPERATIONAL SERVICES

Appendix O

Reference NO.	2018-19 ACTUAL	SERVICE	2019-20	2019-20	2020-21
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	<u>SUMMARY OF REVENUE ESTIMATES</u>	£	£	£
OS1	976,078	20169 (1009) - Environmental Services Management & Administration	1,047,060	1,013,330	1,027,400
OS2	417,422	20170 (1071) - Amenities Administration	438,800	437,290	408,360
OS3	538,283	20316 - Waste Service - Management and Admin	462,690	421,460	466,750
OS4	808,396	20317 - Parking Service - Management and Admin	933,490	826,210	875,160
OS5	859,180	20172 (1072) - Administration - Housing	893,200	74,950	68,200
OS6	139,152	20173 (1005) - Local Land Planning Management & Admin	143,550	6,050	(45,130)
OS7	182,401	20174 (1015) - Director of Operational Services	186,430	185,760	189,010
OS8	260,085	20175 (1070) - Leisure Administration	263,530	280,830	283,930
OS9	179,081	20176 (1075) - Resort Services Management and Administration	156,290	156,940	161,150
OS10	345,813	20177 (1021) - Regeneration Administration Division	341,880	365,910	368,570
OS11	356,610	20178 (1025) - Communications & Marketing	365,970	358,410	353,420
	(5,066,676)	Less recharges to other services	(5,232,890)	(4,127,140)	(4,156,820)
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	(4,174)	Unallocated Balance	0	0	0
OS12	39,199	20179 (1008) - Building Control	42,680	49,260	57,220
OS13	951,771	20180 (1600) - Development Control & Conservation	944,630	934,350	816,620
OS14	(170,455)	20181 (5211) - Local Land Charges Register	(107,770)	(104,210)	(103,230)
OS15	1,012,282	20182 (4000) - Homelessness	915,018	1,225,160	997,500
OS16	(73,515)	20207 (4002) - Rough Sleeper Prevention	0	2,630	0
OS17	(501)	20206 (4004) - Syrian Resettlement Programme	(160)	15,890	15,710
OS18	35,431	20184 (4025) - Social Lettings	(10,610)	54,620	49,050
OS19	146,659	20185 (4050) - Homelessness Strategy	150,250	140,950	132,440
OS20	71,470	20186 (4120) - Housing Register	73,400	77,880	75,100
OS21	19,378	20187 (4051) - Funded Deposits	23,200	(22,500)	(45,700)
OS22	18,438	20188 (4055) - Youth Homelessness	22,220	15,000	15,560
OS23	378,487	20191 (4140) - Housing Renewal	427,860	504,220	444,390
OS24	(130,576)	20193 (4143) - Rogue landlords	0	52,840	77,740
OS25	(652,668)	20195 (4158) - Selective licensing	(3,890)	162,210	28,380
OS26	(184,337)	20196 (4160) - Housing Licensing	(19,440)	17,190	39,790
OS27	(1,722)	20197 (4130) - Housing Solution Services	33,900	105,760	37,880
OS28	11,251	20199 (4300) - Coastal Space Enforcement Activities	11,650	0	0
OS29	20,689	20200 (5001) - Dangerous Structures	2,500	7,500	2,500
OS30	239,763	20202 (4045) - Housing - NHS Clinical Commissioning Group CCG	(180)	0	0
OS31	31,302	20204 (4183) - Sustainable Housing in Inclusive Neighbourhoods	32,650	(560)	0
OS32	10,340	20205 (4185) - Climate Active Neighbourhoods	13,380	(3,970)	0
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	1,772,685	<u>Housing and Built Environment</u>	2,551,288	3,234,220	2,640,950
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Reference NO.	2018-19 ACTUAL	SERVICE	2019-20	2019-20	2020-21
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
OS33	356,693	20208 / 20209 (1900) / (1904) Regeneration Activity	403,190	343,510	313,370
OS34	38,513	20209 (1904) White Rock Area Development	33,000	171,700	101,750
OS35	307,088	20211 (1603) - Planning Policy	410,360	404,410	332,120
OS36	150,552	20212 (1922) - Cultural Activities	147,030	149,570	108,170
OS37	61,672	20213 (1945) - Cultural Development	0	0	0
OS38	77,051	20214 (1934) - External Funding Initiatives	91,910	86,430	88,620
OS39	47,058	20215 (1980) - Community Cohesion	45,830	52,570	31,100
OS40	(10,449)	20216 (1988) - Fisheries Local Action Group (FLAG)	(8,430)	(10,120)	0
OS41	545	20217 (1998) - Coastal Communities Fund	0	30,580	0
OS42	(15,800)	20269 (2040) - CHART CLLD - Connecting Hastings and Rother Together Community Led Local Development	(15,800)	(15,800)	(15,800)
OS43	249,027	20219 (5120) - Community Partnership Funding	238,080	238,310	211,900
OS44	(499)	20220 (5121) - Older and Younger People	0	0	0
OS45	5,200	20221 (6006) - Youth Activities (Young Persons Council)	5,000	5,000	5,000
OS46	Income -	20166 (5118) - Town Centre Management (BID)	0	0	0
OS47	5,025	20167 (5119) - Community Development Activity	5,000	0	0
OS48	101,690	20222 (5701) - 1066 Country Campaign	180,790	197,490	178,990
OS49	72,096	20223 / 20224 (5702 / 5703) - Tourism Marketing	0	0	0
OS50	0	20225 (5714) - Tourist Information Centre	131,960	117,790	109,150
OS51	33,836	20226 (5705) - Community Awareness	36,790	34,140	33,710
OS52	5,419	20227 (5720) - Twinning / Sierra Leone	6,590	6,450	6,360
OS53	111,766	20228, 20229, 20230-20133, 20234-20235, 20236, 20237, 20238 (1962), (5719), (5721-5725), (5727-5728), (5730), (5780, 5781) Raising the Profile of Hastings	85,250	86,270	74,720
OS54	825	20239 (5237) - Meteorological Expenses	1,240	820	820
OS55	42,565	20240 (5507) - Civic & Ceremonial Expenses	46,930	40,070	39,170
OS56	11,617	20241 (5740) - Filming	(4,000)	(4,000)	(4,000)
OS57	16,929	20242 (1400) - Coastal Protection	16,650	14,760	15,110
OS58	4,171	20243 (1410) - Navigational Aids	4,820	6,260	3,030
OS59	15,268	20244 (1608) - Env. Schemes Net Shops	13,680	28,920	24,420
OS60	(106,741)	20245 (2502) - Cliff Railways	(143,010)	(63,320)	(155,860)
OS61	8,908	20246 / 20247 (2510 / 2512) - Castle and Caves	(32,300)	(19,940)	5,410
OS62	(233,572)	20248 (2514) - Chalets and Beach Huts	(257,530)	(225,220)	(245,410)
OS63	651,880	20249 (2601) - White Rock Theatre	562,000	513,310	484,294
OS64	0	20250 (5241) - Seafront	121,290	213,470	219,740
OS65	424,125	20251-20255 (6000) / (6005) / (6008) / (6009) / (6016) - Museums	431,650	428,400	433,300
OS68	(30,043)	20327 - Museum & Schools Project	0	30,040	(10)
OS69	1,163	20256 (6015) - First World War Project	0	0	0
OS69	(3,610)	20257 (6150) - Sports Management	11,960	14,480	(3,370)
OS70	37,660	20258 (2640) - Falaise Fitness Centre	22,410	44,860	45,300
OS71	26,192	20259 (6100) - Sports Centres	129,980	114,220	182,240
OS72	(10,000)	20260 (6409) - William Parker Athletic Track	3,820	0	0
OS73	20,289	20271 (6640) - Opening Doors	0	0	0
OS74	91,391	20261 (6650) - Sports Development	92,810	0	0
OS75	15,443	20262 (6651) - Street Games	0	0	0
OS76	(23,448)	20263 (6675) - Sports for All	0	0	0
OS77	25,141	20264 (6657) - Active Hastings	79,110	228,420	187,580
OS78	152,371	20265 (6660) - Play Development	76,910	0	0
OS80	40,331	20267 (6667) - Play Pathfinder	43,870	68,310	58,710
OS81	3,105	20268 (6670) - Playground Projects	0	0	0

