

Cabinet Agenda

Monday, 6 November 2023 at 6.00 pm

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

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

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

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| 1. | Apologies for Absence | |
| 2. | Declaration of Interests | |
| 3. | Minutes of Last Meeting | 1 - 8 |
| 4. | Public Question Time (30 minutes) | |
| 5. | Financial Monitoring Report <i>(Kit Wheeler, Chief Finance Officer & Section 151 Officer)</i> <i>(Cabinet Decision)</i> | 9 - 34 |
| 6. | Medium Term Financial Strategy (MTFS) <i>(Kit Wheeler, Chief Finance Officer & Section 151 Officer)</i> <i>(Cabinet Decision)</i> | 35 - 60 |
| 7. | Interim review of polling places and polling districts 2023 <i>(Natasha Tewkesbury, Head of Community and Regulatory Services)</i> <i>(Council Decision)</i> | 61 - 90 |

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| 8. | Hastings Town Deal programme update <i>(Victoria Conheady, Deputy Chief Executive and Director of Place)</i> <i>(Cabinet Decision)</i> | |
| a) | Hastings Town Deal Programme Update | 91 - 114 |
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| 9. | Home Adaptation Support Service (HASS) Contract Tender <i>(Chris Hancock, Head of Housing)</i> <i>(Cabinet Decision)</i> | 121 - 126 |
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Present: Councillors Barnett (Chair), Batsford, Cannon, Roark, Rogers and Willis

In attendance: Jane Hartnell Chief Executive, Victoria Conheady Deputy Chief Executive, Kit Wheeler Chief Finance Officer, Mary Kilner Chief Legal Officer, Murray Davidson Environment and Natural Resources Manager, Coral Harding Continuous Improvement and Democratic Services Officer

1. APOLOGIES FOR ABSENCE

Apologies received from Councillor Evans.

2. DECLARATION OF INTERESTS

None.

3. MINUTES OF LAST MEETING 04/09/23

RESOLVED – that the minutes of the meeting held on 4th September 2023 be approved as a true record.

4. PUBLIC QUESTIONS (30 MINS)

A question was asked regarding Southern Water and if an infrastructure investment plan and a map of the sewage system have been received? Also asked was if Southern water had explained the high levels of faecal bacteria measured at Bulverhythe? Councillor Barnett confirmed there has been no response to the measurement taken at Bulverhythe. There has also been no map of the sewage system supplied. Councillor Barnett confirmed the investment plan had just arrived but he hasn't had time to review it. The headline of the document is that residents will have to pay 44% extra for the investment.

A question was asked regarding the pollution in Old Roar Gill. What will happen if Southern Water refuse to pay for an ecological survey? Councillor Barnett answered that Southern Water have been asked to pay for the survey and the issue being that they keep denying pollution there when we know there is.

A question was asked when will signs be installed by Old Roar Gill. Councillor Barnett answered that there are signs in the park that show no swimming is allowed. Cllr.Roark added that other signs say dogs should not go in any of the water courses in Alexandra Park

A question was asked regarding Alexandra Park, does the Council stand by the statement in the water management plan for Alexandra Park 2016 to 2026, that the foul sewer running the length of the Gill needs replacing because it's hydraulically

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failing and if so, will the Council be compelling Southern Water to replace the sewer? Has the water management plan ever been followed? Councillor Barnett explained that HBC could not compel Southern Water but that there was a project by Southern Water 10 years ago to renew the sewage pipe in Old Roar Gill and they have been asked to provide information on this.

A question was asked about the West Hill Café. Councillor Barnett answered the Council now has possession of the West Hill Café. A report will come forward to a future Cabinet meeting.

