

FULL COUNCIL

19 FEBRUARY 2020

Present: Councillors Sinden (Chair), Bacon (Vice-Chair), Barnett, Battley, Batsford, S Beaney, K Beaney, Beaver, Berelson, Bishop, Charman, Chowney, Cox, Davies, Edwards, Evans, Fitzgerald, Forward, Foster, Lee, Levane, Marlow-Eastwood, Patmore, Rankin, Rogers, Roberts, Sabetian, Scott, Turner and Webb

109. APOLOGIES FOR ABSENCE

Apologies were received from Councillors O'Callaghan and Louise. Apologies were also received from Councillors Barnett and Berelson from minute 114 onwards.

110. DECLARATIONS OF INTEREST

<u>Councillor</u>	<u>Minute</u>	<u>Declaration</u>
Rankin	112	Prejudicial – Owns an HMO property.
Lee	112	Prejudicial – Lives in an HMO property
Forward	112	Prejudicial – Close family member owns an HMO Property

111. DRAFT CORPORATE PLAN 2020/21

Councillor Sinden, the Right Worshipful Mayor, proposed a motion, seconded by Councillor Beaver, and agreed unanimously as follows.

RESOLVED that in order to facilitate full discussion on cabinet's proposal for the draft Corporate Plan and any proposed amendment to cabinet's recommendations, council suspends Rule 16(6)(b) of council procedure rules (only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been disposed of) to permit the Deputy Leader's motion and all amendments to be on the table and open for discussion at the same time.

Councillor Forward proposed a motion, seconded by Councillor Rogers, that the recommendations set out in minute number 240 of Budget Cabinet on the 10th February 2020, 'Draft Corporate Plan 2020/21' be approved.

Councillor Patmore, Deputy Leader of the Opposition, proposed an amendment, seconded by Councillor Edwards, with four parts, to the draft corporate plan.

- a) On Page 11 - Under; *Tackling poverty, homelessness and ensuring quality housing* amend the wording which currently reads:

"Managing the provision of disabled facilities grants and enforcing mandatory

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licensing of rented accommodation”

to read:

“Managing the provision of and actively promote disabled facilities grants.
Enforcing mandatory licensing of rented accommodation”

b) On Page 12 –

Delete the wording ‘Aim to build 192 homes at Bulverhythe’

c) Also on Page 12, amend the wording which currently reads

“Regulate the quality and supply of housing in the town through a new licensing scheme”

to read:

“Regulate the quality and supply of rented housing in the town through a new licensing scheme”

d) On Page 13, under ‘Delivery of our major regeneration schemes’, replace

“Progress with plans for the development of West Marina”

with

“Progress with plans to make West Marina a destination alongside sympathetic development”

The meeting adjourned at 6.26pm to allow Councillors to read and consider the amendment. The meeting reconvened at 6.32pm.

Councillor Forward accepted amendments 1a) and 1c), but did not accept 1b) and 1d).

Councillors discussed the draft corporate plan and amendments 1b) and 1d) together. Councillors discussed how the plan was exciting and that the vision presented within it was very welcomed. Councillors also discussed the West Marina development.

The Mayor proposed that the vote be taken in two parts – voting on the draft corporate plan with the selective licensing elements, and the draft corporate plan without the selective licensing elements.

DRAFT CORPORATE PLAN (WITHOUT SELECTIVE LICENSING) RESOLVED (by 21 votes for, 8 against)

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Councillors Forward, Lee and Rankin left the room due to prejudicial interests for this vote.

DRAFT CORPORATE PLAN (WITH SELECTIVE LICENSING) RESOLVED (by 20 votes for, 4 against)

RESOLVED that:

1. That the content of the attached documents form the basis of the council's corporate plan 2020/24, subject to the proviso that any significant amendment made to the council's draft budget be reflected in the final corporate plan text.

2. That delegated authority be given to the Director of Corporate Services and Governance, after consultation with the Deputy Leader of the Council to make further revisions as is considered necessary to the attached plan prior to publication to reflect decisions made on the council's budget.

3. That all those who submitted views as part of the consultation process be thanked for their contributions.

4. That the following amendments are made:

- On Page 11 - Under; 'Tackling poverty, homelessness and ensuring quality housing' amend the wording which currently reads: "*Managing the provision of disabled facilities grants and enforcing mandatory licensing of rented accommodation*" to read: "*Managing the provision of and actively promote disabled facilities grants. Enforcing mandatory licensing of rented accommodation*"
- On Page 12, amend the wording which currently reads "*Regulate the quality and supply of housing in the town through a new licensing scheme*" to read: "*Regulate the quality and supply of rented housing in the town through a new licensing scheme*"

The reason for this decision was:

The council needs to approve the corporate plan as its statement of Hastings Borough Council's strategic direction, mindful of the views received as part of the public consultation process on the draft corporate plan and associated budget.