Reference NO.	2018-19 ACTUAL	SERVICE	2019-20	2019-20	2020-21
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
OS83	113,849	20321 - Renewable Energy Solutions	66,090	86,120	147,640
	2,892,293	Regeneration and Culture	3,084,930	3,418,280	3,017,274
OS84	305,342	20276 (3401) - Food Safety	327,220	300,030	310,000
OS85	130,011	20277 / 20278 (3402) / (3404) - Health and Safety	137,210	195,980	191,340
OS86	318,790	20279 (3403) - Environmental Protection	340,220	365,410	380,410
OS87	52,617	20280 (3407) - Pest Control	46,660	45,950	46,820
OS88	6,640	20281 (5100) - Local Licensing	58,820	23,640	(2,680)
OS89	(56,455)	20283 (5105) - Liquor Licensing	(63,030)	(68,070)	(68,030)
OS90	(19,382)	20284 (5106) - Gambling Licensing	(22,970)	(23,650)	(23,700)
OS91	49,431	20285 (5125) - Stray Dog Contract	48,960	46,220	45,770
OS92	59,097	20286 (5223) - Emergency Planning	61,700	55,320	54,250
OS93	(603,159)	20287 / 20288 (1300) / (1350) - Parking	(669,200)	(661,680)	(646,890)
OS94	274,864	20290 (1370) - Closed Circuit Television	233,450	206,710	46,060
OS95	(3,468)	20291 (1506) - ESCC Highway Tree Maintenance	(3,000)	(3,000)	(3,000)
OS96	1,218,879	20293 (3303) - Waste Collection	1,450,570	1,251,130	1,250,220
OS97	(70,533)	20294 (3410) - Recycling	735,760	735,970	965,310
OS98	1,368,742	20295 (3313) - Street Cleansing	350,710	441,650	168,930
OS99	103,137	20323 - Waste and Street Cleansing (DSO)	1,260,550	1,113,910	1,301,620
OS100	9,019	20296 (3411) - Greenwaste	(47,340)	(142,930)	(192,520)
OS101	305,540	20297 (3412) - Waste and Environmental Enforcement Team	302,240	319,250	286,760
OS102	(274)	20298 (5205) - Together Action	22,780	42,360	37,550
OS103	135,254	20299 (5214) - Safer Hastings Partnership	128,920	106,290	91,390
OS104	(9,441)	20300 (5219) - Safer Hastings Partnership (Ext)	0	0	0
OS105	30,072	20302 (1420) - Watercourses	33,710	40,950	33,990
OS106	(552,339)	20303 / 20304 (3102) / (3103) - Cemetery and Crematorium	(449,670)	(621,730)	(547,470)
OS107	23,187	20305 (5140) - Travellers Costs	23,030	26,280	26,050
OS108	49,797	20306 (5257) - Town Centre	50,380	36,820	39,650
OS109	10,768	20307 (5280) - Allotments	7,190	25,110	(4,410)
OS110	47,451	20308 (5281) - Ecology	55,030	19,800	19,060
OS111	126,448	20309 (6200) - Arboriculture	143,680	196,880	143,910
OS112	1,588,952	20310 (6301) - Parks and Gardens	1,369,540	1,493,650	1,406,800
OS113	92,299	20312 / 20313 (1355) / (6503) - Hastings Country Park	102,560	133,890	174,410
OS114	6,534	20314 (6508) - Countryside Stewardship	26,000	24,000	24,000
OS115	281,850	20315 (3033) - Public Conveniences	260,390	288,640	298,080
OS116	0	20330 - Hastings Country Park Visitor Centre	0	0	13,500
	5,279,665	Environment and Place	6,322,070	6,014,780	5,867,180
		Estimated Redundancy Costs	0	881,000	0
	9,940,469	Operational Services Directorate Total	11,958,288	13,548,280	11,525,404

CAPITAL PROGRAMME SUMMARY

	Original 2019/20	Revised 2019/20	2020/21	2021/22	2022/23	Subseq. Years	Total over Prog Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net cost by Service							
Corporate Resources	5,492	6,986	13,279	6,923	0	0	27,188
Operational Services	11,164	8,594	3,657	10,387	70	1,645	24,353
	16,656	15,580	16,936	17,310	70	1,645	51,541

Net cost by Status

Committed Schemes	c	14,156	13,262	5,471	15,194	70	1,645	35,642
Uncommitted Schemes	u	0	0	8,650	0	0	0	8,650
New Schemes	n	2,500	2,318	2,815	2,116	0	0	7,249
		16,656	15,580	16,936	17,310	70	1,645	51,541

Gross cost of schemes analysed by service

Corporate Resources	5,492	6,986	14,079	6,923	0	0	27,988
Operational Services	13,759	11,475	12,021	12,199	1,882	3,457	41,035
	19,251	18,461	26,100	19,122	1,882	3,457	69,022

Profile of Council Net Cost

Scheme Ref.	Scheme	Class	Total	Total	Before	Revised				Subsequent	
			Gross Cost	Net Cost	31.3.19	2019/20	2019/20	2020/21	2021/22	2022/23	Years
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CR-06	Sandrock Park - Land Purchase	* C	23	23	0	23	0	0	23	0	0
CR-09	New Factory unit	* C	1,524	1,524	1,524	0	0	0	0	0	0
CR-16	New ERP system	* C	1,019	540	522	0	18	0	0	0	0
CR-17	Commercial Property Investments (Seddlescombe Rd)	* C	2,406	2,406	2,406	0	0	0	0	0	0
CR-19	Conversion of 12/13 York Buildings	* C	846	846	28	602	654	164	0	0	0
CR-22	Priory Meadow Contribution to Capital Works	* C	700	700	162	126	88	50	400	0	0
CR-23	Commercial Property Investments	* U	8,650	8,650	0	0	0	8,650	0	0	0
CR-24	Harold Place Redevelopment	* C	71	71	71	0	0	0	0	0	0
CR-26	Commercial Property Investments - Churchfields Business Centre	* C	3,300	2,500	0	0	35	2,465	0	0	0
CR-27	Commercial Property Investment Lacuna Place	* C	9,612	9,612	9,262	0	0	350	0	0	0
CR-28	Commercial Property Investments London Rd & Shepherd St	* C	1,350	1,350	0	0	1,350	0	0	0	0
CR-29	Commercial Property Investment - Cornwallis Street Development	* C	7,000	7,000	0	0	0	500	6,500	0	0
CR-30	Commercial Property Investment - Harold Place Restaurant Devt	* C	1,200	1,200	0	0	100	1,100	0	0	0
CR-31	Commercial Property Investments (Heron House)	* C	2,673	2,673	2,673	0	0	0	0	0	0
CR-32	Commercial Property Investments (311-323 Bexhill Rd)	* C	9,051	9,051	4,310	4,741	4,741	0	0	0	0
	Schemes Already Committed	C	40,775	39,496	20,958	5,492	6,986	4,629	6,923	0	0
	Schemes Uncommitted	U	8,650	8,650	0	0	0	8,650	0	0	0
	New Schemes	N	0	0	0	0	0	0	0	0	0
	No further approval required	*									
Total Capital Expenditure			49,425	48,146	20,958	5,492	6,986	13,279	6,923	0	0

	Total Cost £'000	Before 31.3.19 £'000	19/20 £'000	Revised 19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Subsequent Years £'000
CR-06 Sandrock Park - Land Purchase								
71215								
The purchase of land at Sandrock Park								
<u>Funding Source</u>								
Council	23	0	23	0	0	23	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	23	0	23	0	0	23	0	0
CR-09 New Factory unit								0
71217								
Construction of additional factory unit in Castleham road to be financed by loan								
<u>Funding Source</u>								
Council	1,524	1,524	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	1,524	1,524	0	0	0	0	0	0
CR-16 New ERP system								
71224								
Purchase and development of new Enterprise Resource Planning system								
<u>Funding Source</u>								
Council	540	522	0	18	0	0	0	0
Other	479	479	0	0	0	0	0	0
<u>Total Funding</u>	1,019	1,001	0	18	0	0	0	0
CR-19 Conversion of 12/13 York Buildings								
71253								
<u>Funding Source</u>								
Council	846	28	602	654	164	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	846	28	602	654	164	0	0	0
CR-22 Priory Meadow Contribution to Capital Works								
71259								
Contribution to ensure continuing rental income								
<u>Funding Source</u>								
Council	700	162	126	88	50	400	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	700	162	126	88	50	400	0	0
CR-23 Commercial Property Investments								
71260								
Acquisition of Commercial Property (General)								
<u>Funding Source</u>								
Council	8,650	0	0	0	8,650	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	8,650	0	0	0	8,650	0	0	0
CR-32 Commercial Property Investments (311-323 Bexhill Rd)								
71261								
Acquisition of Commercial Property - 311-323 Bexhill Road (Aldi & Others)								
<u>Funding Source</u>								
Council	9,051	4,310	4,741	4,741	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	9,051	4,310	4,741	4,741	0	0	0	0
CR-17 Commercial Property Investments (Seddlescombe Rd)								
71225								
Acquisition of Commercial Property - 591 Seddlescombe Road North								
<u>Funding Source</u>								
Council	2,406	2,406	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	2,406	2,406	0	0	0	0	0	0

	Total Cost £'000	Before 31.3.19 £'000	19/20 £'000	Revised 19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Subsequent Years £'000
CR-24	Harold Place Redevelopment							
71264	Demolition of Public Convenience - Harold Place							
	<u>Funding Source</u>							
	Council	71	71	0	0	0	0	0
	Other	0	0	0	0	0	0	0
	<u>Total Funding</u>	71	71	0	0	0	0	0
CR-26	Commercial Property Investments - Churchfields Business Centre							
71272	Sidney Little road Business Incubator Hub							
	<u>Funding Source</u>							
	Council	2,500	0	0	35	2,465	0	0
	Other - LGF funding £500k & CHART £300k	800	0	0	0	800	0	0
	<u>Total Funding</u>	3,300	0	0	35	3,265	0	0
CR-27	Commercial Property Investment Lacuna Place							
71273	Office building with ground floor retail accommodation totalling 39,696 Sq.ft.							
	<u>Funding Source</u>							
	Council	9,612	9,262	0	0	350	0	0
	Other	0	0	0	0	0	0	0
	<u>Total Funding</u>	9,612	9,262	0	0	350	0	0
CR-28	Commercial Property Investments London Rd & Shepherd St							
71274	Purchase of 20 to 28 (even) London Road and Land at 35 Shepherd St, Hastings, St Leonards-on-Sea.							
	<u>Funding Source</u>							
	Council	c 1,350	0	0	1,350	0	0	0
	Other	0	0	0	0	0	0	0
	<u>Total Funding</u>	1,350	0	0	1,350	0	0	0
CR-29	Commercial Property Investment - Cornwallis Street Development							
71275	Redevelopment of Cornwallis Street for Hotel							
	<u>Funding Source</u>							
	Council	c 7,000	0	0	0	500	6,500	0
	Other	0	0	0	0	0	0	0
	<u>Total Funding</u>	7,000	0	0	0	500	6,500	0
CR-30	Commercial Property Investment - Harold Place Restaurant Devt							
71276	Redevelopment of Harold Place for Restaurant use							
	<u>Funding Source</u>							
	Council	c 1,200	0	0	100	1,100	0	0
	Other	0	0	0	0	0	0	0
	<u>Total Funding</u>	1,200	0	0	100	1,100	0	0
CR-31	Commercial Property Investments (Heron House)							
71277	Acquisition of Commercial Property (Heron House)							
	<u>Funding Source</u>							
	Council	2,673	2,673	0	0	0	0	0
	Other	0	0	0	0	0	0	0
	<u>Total Funding</u>	2,673	2,673	0	0	0	0	0