Councillor Batsford read a written question regarding the water courses in Alexandra Park and what measures are Hastings Borough Council taking to establish that the water courses in the park are pollution free and will HBC be carrying out independent testing when pollution incidences are reported to them, rather than relying on Southern Waters tests? Councillor Batsford answered that an investment plan has been requested and the Environment Agency have agreed to help us define a baseline of what we would expect to find in water courses like the Old Roar Gill. He added that when we have this baseline, a discussion will happen with all parties about a testing regime.

A question was asked regarding St Mary in the Castle and improvements to the road surface outside. Councillor Barnett answered that officers are reviewing the water proofing and other improvement work to Pelham Crescent. Councillor Batsford confirmed conversations are ongoing regarding a new tenant for St. Mary in the Castle.

The Chair then asked to hear the Southern Water Update item first.

5. RESERVES POLICY 2023-24

The Chief Finance Officer presented a report that updates the Council's approach to Reserves in preparation of its Medium Term Financial Strategy and as part of the budget setting process for 2024-25. The recommendation is that the minimum General Reserve balance be reduced from £6m to £4m. This would continue to be reviewed. If risks increase a revision will be brought forward.

Councillor Haffenden asked why the guidance has changed from £6m. The Chief Finance Officer explained the £6m was a previous calculation. The new calculation is £4m.

Councillor Batsford asked regarding risks. The Chief Finance Officer answered there are earmarked reserves.

The Councillors debated and highlighted the need to keep to the £4m reserve balance and how a full review of all reserves is underway.

Proposed by Councillor Barnett and seconded by Councillor Willis

RESOLVED (unanimously):

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1) Cabinet recommends that Full Council agrees the updated Reserves Policy.

2) Cabinet recommends to Full Council that the minimum General Reserve balance be reduced from £6m to £4m.

Reasons:

1. Sections 31A, 32 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

2. Hastings Borough Council, like many others at the current time finds itself under considerable financial duress. To ensure that Councils do not fall fail of overcommitting themselves financially there are several safeguards in place to prevent this from occurring.

These include;

- All Councils must set a balanced budget as set out in sections 31A, 42A of the Local Government Finance Act 1992, as amended.

- The Chief Finance Officers duty to report on the robustness of estimates and adequacy of Reserves (section 25 of the Local Government Act 2003) when the Council is considering its budget requirement.

- Section 151 of the Local Government Act 1972 states as part of the legislation that each Local Authority must make arrangements for the proper administration of their financial affairs and that the Chief Finance Officer / proper officer has responsibility for the administration of those affairs.

3. The above requirements are reinforced by Section 114 of the Local Government Finance Act 1988 which requires the Chief finance Officer in England and Wales to report to Council if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year.

4. Within the existing statutory and regulatory framework, it is the responsibility of the Chief Financial Officer to advise the Council about the level and nature of reserves to be held. In assessing the adequacy of unallocated general reserves the Chief Financial Officer will take account of the strategic, operational, and financial risks facing the authority. The Chief Financial Officer will also ensure that there are clear protocols for their establishment and use.

6. OVERVIEW AND SCRUTINY: CALL IN RECOMMENDATIONS

The Continuous Improvement and Democratic Services Officer presented the report and explained the procedure that followed the call in.

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Councillor Sinden as the Vice Chair of Overview and Scrutiny was asked by Councillor Batsford how the recommendations assist with speeding up decisions. Councillor Sinden explained overview of reports would speed up the decisions.

Councillors debated and gave thanks to the Overview and Scrutiny Committee.

Proposed by Councillor Barnett and seconded by Councillor Batsford

RESOLVED (unanimously):