112. REVENUE BUDGET 2019/20 REVISED AND 2020/21, PLUS CAPITAL PROGRAMME 2020/21 - 2022/23

A petition was received titled 'Proposed cut of 31.31 posts and a reduction of services by Hastings Borough Council.'

Wendy Goodliffe the lead petitioner spoke on behalf of the petitioners:

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- The petitioners are aware of the difficult decisions being made.
- The petitioners believe that the cuts seem to be short term fixes, with not much thought put into the future needs of the council.
- The petitioner stated that that not only will staff feel the effect of these cuts but will also impact on services.
- The petitioner believes all staff will be affected directly if not indirectly and worries about the mental health of the staff affected.
- The petitioner also mentioned the errors within the process which have caused severe impact on staff, from people being told they are not at risk to later finding out they are, and vice versa.
- The petitioners are not blaming any specific area for this but hope that the council can learn from the mistakes made.

Councillors thanked the petitioner for speaking. Councillors responded by saying that due to the extent of the cuts, unfortunately services may be made poorer, but they are savings that need to be made. The Councillors said they would take on the considerations that the petition has brought forward and will work to make the process better in the future. Councillors also wanted to make it clear they are deeply saddened by the staff savings that have had to be made and understand how difficult this is for all staff involved.

Councillor Sinden, the Right Worshipful Mayor, proposed a motion, seconded by Councillor Beaver, and agreed unanimously as follows:

RESOLVED that in order for Councillors to take advice from the Assistant Director, Financial Services and Revenues, and other officers, under Rule 16(14) of council procedure the council proceed as if in committee.

Councillor Chowney, Leader of the Council, proposed a motion, seconded by Councillor Forward, that recommendations as set out in minute 241 of the Cabinet meeting on the 10th February 2020 'Revenue Budget 2019/20 Revised and 2020/21, plus Capital Programme 2020/21 - 2022/23' be approved.

Councillor Lee, the Leader of the Opposition, proposed four amendments to the budget. Amendments 1 and 2 were seconded by Councillor Patmore. Amendments 3 and 4 were seconded by Councillor Beaver.

Amendment 1 –

“This Council supports, in principle, a move to all out elections from 2024 onwards. Full Council to receive a report setting out the issues and a timetable at their next meeting.”

This is because the Council currently runs a two-year election cycle, and there could be savings made by moving to a four-yearly cycle.”

Amendment 2 –

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“This Council reduces Councillor Basic Responsibility Allowances by 2% and freezes all Councillor Responsibility Allowances for 2020/21

This is in order to show solidarity with the staff savings currently being made”

Amendment 3 –

“This Council moves the Community Contact Centre to Muriel Matters House from the Town Hall and that an alternative solution is sought for the Tourist Information officer; savings of £35,450 being achieved in 2020/21 and £85,900 in 2021/22 and subsequent years”

Amendment 4 –

“This Council preserves the funding for the West St Leonards and Alexandra Park bowling greens for 2020/21 and looks to identify alternative savings and funding streams for the years ahead in conjunction with the clubs in order to preserve these key facilities for the community – the £20,000 being funded from an alternative use of the Renewals and Repairs Reserve for one year.”

The Mayor adjourned the meeting at 7.39pm so that Councillors could read and consider the proposed amendments. The meeting reconvened at 7.48pm. Councillor Chowney, Leader of the Council rejected the proposed amendments, so Councillors debated and voted on each proposed amendment separately.

Councillors discussed Amendment 1. Councillors highlighted that moving to this cycle could minimise environmental impact. Councillors raised concerns about democracy.

The Mayor proposed that the meeting return to Full Council mode, seconded by Councillor Beaver, in order to vote.

The proposed Amendment 1 was lost by 8 votes for to 21 votes against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted in favour of the amendment. Councillors Bacon, Barnett, Batsford, Battley, S Beaney, Berelson, Bishop, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, Roberts, Rogers, Sabetian, Scott, Turner and Webb voted against the amendment.