Profile of Council Net Cost

Scheme Ref.	Scheme	Class	Total Gross Cost	Total Net Cost	Before 31.3.19	2019/20	Revised 2019/20	2020/21	2021/22	2022/23	Subsequent Years
			£'000	£'000	£'000	£'000	£'000	£'000	£,000	£,000	£'000
H07	Private Sector Renewal Support	* c	147	0	0	0	0	0	0	0	0
H08	Disabled Facilities Grant	* c	8,448	0	0	0	0	0	0	0	0
H15	Empty Homes Strategy - CPO	* c	250	250	100	100	50	50	50	0	0
OS-05	Purchase of Temporary Homelessness Accommodation	* n	5,766	5,766	873	2,500	2,318	2,575	0	0	0
RP04	Restoration of Pelham Crescent/ Pelham Arcade	* c	756	359	286	78	43	30	0	0	0
RP16	Road at Pelham Arcade	* c	125	75	11	64	0	64	0	0	0
RP11	Groyne Refurbishment	* c	175	175	0	75	35	35	35	35	35
ES35	Work on Harbour Arm and New Groynes	* c	2,995	30	0	0	30	0	0	0	0
ES36	Further Sea Defence works	* c	150	0	0	0	0	0	0	0	0
RP09	Public Realm	* c	260	169	88	50	31	50	0	0	0
ES32	Country Park - Interpretive Centre	* c	771	308	0	266	308	0	0	0	0
ES37	Playgrounds Upgrade Programme	* c	302	283	128	95	117	38	0	0	0
OS 28	Hastings Housing Company	c	9,309	9,309	1,114	5,000	4,295	0	3,900	0	0
OS 26	DSO - Waste and Cleansing service - Vehicles	* c	780	780	18	780	762	0	0	0	0
OS 27	DSO Waste and Cleansing service - Depot Works & Equip	* c	331	331	15	256	316	0	0	0	0
OS06	Energy - Solar Panels	c	1,700	1,700	62	1,661	0	0	1,638	0	0
OS10	Energy - Ground Mounted Solar	c	2,184	2,184	0	84	84	200	1,900	0	0
OS07	Energy Generation - Unallocated	n	2,116	2,116	0	0	0	0	2,116	0	0
OS03	Coastal Communities scheme 4	* c	491	0	0	0	0	0	0	0	0
OS04	Buckshole Reservoir	* c	837	837	0	0	50	160	627	0	0
OS02	Priory Street Multi Storey Car Park	* c	1,520	1,520	0	120	120	0	0	0	1,400
OS13	Lower Bexhill Road	* c	7,040	140	0	35	35	35	35	35	0
OS14	Electric Vehicles	* c	468	468	0	0	0	172	86	0	210
OS15	Electric Vehicle Infrastructure	* c	8	8	0	0	0	8	0	0	0
OS16	Priory Street Works	n	140	140	0	0	0	140	0	0	0
OS17	Castleham Car Park resurfacing	n	100	100	0	0	0	100	0	0	0
	Schemes Already Committed	c	39,048	18,927	1,822	8,664	6,276	842	8,271	70	1,645
	Schemes Uncommitted	u	0	0	0	0	0	0	0	0	0
	New Schemes	n	8,122	8,122	873	2,500	2,318	2,815	2,116	0	0
	No further approval required										
Total Capital Expenditure			47,170	27,049	2,695	11,164	8,594	3,657	10,387	70	1,645

OPERATIONAL SERVICES - CAPITAL PROGRAMME

Appendix P (continued)

	Total Cost £'000	Before 31.3.19 £'000	19/20 £'000	Revised 19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Subsequent Years £'000
H07 Private Sector Renewal Support								
71227								
Property grants to bring conditions up to minimum standards.								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Regional Housing Board Grant+ LEP funding of £46K	147	27	50	93	27	0	0	0
<u>Total Funding</u>	147	27	50	93	27	0	0	0
H08 Disabled Facilities Grant								
71228								
Property Grants for disabled facilities Grant of £1,812,584 for 2019/20 (DFG reserve 1.494m @ 31st March 2019)								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Government Grant including additional £202.5K	8,448	0	1,500	1,200	1,812	1,812	1,812	1,812
<u>Total Funding</u>	8,448	0	1,500	1,200	1,812	1,812	1,812	1,812
H15 Empty Homes Strategy - CPO								
71229								
Rolling programme of purchases and disposals								
<u>Funding Source</u>								
Council	250	100	100	50	50	50	0	0
Government Grant	0	0	0	0	0	0	0	0
<u>Total Funding</u>	250	100	100	50	50	50	0	0
OS-05 Purchase of Temporary Homelessness Accommodation								
71266								
Purchase of temporary accommodation to reduce B&B expenditure. Initial budget of £3,191k & a further £2,575k approved by Cabinet on Nov 4th 2019.								
<u>Funding Source</u>								
Council	5,766	873	2,500	2,318	2,575	0	0	0
Government Grant	0	0	0	0	0	0	0	0
<u>Total Funding</u>	5,766	873	2,500	2,318	2,575	0	0	0
RP04 Restoration of Pelham Crescent/ Pelham Arcade								
71231								
Feasibility study and grants for restoration works, plus additional phase 2 works / grants to adjoining property								
<u>Funding Source</u>								
Council	359	286	78	43	30	0	0	0
Historic England(English Heritage) £280K Council reserves £117K	397	293	104	104	0	0	0	0
<u>Total Funding</u>	756	579	182	147	30	0	0	0
RP16 Road at Pelham Arcade								
71232								
Road above Pelham Arcade								
<u>Funding Source</u>								
Council	75	11	64	0	64	0	0	0
Other- Freeholder Contributions	50	0	50	0	50	0	0	0
<u>Total Funding</u>	125	11	114	0	114	0	0	0

	Total Cost £'000	Before 31.3.19 £'000	19/20 £'000	Revised 19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Subsequent Years £'000
RP11 Groyne Refurbishment								
71240								
To maintain Beach and Groynes								
<u>Funding Source</u>								
Council	175	0	75	35	35	35	35	35
Other	0	0	0	0	0	0	0	0
Total Funding	175	0	75	35	35	35	35	35
ES35 Work on Harbour Arm and New Groynes								
71241								
Coastal Protection – FDGIA Funding for sea defence works								
<u>Funding Source</u>								
Council	30	0	0	30	0	0	0	0
Contribution from DEFRA/EA	2,965	2,538	338	427	0	0	0	0
Total Funding	2,995	2,538	338	457	0	0	0	0
ES36 Further Sea Defence works								
71242								
Hastings Pier to South West Outfall								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Other - DEFRA/EA	150	0	150	150	0	0	0	0
Total Funding	150	0	150	150	0	0	0	0
RP09 Public Realm								
71244								
Improvement & Refurbishment of public realm assets								
<u>Funding Source</u>								
Council	169	88	50	31	50	0	0	0
Other -Coastal Communities Fund revenue 2015/16 £35,000	91	91	0	0	0	0	0	0
Total Funding	260	179	50	31	50	0	0	0
ES32 Country Park - Interpretive Centre								
71248								
Provision of a new Interpretive Centre. Council funding being provided by sale proceeds of Warren Cottage.								
<u>Funding Source</u>								
Council	308	0	266	308	0	0	0	0
Other - European Funding 60%	463	0	396	0	463	0	0	0
Total Funding	771	0	662	308	463	0	0	0
ES37 Playgrounds Upgrade Programme								
71249								
Hare Way, Mare Bay, Highwater View, Bexhill Road and other play spaces contribution to upgrades								
<u>Funding Source</u>								
Council	283	128	95	117	38	0	0	0
Other S106	19	0	7	7	12	0	0	0
Total Funding	302	128	102	124	50	0	0	0

OPERATIONAL SERVICES - CAPITAL PROGRAMME

Appendix P (continued)

	Total Cost £'000	Before 31.3.19 £'000	19/20 £'000	Revised 19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Subsequent Years £'000
OS 28 Hastings Housing Company 71254								
<u>Funding Source</u>								
Council	9,309	1,114	5,000	4,295	0	3,900	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	9,309	1,114	5,000	4,295	0	3,900	0	0
OS 26 DSO - Waste and Cleansing service - Vehicles 71255								
<u>Funding Source</u>								
Council	780	18	780	762	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	780	18	780	762	0	0	0	0
OS 27 DSO Waste and Cleansing service - Depot Works & Equipment 71268								
<u>Funding Source</u>								
Council (£122k IT & equip, £206k Castleham works)	331	15	256	316	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	331	15	256	316	0	0	0	0
OS06 Energy - Solar Panels 71256								
Solar Panels on Council Owned Land / Buildings								
<u>Funding Source</u>								
Council	1,700	62	1,661	0	0	1,638	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	1,700	62	1,661	0	0	1,638	0	0
OS10 Energy - Ground Mounted Solar 71269								
Ground Mounted Solar								
<u>Funding Source</u>								
Council	2,184	0	84	84	200	1,900	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	2,184	0	84	84	200	1,900	0	0
OS07 Energy Generation - Unallocated 71267								
Future Green Energy Projects								
<u>Funding Source</u>								
Council	2,116	0	0	0	0	2,116	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	2,116	0	0	0	0	2,116	0	0
OS3 Coastal Communities scheme 4 Promenade fountain Wi-Fi Rock House & Source 71257								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Other CCF £222+ 142 FST £50)	491	491	0	0	0	0	0	0
<u>Total Funding</u>	491	491	0	0	0	0	0	0