- 1. Overview and Scrutiny recommend that future reports regarding land and asset disposal contain the following information;**
 - a. As recommended at recent training conducted by CIPFA that reports concerning capital strategy contain the following or an explanation if not relevant;**
 - Legal power for a scheme to be undertaken
 - Evidence of robust option appraisal work
 - Consideration/quantification of sensitivity analysis outcomes
 - Impact on revenue budget and balance sheet resources
 - Section 151 Officer to vouch for skill-sets of external consultants
 - Councillors to be adequately briefed on any material risks
 - b. Before the asset management strategy is completed, future reports should contain a top level assessment against the current RAG system the council uses.**
 - c. That the report demonstrates in line with the Local Government Act 1972 it requires that land and asset disposals be evaluated against 'best consideration'. The definition of this needs to be contained within the report or an appendix.**
 - d. Costs of disposal need to be made explicit and should include an estimate for Officer time to reflect true costs.**
 - e. Any impact on future borrowing costs should include within the report an estimate on the councils MRP as part of the revenue budget.**
 - f. If the loss of land or assets impacts the objectives of the Corporate Plan.**

Reasons

Overview and Scrutiny recognise the council's financial situation and the need for land and asset disposal. Any proposed land and/or assets for disposal must be identified through a robust process and decisions must be made with clear information for both Councillors and the public to view.

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7. SOUTHERN WATER UPDATE

The Deputy Chief Executive presented a report on Southern Water issues and recommended action going forward. The report includes strategic work around bathing water quality and misconnections and the more reactionary work which we undertake in responding to issues in our parks and gardens, our beaches and major flood events. East Sussex County Council are the local lead flood agency for Hastings.

Councillor Haffenden asked if Hastings Borough Council have the capacity to take legal action against Southern Water. The Deputy Chief Executive answered that legal action will continue to be reviewed. Councillor Haffenden asked if a cross party working group is going to be set up. The Deputy Chief Executive will discuss this with officers. Councillor Barnett answered that for 2 years Southern Water have meant to be setting up open meetings for organizations and residents.

Councillor Batsford asked regarding making assessment of the health of Old Roar Gill. The Deputy Chief Executive answered that this will be discussed with officers.

Councillors debated and noted officers requested to Southern Water to complete a full ecological impact and assessment of the sewage incidents at Old Roar Gill and for a detailed impact analysis on the waterway and ecology of the water bodies and streams in Alexandra Park.

Councillor Barnett highlighted that issues have continued with Southern Water weekly for over 2 years and the privatised culture of Southern Water is a serious concern.

Proposed by Councillor Roark and seconded by Councillor Cannon

RESOLVED (unanimously):

Discussions continue with Southern Water (SW), and the Environment Agency (EA), to ensure that the needs of Hastings are understood and, where possible, met. It is imperative that trust is restored.

SW are pressed to provide input to East Sussex County Council Report on town centre flooding, to enable publishing of the report as a matter of urgency

SW are asked to publish detailed plans for all current infrastructure investment taking place in Hastings; to produce a comprehensive plan for the protection of Old Roar Gill; and to provide regular updates on these plans.

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SW are asked to continue developing their communications with local residents in conjunction with Hastings Borough Council's communications team.

SW are asked to financially compensate the council for the infrastructure failures which have had a significant impact on the reputation of Hastings as a tourist destination.

If a satisfactory response is not received by 31st December consider what action might be taken, to include the consideration of legal action.

Reasons

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It is imperative that trust is restored between Southern Water, Hastings Borough Council and the town's residents and visitors.

8. NEW COUNTRYSIDE STEWARDSHIP GRANT AID FOR HASTINGS COUNTRY PARK NATURE RESERVE 2024-2034

The Environment and Natural Resources Manager outlined the process for transferring to a new 10-year Countryside Stewardship grant for Hastings Country Park Nature Reserve from 1st January 2024. The report includes appendices 2 and 3 which outline the scarce and nationally important habitats at the reserve, and the broad principles for managing them over the next 10 years. The report included a management strategy review by an independent consultant which highlights the success the Council has achieved in restoring and managing habitats over the last 20 years and presents the Council with a blueprint for the future management.

Councillor Haffenden asked about a park ranger position for the reserve funded from the grant. The Environment and Natural Resources Manager answered the potential for funding of an additional post has been discussed with senior management and Councillors.