Councillor Sinden, the Right Worshipful Mayor, proposed a motion, seconded by Councillor Beaver, and agreed unanimously as follows:

RESOLVED that in order for Councillors to take advice from the Assistant Director, Financial Services and Revenues, and other officers, under Rule 16(14) of council procedure the council proceed as if in committee.

Councillors discussed Amendment 2. Councillors raised issues about not being able to get true representatives of the community if allowances are reduced. Councillors also raised that Hastings Borough Council are in the highest 25% for member’s allowances in the country.

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The Mayor proposed that the meeting return to Full Council mode, seconded by Councillor Beaver, in order to vote.

The proposed Amendment 2 was lost by 8 votes for to 21 votes against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted in favour of the amendment. Councillors Bacon, Barnett, Batsford, Battley, S Beaney, Berelson, Bishop, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, Roberts, Rogers, Sabetian, Scott, Turner and Webb voted against the amendment.

Councillor Sinden, the Right Worshipful Mayor, proposed a motion, seconded by Councillor Beaver, and agreed unanimously as follows:

RESOLVED that in order for Councillors to take advice from the Assistant Director, Financial Services and Revenues, and other officers, under Rule 16(14) of council procedure the council proceed as if in committee.

Councillors discussed amendment 3. Councillors raised that this had already been discussed in budget conversations at great length and was not seen as viable for this year. This could be considered in the future.

The Mayor proposed that the meeting return to Full Council mode, seconded by Councillor Beaver, in order to vote.

The proposed Amendment 3 was lost by 8 votes for to 21 votes against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted in favour of the amendment. Councillors Bacon, Barnett, Batsford, Battley, S Beaney, Berelson, Bishop, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, Roberts, Rogers, Sabetian, Scott, Turner and Webb voted against the amendment.

Councillor Sinden, the Right Worshipful Mayor, proposed a motion, seconded by Councillor Beaver, and agreed unanimously as follows:

RESOLVED that in order for Councillors to take advice from the Assistant Director, Financial Services and Revenues, and other officers, under Rule 16(14) of council procedure the council proceed as if in committee.

Councillors discussed amendment 4. Councillors raised that the bowls club are an important community group for many older people across the town. Councillors stated that unfortunately savings are being made across the board, and certain groups cannot be favoured over others.

The Mayor proposed that the meeting return to Full Council mode, seconded by Councillor Roberts, in order to vote.

The proposed Amendment 4 was lost by 8 votes for to 21 votes against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted in favour of the amendment. Councillors Bacon, Barnett, Batsford, Battley, S Beaney, Berelson, Bishop, Charman, Chowney, Cox, Davies,

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Evans, Fitzgerald, Forward, Levane, Roberts, Rogers, Sabetian, Scott, Turner and Webb voted against the amendment.

Councillors discussed the Revenue Budget 2019/20 Revised and 2020/21, plus Capital Programme 2020/21 -2022/23. Councillors raised the fact the council is in a very difficult position and it is unfortunate to be making all these savings. Councillors also raised the savings in the insurance premium, and whether these savings could continue year on year.

Councillor Sinden, the Right Worshipful Mayor, proposed a motion, seconded by Councillor Beaver, and agreed unanimously as follows:

RESOLVED that in order for Councillors to take advice from the Assistant Director, Financial Services and Revenues, and other officers, under Rule 16(14) of council procedure the council proceed as if in committee.

The Assistant Director Financial Services and Revenues stated that the council seeks competitive insurance quotes on a regular basis in conjunction with other authorities in East and West Sussex in order to achieve more competitive quotes. The tender exercise undertaken by the East Sussex procurement hub was particularly successful. Premiums are based on claims history and as such it is also about managing the risks rather than focusing just on the insurance provider.

Councillors wanted to thank the officers for all their hard work in compiling the budget.

The Mayor proposed that the meeting return to Full Council mode, seconded by Councillor Edwards, in order to vote.

Recommendations of the motion proposed by Councillor Chowney was approved by 21 votes for, to 8 against with 0 abstentions. Councillors K Beaney, Beaver, Edwards, Foster, Lee, Marlow-Eastwood, Patmore and Rankin voted against. Councillors Bacon, Barnett, Batsford, Battley, S Beaney, Berelson, Bishop, Charman, Chowney, Cox, Davies, Evans, Fitzgerald, Forward, Levane, Roberts, Rogers, Sabetian, Scott, Turner and Webb voted for.