	Total Cost £'000	Before 31.3.19 £'000	19/20 £'000	Revised 19/20 £'000	20/21 £'000	21/22 £'000	22/23 £'000	Subsequent Years £'000
OS4 Buckshole Reservoir Statutory Protection Works								
71258 Spillway, drawdown works, signage & Contract Works								
Council	837	0	0	50	160	627	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	837	0	0	50	160	627	0	0
OS12 Priory Street Multi Storey Car Park								
71265 Car Park Improvements								
<u>Funding Source</u>								
Council	1,520	0	120	120	0	0	0	1,400
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	1,520	0	120	120	0	0	0	1,400
OS13 Lower Bexhill Road								
71271 Housing Development								
<u>Funding Source</u>								
Council	140	0	35	35	35	35	35	0
Other	6,900	0	0	900	6,000	0	0	0
<u>Total Funding</u>	7,040	0	35	935	6,035	35	35	0
OS14 Electric Vehicles								
71278 Acquisition of Electric Vehicles								
<u>Funding Source</u>								
Council	468	0	0	0	172	86	0	210
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	468	0	0	0	172	86	0	210
OS15 Electric Vehicle Infrastructure								
71279 Electric Vehicle Charging points, Load loggers, remedial works & EV points								
<u>Funding Source</u>								
Council	8	0	0	0	8	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	8	0	0	0	8	0	0	0
OS16 Priory Street Works								
71280 LED Lighting replacement, rewiring & automated gate control								
<u>Funding Source</u>								
Council	140	0	0	0	140	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	140	0	0	0	140	0	0	0
OS17 Castleham Car Park resurfacing								
71281 Resurface Car Park								
<u>Funding Source</u>								
Council	100	0	0	0	100	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	100	0	0	0	100	0	0	0

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Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
PIER Savings identified in 2019/20 for 2020/21						Assessment of likelihood of disproportionate impact on equalities/protected characteristics: Low / Medium / High
1 Street cleansing service	<ul style="list-style-type: none"> Reduction in assumptions about fuel costs Re-charging accurate costs to FT for beach cleaning Cost of year 1 process mapping and systems support met from prioritising existing resources 	£12,000	£12,000	£12,000	N/A	Low
2 Parks and Open Spaces - Grounds maintenance	Reduce grounds maintenance costs by: prioritising key areas: Alexandra Park, St Leonards Gardens (green flags) and lower part of Warrior Square and Seafront.	£7,000	£7,000	£7,000	N/A	Low
3 Business Support	Reduction to training budget due to increased usage of e-learning suite of training packages	£5,000	£5,000	£5,000	N/A	Low
4 Community Contact Centre	1 Customer Support Officer	£23,000	£23,000	£23,000	1 FTE	Low - adequate staffing levels remain and will be prioritised to support most vulnerable residents.
5 Revenues and Benefits - Staff Savings	Staff reductions in line with transition to Universal Credit and implementation of new technology enabling self-service for more customers	£150,000	£150,000	£190,000	3 FTE	Low - adequate staffing levels remain and will be prioritised to support most vulnerable residents.
6 Community Cohesion	Reduce Compliance Officer post – in line with changes to CPF funding	£15,000	£15,000	£15,000	0.5 FTE	Low
7 White Rock Theatre - Reduced Contribution	Reduced contribution following Cabinet decision to negotiate terms for the extension of the current contract with HQ Theatres & Hospitality for a period of 5 years	£100,000	£200,000	£200,000	N/A	Low
8 Community Partnership Fund	Cease from 2021/22	£8,000	£156,000	£156,000	N/A	High - The Council is exploring options for alternative funding sources together with other key partners.
9 ICT Manager	Manager vacant position.	£44,000	£44,000	£44,000	1 FTE	Low
Sub Total	PIER Savings identified in 2019/20	£364,000	£612,000	£652,000	5.50	
PIER Savings identified for 2020/21 Budget Process						
10 Insurance contract retender	Savings resulting from retendering insurance contract.	£150,000	£150,000	£150,000	N/A	Low
11 Cemetery rate revaluation appeal	Appeal of ratings valuation	£37,000	£37,000	£37,000	N/A	Low
12 Accountancy	Reduced hours of a number of posts.	£30,000	£30,000	£30,000	Reduced by 0.6 FTE	Low
13 ICT	Delete ICT support officer (1FTE). Currently vacant.	£20,000	£20,000	£20,000	1 FTE	Low
14 Continuous Improvement and Democratic Services	Delete 1 x Policy and Performance Co-ordinator post (0.8FTE)	£30,000	£30,000	£30,000	0.8 FTE	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
15 HR/Business Support team	Delete vacant Senior HR officer (0.6FTE) Create new grade 10 trainee HR officer (1FTE) to assist remaining seniors Create Little Gate Farm apprentice (0.4 FTE) (already in place)	£10,000	£10,000	£10,000	Net 0.8FTE gain (lower graded posts)	Low
16 Pensions Contributions	Undertake work to implement AVC salary sacrifice scheme to save on NI payments at no disadvantage to HBC or employee	£17,000	£17,000	£17,000	N/A	Low
17 Legal Services	Delete vacant senior legal administration post and replace with 0.8FTE administration officer post. Also licenses, supplies and services reductions	£10,000	£10,000	£10,000	0.2 FTE	Low
18 CCTV	<p>Pause service: Cease activity and mothball equipment until adequate funding for monitoring is found from Police and/or ESCC or other sources. Savings will arise from:</p> <ul style="list-style-type: none"> • Deleting 4 posts • Cease monitoring CCTV cameras owned by HBC • Cease maintenance payments to Sussex Police • Cease payments to contractors for maintenance of car park and buildings cameras and data transmission associated with this infrastructure. • Stop operating: <ul style="list-style-type: none"> ○ town centre pedestrianised area rising bollards on behalf of ESCC ○ access arrangements to the Stade - move to fully automated user fob system ○ as the 'control' for the shopwatch and barwatch radio networks • Introduce alternative emergency call handling arrangements for the Priory Street car park lift. <p>Some savings will be re-directed to:</p> <ul style="list-style-type: none"> • Extend externalized out of hours cover to times covered by CCTV team • Different lone worker monitoring arrangements for services that use the CCTV control room staff 	£150,000	£150,000	£150,000	4 FTE	Medium/High – The council acknowledges that this service is valued by the community, but it is not a statutory function and the council's financial position means we are unable to continue to provide this service until other funding is made available.
19 Hate Crime	Funding to Hastings Voluntary Action ceased	£20,000	£20,000	£20,000	N/A	High – The council acknowledges that this will have a disproportionate impact, however our financial position means we are unable to continue our support in this way.