Councillor Batsford asked the Environment and Natural Resources Manager to give an example of the work on the Country Park. The Environment and Natural Resources Manager explained the key items are identified in the management strategy but to take back the tenancy of the farm has been a huge example of how local authorities have responsibility and can utilize that responsibility to manage the natural environment.

Councillor Barnett asked regarding the grant allocation and how it compares to past settlements. The Environment and Natural Resources Manager explained the anticipated grant amount is broadly similar to previous grants.

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Councillors discussed the report and highlighted the management priorities and principles are set by Natural England and their priority for Hastings Country Park Nature Reserve is the restoration and management of nationally rare and declining habitats through conservation grazing. Regarding point 29 in the report Councillor Roark proposed to transition to a new 10-year agreement and continue the long-term habitat and biodiversity management of Hastings Country Park Nature Reserve.

Councillors also emphasised the importance of seeking other grant funding so that access for all to the Country Park could be improved.

Proposed by Councillor Roark and seconded by Councillor Willis

RESOLVED (unanimously):

- 1. Cabinet agrees to secure the future management of Hastings Country Park Nature Reserve through a new 10-year Countryside Stewardship grant aid commencing in January 2024.**
- 2. Cabinet delegates authority to the Chief Legal Officer in consultation with the Lead Member for the Environment to sign the new Countryside Stewardship Agreement 2024-2034, on behalf of Hastings Borough Council at the time of grant offer.**
- 3. Cabinet extends thanks to all the partners and volunteers who have made and continue to make Hastings Country Park Nature Reserve an award winning example of successful sustainable management and habitat restoration.**

Reasons

1. The current 10-year Higher Level Stewardship Agreement at Hastings Country Park Nature Reserve terminates at the end of 2023.
2. A new 10-year Countryside Stewardship Agreement would start on 1st January 2024.
3. The 10-year Countryside Stewardship grant aid is the only funding mechanism open to the council to manage Hastings Country Park Nature Reserve.
4. There is no specific date by which we will receive the new grant for signature, other than before 1st January 2024. Waiting until we receive the grant before arranging a Cabinet decision would potentially delay the start of the grant with the consequential loss of grant income.
5. The grant income is worth between £700,000 and £1,000,000 over the life of the grant period

(The Chair declared the meeting closed at. 7.49 pm)

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Agenda Item 5



Report to: Cabinet

Date of Meeting: 6 November 2023

Report Title: Financial Monitoring Report for 2023/24 – to end of September 2023 (Quarter 2)

Report By: Kit Wheeler
Chief Finance Officer

Purpose of Report

To provide a summary of the forecast outturn position for services at the end of Quarter 2 (September 2023).

Recommendation(s)

To note 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. Early indications of emerging overspends can allow management action to be targeted to those areas.

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

Background

1. As part of the process of continuous improvement, and to provide more comprehensive financial monitoring, the format of the budget monitoring report continues to change.
2. Last year the monitoring report was revised to not only include the monitoring of direct service expenditure but to also include details on debt repayment (Interest and MRP), and Capital budgets.
3. Further developments have been implemented for 2023/24 including monitoring of the achievement of PIER savings agreed as part of the 2023/24 budget process, monitoring of the Reserves position and monthly updates to the Medium-Term Financial Plan (MTFP).
4. In February 2023, the Council agreed a revenue budget for 2023/24 with total expenditure of £17,754,575 funded by government grants, Council Tax, Business Rates, and contributions from reserves.
5. The table below shows the forecast outturn position at the end of September 2023 (Quarter 2).