RESOLVED (by 21 votes for, to 8 against, with 0 abstentions) that Council:

- 1. Approve the revised revenue budget for 2019/20 (Appendix A).**
- 2. Approve the draft 2020/21 revenue budget (Appendix A)**
- 3. Approve a 1.99% increase in the Borough Council's part of the Council Tax.**
- 4. Agree that the absolute minimum level of reserves that shall be retained be £6m (plus General Fund Balance).**
- 5. Approve the Capital Programme 2019/20 (revised) to 2022/23 (Appendix P).**
- 6. Approve the proposed expenditure from the Renewal and Repairs Reserve, and Information Technology Reserve (Appendices J and I respectively) and**

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those items from other reserves shown in Appendix H that can proceed without further reference to Cabinet or Council.

7. Approve that the use of 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.

8. Approve the transfer of £500,000 from the General Reserve to the Redundancy Reserve to meet future costs.

9. 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).

10. 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.

11. 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.

12. 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.

13. Agree that schemes marked with an asterisk in the Capital Programme can proceed without further reference to Cabinet or Council.

14. 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.

15. 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).

16. Approve that the budget be amended as necessary to reflect the final grant figures including Disabled Facility Grants - once received.

17. 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.

18. Full Council adopt the existing Council Tax Support scheme subject to amendments to allowances in line with national changes. Determination of the

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allowances to be delegated to the Chief Finance Officer in line with prior year practice.

19. Agree the following amendments which have been made in light of the consultation responses:

- **£10,000 grant to the Hastings Voluntary Association in respect of Community Cohesion (hate crime monitoring).**
- **An additional £30,000 will be retained in the CCTV budget to fund ongoing maintenance costs.**

The reasons for this decision were:

1. The Council must by law set a balanced budget. It will have used most 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 £1,784,000 (£1,420,000 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

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113. REPORTS OF COMMITTEES

113.1 Treasury Management, Annual Investment Strategy and Capital Strategy 2020/21

Councillors Berelson and Barnett were not present for the discussion of this item.

It was agreed to call minute 242 of Cabinet on the 10th February 2020, the 'Treasury Management and Annual Investment Strategy and Capital Strategy 2020/21' which is a council decision.

Councillor Chowney, Leader of the Council, proposed a motion, seconded by Councillor Batsford, that recommendations as set out in minute 241 of the Cabinet meeting on the 10th February 2020 'Treasury Management, Annual Investment Strategy and Capital Strategy 2020/21' be approved.

Councillor Chowney also took the chance to thank everyone for their support, as this will be his last Budget Council meeting as Leader of the Council.

RESOLVED (by 19 votes for to 8 against) that:

- 1. The Council approve the Treasury Management Strategy, Minimum Revenue Provision (MRP) Policy, Annual Investment Strategy, and the Capital Strategy.**
- 2. The strategies listed are updated as necessary during 2020/21 in the light of changing and emerging risks and the Council's evolving future expenditure plans.**
- 3. The Financial rules and the Financial Operating Procedures of the Council are reviewed and revised as necessary to meet the requirements of the Code of Practice.**
- 4. The Cabinet and full Council note that there is likely to be the use of Money Market Funds in 2020/21 – as already allowed for in the investment strategy.**
- 5. Due to the previous amendments to Agenda Item 'Revenue Budget 2019/20 Revised and 2020/21, plus Capital Programme 2020/21 – 2022/23', there will be minor changes to the use of reserves.**

The reasons for these decisions were:

1. The Council seeks to minimise the costs of borrowing and maximise investment income whilst ensuring the security of its investments. The Council continues to make substantial investments in commercial property, housing and energy generation initiatives, and this will continue to involve the Council in taking on additional borrowing.
2. The sums involved are significant and the assumptions made play an important part in determining the annual budget. The CIPFA Treasury Management Code of Practice (2017 Edition), adopted by the Council last year, was released to take account of the

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more commercialised approach being adopted by councils and the enhanced levels of transparency required. The Code represents best practice and helps ensure compliance with statutory requirements.

3. The Council has the ability to diversify its investments and must consider carefully the level of risk against reward against a background of historically relatively low interest rates. Investments can help to close the gap in the budget in the years ahead and thus help to preserve services, assist in the regeneration of the town, provide additional housing and enhance the long-term sustainability of the town. However, over reliance on such income streams would involve taking unnecessary risks with the future of the Council and its ability to deliver statutory services.

4. The Council has the option of using Money Market funds within its Investment Policy already. These are on occasion providing higher rates of return than some straight deposit accounts and as such the use of these funds is likely to occur in the near future.

(The Chair declared the meeting closed at. 9.35 pm)