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
20 Waste and Street Cleansing	Reduction in agency staff costs by moving to new weekend shift patterns. Other supplies and services	£30,000	£30,000	£30,000	N/A	Low
21 Bowling greens	Reduce subsidy given by undertaking maintenance etc.	£20,000	£20,000	£20,000	N/A	Medium – The council acknowledges that this will have a disproportionate impact to these service users, however our financial position means we are unable to continue our support in this way.
22 Economic Development	Delete Economic Development Officer	£31,000	£31,000	£31,000	0.72FTE	Low
23 Regeneration and Culture	Delete Community Cohesion Officer	£20,000	£20,000	£20,000	1 FTE	Medium - A key function of this post is to support the Youth Council, however the council is retaining some funds and will seek alternative support to the YC
24 Community Partnership Fund	Duties of 0.5FTE* Project Support and compliance officer post to be transferred to Foreshore Trust to administer the FT grants programme from 2020/21	£15,000	£15,000	£15,000	N/A	Low
25 Resorts Services	Change role of Resort Facilities officer - Reduce hours and responsibility 0.45 FTE	£9,000	£9,000	£9,000	0.55 FTE	Low
26 Regeneration and Culture	Change role of Cultural Regeneration Officer to focus on specific duties - Reduce hours by 0.5FTE and responsibility	£27,000	£27,000	£27,000	0.5 FTE	Low
27 Sports Development	Seasonal Sports worker – delete when bowls consolidated	£10,000	£10,000	£10,000	0.7 FTE	Medium – The council acknowledges that this will have a disproportionate impact to these service users, however our financial position means we are unable to continue our support in this way.
28 Leisure Services	Delete 2x casual play worker posts (already achieved).	£7,000	£7,000	£7,000	0.32 FTE	Medium/High - this will directly impact on children and families, however our future play activity will be targeted closely at deprived communities where our very limited resources may be applied
29 Tourism Marketing	Reduce hours of TIC – reduce call on casual staff	£11,000	£11,000	£11,000	N/A	Low
30 Museum Services	Museum – reduced hours.	£14,000	£14,000	£14,000	N/A	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
31 Development Control Restructure	Restructure of Development Control Team completed resulting in some posts being deleted and some new posts being created. Net loss of 3.72 FTE but no further redundancies as posts are vacant. Reduce vacant administration posts within Development Control <ul style="list-style-type: none"> • Administrative officers (-1.49 FTE) • Administrative apprentice (-1 FTE) Loss of <ul style="list-style-type: none"> • Enforcement Manager (-1 FTE) • Principal Planners (-1.81 FTE) • Planning Officer (-0.42 FTE) • Affordable Housing Officer (-0.5 FTE) Creation of new post <ul style="list-style-type: none"> • Senior Planning Officer (+1 FTE) • Assistant Planning Officer (+1 FTE) • Planning Obligations Officer (+0.5 FTE) 	£104,000	£104,000	£104,000	Net loss of 3.72 FTE	Low
32 Housing Options	Delete Housing Solutions Officer	£7,000	£7,000	£7,000	0.5FTE	Low - adequate staffing levels remain to meet our statutory duties and support vulnerable residents
33 Housing Options	Fund from FHSG not core - Housing Options Officer	£32,000	£32,000	£32,000	N/A	Low
34 Housing Options	Delete Administration Officer	£9,000	£9,000	£9,000	0.5 FTE	Low
35 Community Contact Centre	Following further channel shift and increased on-line services Delete 1 x CCC Team Leader post	£30,000	£30,000	£30,000	1 FTE	Low - adequate staffing levels remain and will be prioritised to support most vulnerable residents.
36 LLPG & Land Charges	Delete the LLPG & Land Charges Manager	£52,000	£52,000	£52,000	1 FTE	Low
37 Licensing	Delete Licensing Manager post	£34,000	£34,000	£34,000	0.6 FTE	Low
38 Parks and Open Spaces	Delete: Natural Environment Manager	£30,000	£30,000	£30,000	1 FTE	Low
39 Communications	Restructure communications team Delete: <ul style="list-style-type: none"> • Communications Manager 1FTE (£48k saving) • Vacant 0.8FTE Graphic Designer post (£25k saving) Create 1.5 FTE grade 8 officers. Retain some budget to purchase external support only if essential.	£30,000	£30,000	£30,000	0.3 FTE Net loss Loss 1.8 FTE + 1.5FTE lower graded posts	Low
40 Senior Management restructure	Delete 1 x Director Delete 1 x Assistant Director Delete 2 x Pas from senior PAs pool	£260,000	£260,000	£260,000	4 FTE	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
41 In 2 Play	Taper support to In 2 Play over a number of years.	£10,000	£20,000	£32,000	N/A	High – The council acknowledges that this will have a disproportionate impact to these service users, however our financial position means we are unable to continue our support in this way.
42 Create admin hub	Project underway to identify new a service support model to provide appropriate levels of admin, technical and project support across HBC as the council continues to reduce in overall size.	£0	£30,000	£30,000	N/A	Low
43 Selective / Housing Licencing Restructure	Delete a Technical Assistant and Admin Assistant post (presently funded from licensing income) Use licensing income to fund core EHO (existing post). Deletion of Licensing Team Leader (presently funded from fee income). Saving to licensing income will be used to fund core service team leader.	£95,000	£95,000	£95,000	3 FTE	Low
44 Regeneration	Senior manager – core cost part funded by grant funding for one year	£25,000	£0	£0	N/A	Low
45 Active Hastings	Core funding reduced by £24k	£24,000	£24,000	£24,000	N/A	Low - the model applied means the team will continue to seek external funding to support activities and will continue to target the most vulnerable groups/communities
46 Stade Saturdays	Reduce core budget to £5k	£10,000	£10,000	£10,000	N/A	Low
Sub Total	PIER Savings identified in 2020/21	£1,420,000	£1,435,000	£1,447,000	25.21	
PIER Income identified for 2020/21 Budget Process						
47 Commercial Property/economic development	Indicative income from investing a further £10m in economic development schemes commercial property	£100,000	£200,000	£200,000	N/A	Low
48 Land sales	Indicative capital receipts from sale e.g. Harrow Lane, Mayfield E and Bexhill Road South and investment of proceeds to generate interest or finance capital expenditure.	£75,000	£150,000	£150,000	N/A	Low
Sub Total	PIER Savings identified in 2020/21	£175,000	£350,000	£350,000	0.00	

Activity/Budget Cost Code	Proposal	Growth (£)			HBC Staff impact (net loss)	Equalities Impact Assessment
		2020/21	2021/22	2022/23		
Growth						
49 Climate change	Establish a budget to demonstrate what resources will be applied to meeting Renewable Energy Commitment	-£50,000	-£50,000	-£50,000	N/A	Low
50 Housing	Temporary accommodation costs including borrowing.	-£386,000	-£386,000	-£386,000	N/A	Low

Activity/Budget Cost Code	Proposal	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)	Draft Equalities Impact Assessment
		2020/21	2021/22	2022/23		
51 Development	Bohemia feasibility and land studies £65k growth for site surveys (£19k left from this year plus ACE funding)	-£65,000	£0	£0	N/A	Low
52 Cliffs works	Ongoing cliff maintenance revenue costs	-£100,000	-£100,000	-£100,000	N/A	Low
53 Reservoir works	Cost of borrowing £1m over 20-40 years	-£68,000	-£68,000	-£68,000	N/A	Low
54 Council Tax Reduction Scheme	Council Tax Reduction Scheme 100% our share	-£35,000	-£35,000	-£35,000	N/A	Low
55 Land charges - reduced income	Reduction in income	-£82,000	-£82,000	-£82,000	N/A	Low
Sub Total	Growth	-£786,000	-£721,000	-£721,000	0.00	

SUMMARY	Staffing/ Other Savings/ Income (£)			HBC Staff impact (net loss)
	2020/21	2021/22	2022/23	
PIER Savings identified in 2019/20	£364,000	£612,000	£652,000	6.50
PIER Savings identified in 2020/2021	£1,420,000	£1,435,000	£1,447,000	25.21
PIER Income identified in 2020/2021	£175,000	£350,000	£350,000	0.00
Savings subtotal	£1,959,000	£2,397,000	£2,449,000	31.71
Growth	-£786,000	-£721,000	-£721,000	0.00
TOTAL	£1,173,000	£1,676,000	£1,728,000	31.71



Hastings Borough Council

CORPORATE PLAN

2020-2024





Our plan for Hastings

Welcome to the corporate plan - it is your plan because it affects everyone who lives and works in Hastings and St Leonards! The corporate plan is one of the council's most important documents, it sets out what we will be doing over the next few years with the money that we have and why we have chosen to focus on what's in the plan.

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"Hastings and St Leonards is a happy, welcoming place with a vibrant, unique culture where everyone has their needs met and is supported and encouraged to live their best lives."

Our town will:

- ✓ be a 'green' town with zero carbon footprint
- ✓ celebrate diversity, individuality and eccentricity
- ✓ recognise and meet people's needs
- ✓ have warm affordable homes for all

- ✓ ensure good standards of healthcare
- ✓ provide the best possible education
- ✓ have rewarding jobs with a decent wage
- ✓ protect our historic built and natural environment
- ✓ welcome developments that excite and enrich
- ✓ be a hub of creativity and culture

We can't do this alone so will continue to work with our partners across all sectors to achieve our vision and promote our town. So that we can work towards our vision we have priorities which we will be concentrating on:

- › tackling homelessness, poverty and ensuring quality housing
- › keeping Hastings clean and safe
- › making the best use of our land and buildings
- › minimising our environmental impact
- › delivering regeneration for the town
- › changing how we work to meet the future

Everything we do will meet one of these priorities which are chosen because our citizens should live safe, happy, healthy, independent lives with the most vulnerable protected. We want our residents to trust us, they are at the heart of everything we do. We will work hard to ensure Hastings is remains a great place to live, work, visit and do business in. Finally, we will be responsive to the needs of all our citizens, respect cultural identity, provide equality of opportunity and access to the means to live healthy, fulfilling lives.

Since 2010 our funding from the government has gone down by £9.3m and the demand on our services has increased because cuts to other services leave us trying to fill the gaps. We will continue to make a difference to the lives of our citizens, encourage tourism and support existing businesses and attract new ones, and bring investment to the town but we need to be even more focused on investing what we have in the things that will make the biggest impact.

We are determined to continue delivering the best services possible, constantly updating and improving them to meet the needs of our citizens. We have refreshed our corporate plan to set out this determination under new priority headings. It's a four year plan because we are working on larger projects and programmes now that take a few years to deliver. We are using the resource we have on work that will bring the biggest benefit to the town, its people and businesses. Our plan will be available on our website and updated throughout the year with our progress and performance. We hope you will visit it throughout the year and get in touch if you have any comments or questions.