Table 1: Forecast Revenue Outturn Position

| Monitoring to end of September 2023 | 2023/24 Original Budget £ | 2023/24 Draft Outturn £ | 2023/24 Variance £ | 2023/24 Variance % | August Forecast Variance £ | Change £ |
|---|------------------------------------|----------------------------------|--------------------------|--------------------------|-------------------------------------|---------------|
| Head of Service Area | | | | | | |
| Chief Finance Officer / S151 Officer | 3,369,740 | 4,688,919 | 1,319,179 | 39.1% | 1,357,201 | (38,022) |
| Chief Legal Officer / Monitoring Officer | 986,090 | 950,340 | (35,750) | -3.6% | (25,350) | (10,400) |
| Head of Commercial Services & Developme | 947,800 | 1,099,424 | 151,624 | 16.0% | 102,730 | 48,894 |
| Head of Community and Regulatory Services | 861,830 | 898,690 | 36,860 | 4.3% | 92,560 | (55,700) |
| Head of Environment and Operations | 5,038,340 | 5,150,092 | 111,752 | 2.2% | 86,500 | 25,253 |
| Head of Housing | 6,426,235 | 7,452,207 | 1,025,972 | 16.0% | 1,107,980 | (82,008) |
| Head of People and Business Support | 712,550 | 730,240 | 17,690 | 2.5% | 15,378 | 2,312 |
| Head of Strategic Programmes | 1,976,880 | 2,278,850 | 301,970 | 15.3% | 156,596 | 145,374 |
| Property and Commercial Assets Manager | (4,992,890) | (5,371,370) | (378,480) | 7.6% | (421,610) | 43,130 |
| Total Service Expenditure | 15,326,575 | 17,877,392 | 2,550,817 | 16.6% | 2,471,985 | 78,832 |
| Minimum Revenue Provision (MRP) | 945,000 | 904,100 | (40,900) | -4.3% | (40,900) | 0 |
| Net Interest (Earnings) / Payments | 1,483,000 | 1,481,500 | (1,500) | -0.1% | (1,500) | 0 |
| Debt Repayment Costs | 2,428,000 | 2,385,600 | (42,400) | -1.7% | (42,400) | 0 |
| Total Expenditure | 17,754,575 | 20,262,992 | 2,508,417 | 14.1% | 2,429,585 | 78,832 |

6. Total Expenditure is forecast to be £2,508,417 over budget at year end. This is an increase of £78,832 on the overspend reported at the end of period 5 (end of August). The factors leading to this change in forecast are discussed in paragraph 12 below.

7. The overspend of £2,550,817 on Total Service Expenditure is offset in part by savings on MRP and Net Interest payments. Further details on the different elements are given below.

Total Service Expenditure

8. The 2023/24 Total Service Expenditure budget agreed by Council was £14,826,575. This figure includes the contingency budget which was initially set at £300,000 but is moved out to budget areas via a virement (budget movement), all contingency virement requests are approved by the Chief Finance Officer.
9. The Total Service Expenditure budget has increased by £500,000 since the budget was approved, as the targeted revenue saving from changes to the Capital Programme have been removed from the Corporate Management cost centre where it was being held and applied to the Interest payable/receivable and MRP budget lines. The revised Total Service Expenditure budget is now £15,326,575.
10. Following the Senior Management Restructure, the reporting setup for monitoring has changed. The distinction between Corporate and Operational Services has been removed and we now report under the 9 Head of Service areas.
11. Table 2 below details the current forecast outturn position for Total Service Expenditure.

Table 2: Revenue Direct Service Expenditure Position

| Head of Service Area | 2023/24 Budget | 2023/24 Forecast Outturn | Variance | Trf to / (Use) of Reserves | 2023/24 Outturn Variance |
|---|-------------------|--------------------------|------------------|----------------------------|--------------------------|
| | £ | £ | £ | £ | £ |
| Chief Finance Officer / S151 Officer | 3,369,740 | 4,688,919 | 1,319,179 | 0 | 1,319,179 |
| Chief Legal Officer / Monitoring Officer | 986,090 | 950,340 | (35,750) | 0 | (35,750) |
| Head of Commercial Services and Development | 947,800 | 1,215,224 | 267,424 | (115,800) | 151,624 |
| Head of Community and Regulatory Services | 861,830 | 921,090 | 59,260 | (22,400) | 36,860 |
| Head of Environment and Operations | 5,038,340 | 5,486,792 | 448,452 | (336,700) | 111,752 |
| Head of Housing | 6,426,235 | 7,462,107 | 1,035,872 | (9,900) | 1,025,972 |
| Head of People and Business Support | 712,550 | 825,440 | 112,890 | (95,200) | 17,690 |
| Head of Strategic Programmes | 1,976,880 | 2,128,850 | 151,970 | 150,000 | 301,970 |
| Property and Commercial Assets Manager | (4,992,890) | (5,371,370) | (378,480) | 0 | (378,480) |
| Total Service Expenditure | 15,326,575 | 18,307,392 | 2,980,817 | (430,000) | 2,550,817 |

12. The forecast overspend on Total Service Expenditure has increased by £78,832 since last month (August 2023). The most notable variances causing this charge are:
- Forecast Increase of £145k in Development Management due to an absence of major applications.
 - Homelessness/Housing decreased by £82k
13. Historically, as part of the annual budget setting process a thorough and detailed analysis of the current year's budget is undertaken. This is then used to inform the remaining year's budget. As a result, the original budget was revised in line with

current and latest available information and forecasts. However, we will not be producing a revised budget going forward and instead will be monitoring and reporting throughout the year against the original budget. The original budget will however have virements (budget movements) between different areas, but the Total Expenditure budget will not change.

14. Appendix 1 provides a more detailed analysis of each directorate, and this report seeks to provide further narrative on the main variations identified.
15. At the time of writing, inflation continues to remain elevated and wage growth demands and energy costs are high. These factors are having a substantial impact on the Council's budgets and will lead to significant unavoidable additional expenditure which will need to be offset by savings from elsewhere within the budget or the use of our limited reserves.
16. The figures and estimates contained in this report were produced based on the latest available information, and as such could be subject to further change.
17. The 2023/24 staff pay rise is yet to be agreed. The current offer is £1,925 per Full Time Equivalent (FTE) or 3.88% whichever is greater. At the time of setting the budget an assumption of a 3% salary increase was made. The salary costs in this report assume that a pay rise equivalent to the current offer is accepted, anything above this will result in additional costs.
18. The unbudgeted pay rise will adversely impact all service budgets. These are however out of the direct control of the service budget managers. In some areas this overspend will be offset against savings, thus reducing the adverse impact in the short term. Where this is the sole impact individual narratives for each area have been removed to avoid repetition within the report itself.

Chief Finance Officer / S151 Officer

19. This area is forecasting an overspend of £1,319,179.
20. A senior management restructure was undertaken during 2022/23 and took effect from 1st April 2023. The budget for the new Senior Leadership Team was therefore not confirmed nor were details of posts. This budget has now been determined, and shows an overspend of £107,320.
21. Corporate Management costs is showing an overspend of £1,015,160. £50,000 of this is in relation to an insurance claim for felled trees with a preservation order. A PIER savings target of £1m was set when the budget was agreed in February 2023. Savings were not originally forecast to be achieved until Q4 once the initiatives of the Housing and Homelessness Taskforce started to take effect. The achievement of this saving has been made harder due to providers increasing their fees in line with inflation and delays in the delivery of social housing units.
22. Accountancy and Exchequer Services is showing an underspend of (£118,220) due to vacant posts.

23. Revenues and Benefits Service is showing an overspend of £210,319 due to a delay in the planned restructure of the service. This has led to the continuation of the temporary staffing structure and reliance on additional agency members of staff for longer periods than anticipated, coupled with additional demand being placed on the team to deal with extra grant schemes throughout the financial year. A full restructure is currently underway and will be concluded in Quarter three of this financial year.
24. Non-Distributed Costs is showing an overspend of £105,000 due to changes in the way actuaries calculate pension charges. The overspend will be offset by savings on salaries within individual cost centres. However, this saving may not be realised due to other overspends within departmental salary budgets.