Kim Forward

Deputy Leader



Hastings financial position

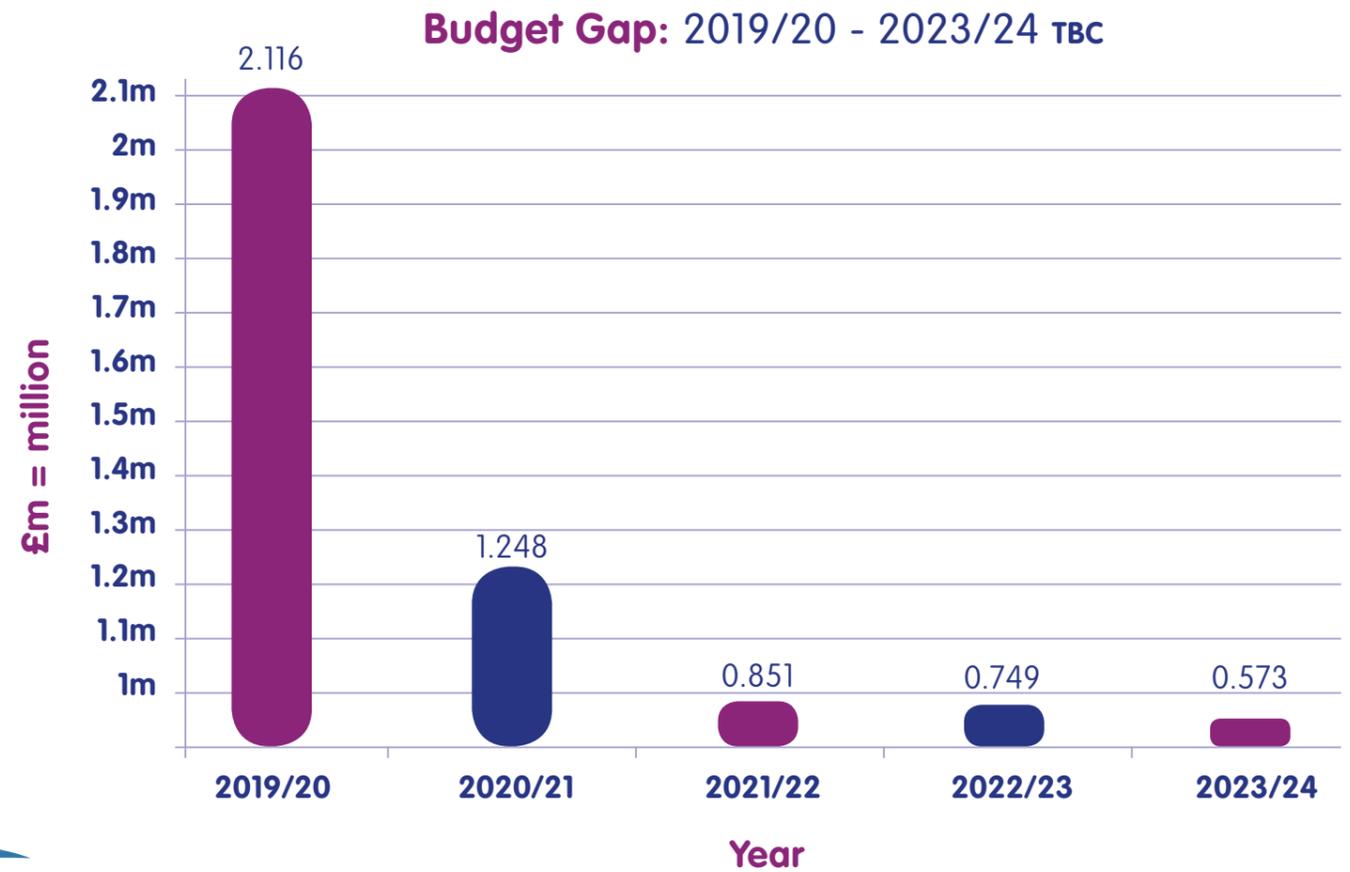
2020-2024

The Challenge

Page 103



7.5m
in savings, efficiencies and through income generation since 2015/16



The challenge is set to continue and having already made a significant amount of reductions, the process of finding further savings is getting increasingly more difficult. Our Corporate Plan has been developed alongside our Medium Term Financial Strategy (MTFS) so that our investment and resources are focused on the areas that matter most



Our Borough

Population
92,855

Average age
42.6

Average income
£407
per week

Household waste in tonnage
326kg
per week

Owner occupied housing
55.2%

Residents in social housing
14.5%

Coastline
8 miles

Crimes per 1000 people
99.4/1,000

School progress and attainment
51%

BME population
10%

No. of businesses
2,765

Housing need (no. on register)
1,340

Life expectancy
76/81

Crimes per 1000 people
99.4/1,000

School progress and attainment
51%

Total visits
3.73m

Homelessness
260
per week

% of people working age claiming job seekers or universal credit
4.6%

Average income
£407
per week

Parks and open spaces
690
Hectares maintained

No. of libraries & leisure centres
6 TBC

Multiple indices of deprivation rank
16 out of **53**
neighbourhoods in the most deprived 10% nationally

Km of roads
270

Private rented housing
28.8%





Your Council

Penalty Charge Notices issued
3,593

Number of Factory Units
100

People self-serving online
65%

Building Regulation Applications
215

Planning Applications
1,003

Value of funding from external grants
£3.7m

Annual budget (2019/20)
15m

Local Electorate
64,206

Dustbins Emptied (Bin Equivalents)
3,282,074

Recycling tonnage
9,500

Rental Income from Factory Units
£1,567,089

No. of apprenticeships
11

Stade Saturdays (2019): 5 events
1,432 attended

Museum visitors
45,604

Food Hygiene and Health & Safety Inspections
539

Website pageviews
2.24m

No. of staff
336

Local Land Charges (full searches only)
975

Licences Issued
1,634

Car Parking Spaces (Off-Street)
2,153

Burials & Cremations
1,627

Council tax collected in year (2018/19)
94.5%

East & West Hill Cliff Railway users
201,105

Website visitors
447,700

Km of streets cleaned within the Borough
270



What we want to achieve

The following three outcomes set out intentions for our citizens and town. The six priorities listed and how we will deliver these will be monitored and reviewed quarterly. You can track our progress here.

Outcome

Page 106



Our citizens live safe happy healthy independent lives with the most vulnerable protected

Outcome



A council fit for the future that our citizens trust because we place them at the centre of all we do

Outcome



A pleasant well maintained borough that we protect and invest in

Priorities

Tackling poverty, homelessness and ensuring quality housing

How we will deliver this:

- Collecting tax and delivering benefits to those in need as best we can
- Implementing our housing strategy and action plan to meet our statutory duty
- Increasing our supply of temporary accommodation to reduce emergency accommodation costs
- Managing the provision of disabled facilities grants and enforcing mandatory licensing of rented accommodation
- Housing supply and affordable housing TBC

Keeping Hastings clean and safe

How we will deliver this:

- Improving 'streetscene' through the council's new in-house street cleansing service
- Working with the council's new refuse and recycling contractor (BIFFA), to ensure they provide a good household refuse and recycling service
- Working with partners and licensees to improve community safety and promote good and safe standards within pubs and clubs
- Working with the proprietors of food premises such as restaurants and take-aways to promote good standards of hygiene and safety

Making best use of our buildings, land and public realm assets

How we will deliver this:

- Ensuring public assets the council is responsible for remain safe, secure and fit for purpose e.g. our cliffs and reservoir
- Maximising return on investment on these assets through rents, sales, maintenance and development
- Ensuring our planning service and policies create better places to live, work and invest, while protecting and enhancing the borough

Minimising environment and climate harm in all that we do

How we will deliver this:

- Ensuring our services, buildings, land and development schemes are as energy and waste efficient and carbon neutral as possible
- Generating income and offsetting carbon emissions through solar and wind power on our buildings and land where feasible
- Championing plans to make our borough carbon neutral and energy self sufficient on our website, so that you can get involved and track progress

Delivery of our major regeneration schemes

How we will deliver this:

- Securing appropriate funding opportunities in partnership, to enable schemes the council and its partners may not otherwise afford to do
- Making sure our major regeneration schemes are:
 - › Prioritised based on citizen benefit and value for money in line with our climate change commitments
 - › Income generating, where monies can be ploughed back or schemes directly support our most vulnerable citizens.
 - › Complementary to those regulatory services the council must provide

Ensuring the council can survive and thrive into the future

How we will deliver this:

- Balancing our budget and continuing to review and improve what we do and how we do it
- Reshaping our staff structures to make sure they best meet the needs of our citizens
- Enabling citizens better access to services online by design and using their feedback and data to help us make our services the best they can be
- Enhancing our website so citizens can track what we do, hold us to account, contribute to and be clear on the direction of travel for the town

Key activities during 2020/21

Tackling poverty, homelessness and ensuring quality housing

- Review our council tax reduction scheme for 2020/21 by November 2020
- Implement new self-service modules for revenues and benefits by October 2020
- Achieve key performance and collection targets in respect of Benefit processing times and collection rates for council tax & business rates
- Aim to build 192 new homes at Bulverhythe
- Acquire 15 and lease 36 units of temporary accommodation to reduce spend on emergency accommodation
- Lead work with partners to bring down costs and help transition those in need of temporary and emergency accommodation into more suitable alternatives
- Regulate the quality and supply of housing in the town through a new licensing scheme
- Make sure homes are adapted and made fit for the future where we have power and resources to do so

Keeping Hastings clean and safe

- Enhance our existing enforcement, contractual and street cleansing arrangements by:
- Expanding the garden waste service that we offer
 - Rigorous ongoing performance management of our waste contract and street cleansing service
 - Delivering a full strength warden service to tackle anti-social behaviour and enviro crime
 - Ensuring statutory delivery of our licensing and environmental health commitments
 - Moving to paperless parking permits

Making best use of our buildings, land and public realm assets

- Bring forward improvements to the delivery of our grounds maintenance arrangements
- Undertake essential repairs and maintenance on Buckshole reservoir and increase safety standards in the face of climate change
- Complete our Visitor Centre at Hastings Country Park

These are some of the key areas of work that we'll be doing under each of the six new priorities for the year ahead.