Chief Legal Officer / Monitoring Officer

25. No major variances to report.

Head of Commercial Services and Development

26. This area is forecasting an overspend of £151,624 after reserve movements.
27. The Cliff railway is forecasting a £77,770 overspend due to the East Hill lift being closed for essential maintenance work until October. Initially loss of income was only anticipated for the first quarter.

Head of Community and Regulatory Services

28. This area is forecasting an overspend of £59,260.
29. No major variances to report.

Head of Environment and Operations

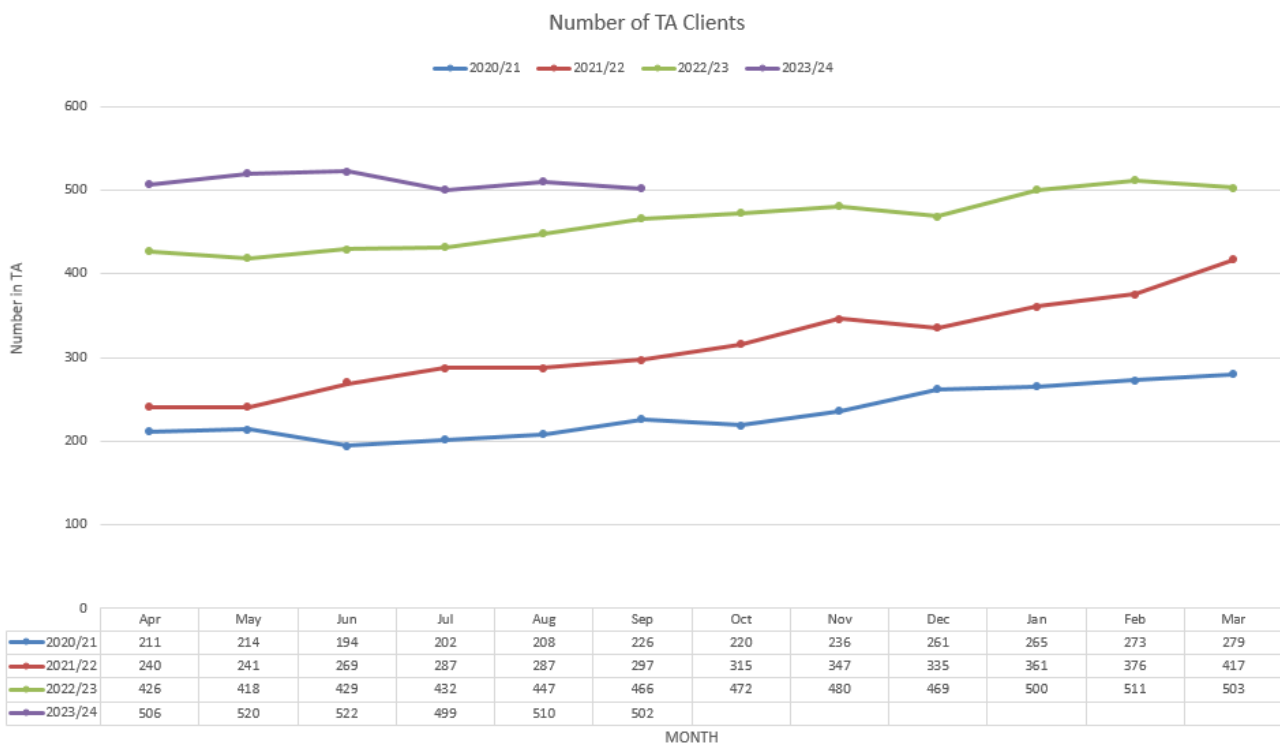
30. This area is forecasting an overspend of £111,752 after reserve movements.
31. The pay award for the Street Cleansing DSO team is forecast to be £78,310 more than the original budget.