- Continue to develop the museum as a hub to support the borough's cultural offer
- Update our Local Plan with our citizens and partners, setting out how the borough will shape up for the future
- Develop and realise our investment portfolio e.g. New Aldi open on Bexhill Road

Minimising environment and climate harm in all that we do

- Introduce and begin delivering a new climate change strategy and action plan
- Lead and work with citizens and partners toward zero carbon emissions
- Implement our sustainable procurement policy
- Review our services to look at how we can run them in an environmentally friendly way

Delivery of our major regeneration schemes

- Deliver the Towns Fund
- Deliver year 2 of the Connecting Hastings and Rother Together programme
- Progress with plans for the development of West Marina
- Progress with plans for the development of Bohemia

Ensuring the council can survive and thrive into the future

- Restructure how we'll deliver services to meet our budgetary challenges
- Develop our corporate standard setting out how we plan, do and review so that citizens, councillors, staff and partners can track our progress and increasingly hold us to account
- Conclude our digital first programme so that citizens can access the bulk of our services online
- Lead on and develop a new town wide narrative and plan, plugging the gaps with partners where HBC can no longer afford to deliver directly

Our approach

Decision making and responsibility

- Make decisions effectively and efficiently
- Take responsibility for what we do and how well we do it by making it easy for our citizens to track our progress and performance
- Ensure our decisions reflect best practice, are data driven, transparent and take account of equality, diversity and environmental impact
- Put the needs of our citizens at the heart of how we make decisions

Planning and prioritising

- Plan out the work we will do, who will do it and how to ensure we use the financial and human resource that we have
- Prioritise our work so that the things that we must do are done and that we invest the other resource we have on what will best deliver the best outcomes for our citizens in line with our priorities
- Plan for the future of the council so we continue to be able to deliver the best standard of service to our citizens

In order to deliver what we want to achieve over the next four years for Hastings we will be working hard to make sure that taxpayers money stretches as far as possible. For this to happen we will:

Analysing and reviewing

- Use data to inform and improve how we deliver our services to citizens and how we work
- Review what we have done well and what we could have done better so that we continually learn and develop
- Make analysis a fundamental part of how we make decisions and what we do and in what order with a focus on benefits to our citizens

Collaborative working and effective management

- Use effective programme and project management to prioritise how we use our limited staff and financial resources and to manage risks
- Ensure that what we do is inclusive and that our services are accessible to all
- Work closely with partners to deliver services as effectively and efficiently as possible, with the best possible outcomes for our citizens





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Agenda Item 5



Report to: Budget Overview and Scrutiny Committee

Date of Meeting: 23 January 2020

Report Title: Draft Corporate Plan 2020/21

Report By: Jane Hartnell, Director of Corporate Services

Key decision: N/A

Classification: Open

Purpose of Report

To invite the Budget Overview and Scrutiny Committee to comment on the draft corporate plan for 2020/21

Recommendation(s)

1. That the comments or the Budget Overview and Scrutiny Committee on the council's draft corporate plan for 2020/21 be referred to Budget Cabinet for consideration

Reasons for Recommendations

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

Introduction

1. The corporate plan sets out the council's strategic direction. The draft corporate plan outlines the challenging financial climate in which the council continues to operate, followed by what we plan to do to best meet local need with the resources we have. Teams across the council have been reviewing progress against the targets in the current corporate plan to identify key programmes and activities for inclusion in the plan for 2020/21.
2. The plan includes infographics of relevant statistics for both the town and our services that set the scene for the key activities planned to take place over 2020/21. These complement the vision, mission, values and priorities that are consistent with previous years.
3. Building on the format of the existing corporate plan, this draft specifically sets out by service area those key activities we must do first and then choose to do next. This reflects 'our position' and 'our approach' that underpin how we will plan for the future, navigating the challenging financial climate detailed in the draft budget.
4. Progress against these 'must do' and 'choose to' do activities, our key programmes of work and performance indicators will be monitored quarterly by the Overview and Scrutiny Committee.
5. A list of performance indicators from the 2019/20 plan have been included at the end of the draft document. The performance indicators will be agreed in July 2020 once we have analysed year-end performance from 2019/20 and Overview and Scrutiny have had the opportunity to consider the targets to be set in detail.

Consultation on the draft corporate plan

6. The draft corporate plan and budget were published for public consultation on 10 January 2020. The deadline for comments and representations is 7th February 2020.
7. The Leader and Deputy Leader of the Council will be meeting with a range of organisations from the local community, voluntary and business sectors throughout the public consultation period.

Equalities

8. Equalities and other policy implications for the draft corporate plan will be collated during the public consultation period and reported back to the Budget Cabinet meeting.

Finance

9. The financial implications associated with the draft corporate plan are dealt with in detail by the draft budget.

Options

10. No alternative options were considered.

Timetable of Next Steps

Action	Key milestone	Due date (provisional)	Responsible
Submit draft Corporate Plan and budget to Cabinet with representations from consultation	Draft Corporate Plan and budget submitted to Cabinet	10 February 2020	
Budget Council asked to approve plan and budget	Draft Corporate Plan and budget submitted to Budget Council	19 February 2020	
Review key performance indicators and set targets for 2020/21	Proposed indicators and targets will be included in report to O&S for comment before approval by cabinet	June 2020	

Wards Affected

All wards

Policy Implications

Reading Ease Score:
Reading Grade Level:

Project tools used:

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

If your report contains implications for any of the following you should include a brief paragraph in the main body of your report providing further detail.

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	Yes
Risk Management	Yes
Environmental Issues & Climate Change	Yes
Economic/Financial Implications	Yes
Human Rights Act	Yes
Organisational Consequences	Yes
Local People's Views	Yes
Anti-Poverty	Yes
Legal	Yes

Additional Information

Draft Corporate Plan 2020/21

Officer to Contact

Officer Name Mark Horan / Daniel Taylor

Officer Email Address mhoran@hastings.gov.uk / dtaylor@hastings.gov.uk

Officer Telephone Number 01424 451485 / 01424 451406



Hastings Borough Council

CORPORATE PLAN

2020-2024





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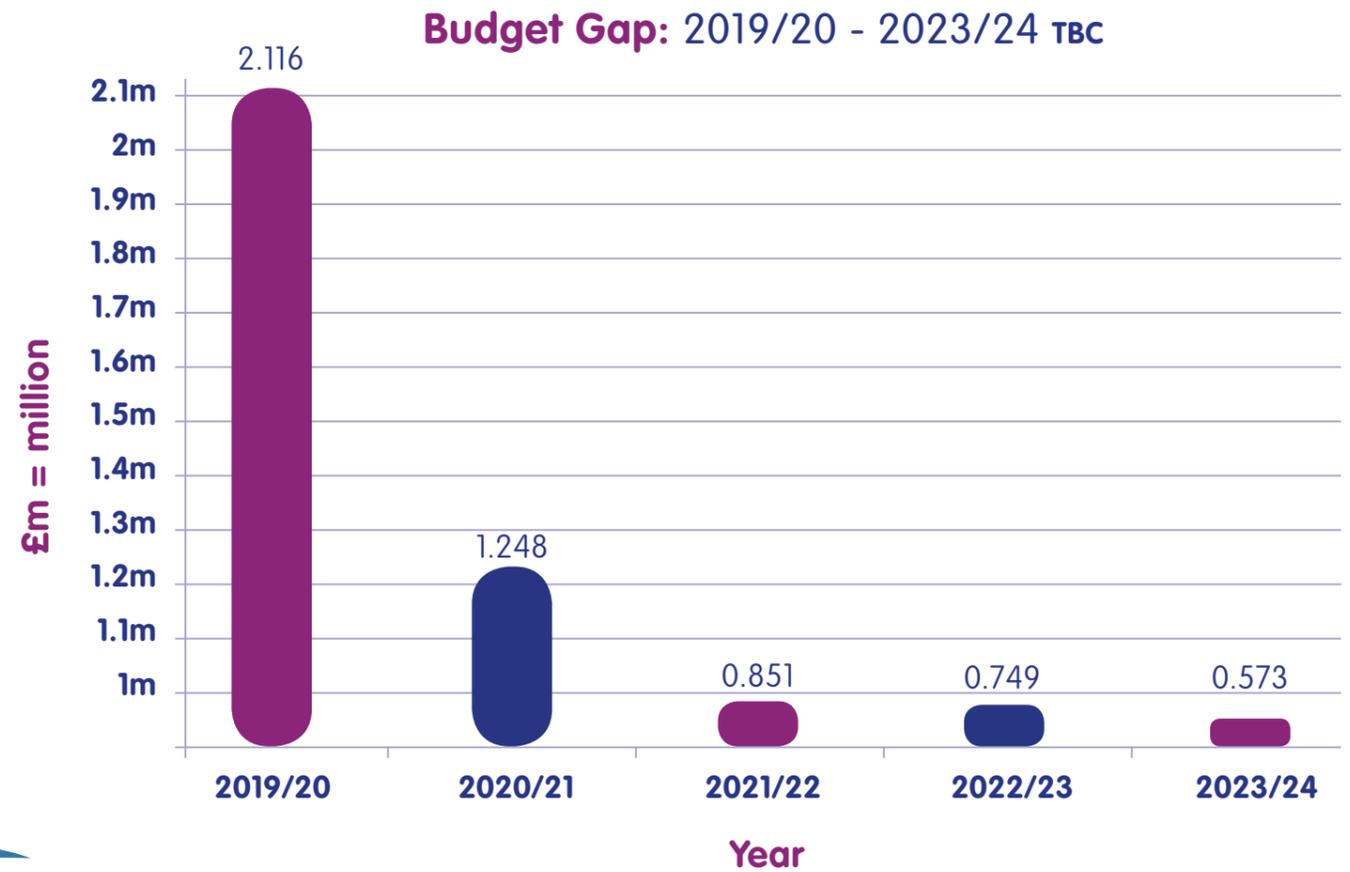
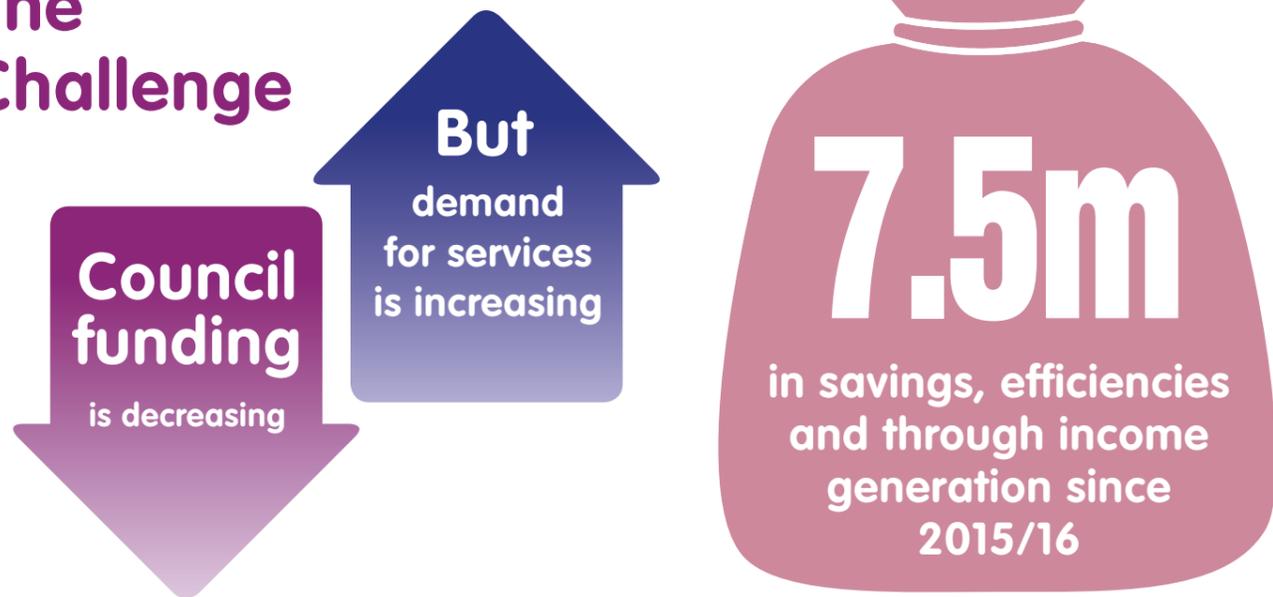


Hastings financial position

2020-2024

The Challenge

Page 117



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BME population
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Page 118

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Local Land Charges (full searches only)
975

Km of streets cleaned within the Borough
270

Licences Issued
1,634

Car Parking Spaces (Off-Street)
2,153

Burials & Cremations
1,627

Council tax collected in year (2018/19)
94.5%

East & West Hill Cliff Railway users
201,105

Website visitors
447,700



What we want to achieve

The following three outcomes set out intentions for our citizens and town. The six priorities listed and how we will deliver these will be monitored and reviewed quarterly. You can track our progress here.

Outcome

Page 120



Our citizens live safe happy healthy independent lives with the most vulnerable protected

Outcome



A council fit for the future that our citizens trust because we place them at the centre of all we do

Outcome



A pleasant well maintained borough that we protect and invest in

Priorities

Tackling poverty, homelessness and ensuring quality housing

How we will deliver this:

- Collecting tax and delivering benefits to those in need as best we can
- Implementing our housing strategy and action plan to meet our statutory duty
- Increasing our supply of temporary accommodation to reduce emergency accommodation costs
- Managing the provision of disabled facilities grants and enforcing mandatory licensing of rented accommodation
- Housing supply and affordable housing TBC

Keeping Hastings clean and safe

How we will deliver this:

- Improving 'streetscene' through the council's new in-house street cleansing service
- Working with the council's new refuse and recycling contractor (BIFFA), to ensure they provide a good household refuse and recycling service
- Working with partners and licensees to improve community safety and promote good and safe standards within pubs and clubs
- Working with the proprietors of food premises such as restaurants and take-aways to promote good standards of hygiene and safety

Making best use of our buildings, land and public realm assets

How we will deliver this:

- Ensuring public assets the council is responsible for remain safe, secure and fit for purpose e.g. our cliffs and reservoir
- Maximising return on investment on these assets through rents, sales, maintenance and development
- Ensuring our planning service and policies create better places to live, work and invest, while protecting and enhancing the borough

Minimising environment and climate harm in all that we do

How we will deliver this:

- Ensuring our services, buildings, land and development schemes are as energy and waste efficient and carbon neutral as possible
- Generating income and offsetting carbon emissions through solar and wind power on our buildings and land where feasible
- Championing plans to make our borough carbon neutral and energy self sufficient on our website, so that you can get involved and track progress

Delivery of our major regeneration schemes

How we will deliver this:

- Securing appropriate funding opportunities in partnership, to enable schemes the council and its partners may not otherwise afford to do
- Making sure our major regeneration schemes are:
 - › Prioritised based on citizen benefit and value for money in line with our climate change commitments
 - › Income generating, where monies can be ploughed back or schemes directly support our most vulnerable citizens.
 - › Complementary to those regulatory services the council must provide

Ensuring the council can survive and thrive into the future

How we will deliver this:

- Balancing our budget and continuing to review and improve what we do and how we do it
- Reshaping our staff structures to make sure they best meet the needs of our citizens
- Enabling citizens better access to services online by design and using their feedback and data to help us make our services the best they can be
- Enhancing our website so citizens can track what we do, hold us to account, contribute to and be clear on the direction of travel for the town

Key activities during 2020/21

Tackling poverty, homelessness and ensuring quality housing

- Review our council tax reduction scheme for 2020/21 by November 2020
- Implement new self-service modules for revenues and benefits by October 2020
- Achieve key performance and collection targets in respect of Benefit processing times and collection rates for council tax & business rates
- Aim to build 192 new homes at Bulverhythe
- Acquire 15 and lease 36 units of temporary accommodation to reduce spend on emergency accommodation
- Lead work with partners to bring down costs and help transition those in need of temporary and emergency accommodation into more suitable alternatives
- Regulate the quality and supply of housing in the town through a new licensing scheme
- Make sure homes are adapted and made fit for the future where we have power and resources to do so

Keeping Hastings clean and safe

- Enhance our existing enforcement, contractual and street cleansing arrangements by:
- Expanding the garden waste service that we offer
 - Rigorous ongoing performance management of our waste contract and street cleansing service
 - Delivering a full strength warden service to tackle anti-social behaviour and enviro crime
 - Ensuring statutory delivery of our licensing and environmental health commitments
 - Moving to paperless parking permits

Making best use of our buildings, land and public realm assets

- Bring forward improvements to the delivery of our grounds maintenance arrangements
- Undertake essential repairs and maintenance on Buckshole reservoir and increase safety standards in the face of climate change
- Complete our Visitor Centre at Hastings Country Park

These are some of the key areas of work that we'll be doing under each of the six new priorities for the year ahead.

- Continue to develop the museum as a hub to support the borough's cultural offer
- Update our Local Plan with our citizens and partners, setting out how the borough will shape up for the future
- Develop and realise our investment portfolio e.g. New Aldi open on Bexhill Road

Minimising environment and climate harm in all that we do

- Introduce and begin delivering a new climate change strategy and action plan
- Lead and work with citizens and partners toward zero carbon emissions
- Implement our sustainable procurement policy
- Review our services to look at how we can run them in an environmentally friendly way

Delivery of our major regeneration schemes

- Deliver the Towns Fund
- Deliver year 2 of the Connecting Hastings and Rother Together programme
- Progress with plans for the development of West Marina
- Progress with plans for the development of Bohemia

Ensuring the council can survive and thrive into the future

- Restructure how we'll deliver services to meet our budgetary challenges
- Develop our corporate standard setting out how we plan, do and review so that citizens, councillors, staff and partners can track our progress and increasingly hold us to account
- Conclude our digital first programme so that citizens can access the bulk of our services online
- Lead on and develop a new town wide narrative and plan, plugging the gaps with partners where HBC can no longer afford to deliver directly

Our approach

Decision making and responsibility

- Make decisions effectively and efficiently
- Take responsibility for what we do and how well we do it by making it easy for our citizens to track our progress and performance
- Ensure our decisions reflect best practice, are data driven, transparent and take account of equality, diversity and environmental impact
- Put the needs of our citizens at the heart of how we make decisions

Planning and prioritising

- Plan out the work we will do, who will do it and how to ensure we use the financial and human resource that we have
- Prioritise our work so that the things that we must do are done and that we invest the other resource we have on what will best deliver the best outcomes for our citizens in line with our priorities
- Plan for the future of the council so we continue to be able to deliver the best standard of service to our citizens

In order to deliver what we want to achieve over the next four years for Hastings we will be working hard to make sure that taxpayers money stretches as far as possible. For this to happen we will:

Analysing and reviewing

- Use data to inform and improve how we deliver our services to citizens and how we work
- Review what we have done well and what we could have done better so that we continually learn and develop
- Make analysis a fundamental part of how we make decisions and what we do and in what order with a focus on benefits to our citizens

Collaborative working and effective management

- Use effective programme and project management to prioritise how we use our limited staff and financial resources and to manage risks
- Ensure that what we do is inclusive and that our services are accessible to all
- Work closely with partners to deliver services as effectively and efficiently as possible, with the best possible outcomes for our citizens





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