Head of Housing

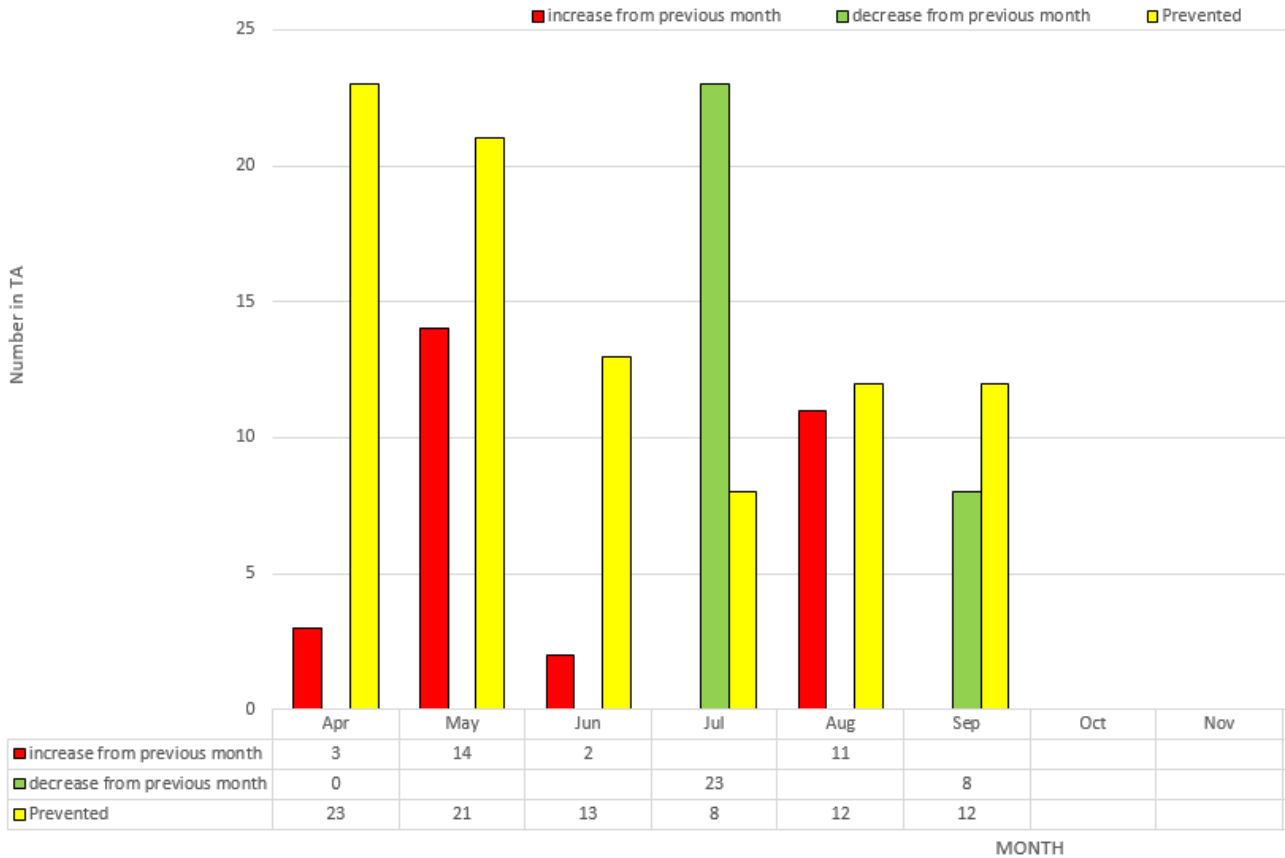
32. This area is forecasting an overspend of £1,025,970.
33. HBC owned properties is now showing income to be received from Housing Benefit (£166,590)
34. Homelessness (Temporary Accommodation) is forecasting an overspend of £1,146,200, despite numbers of individuals in TA reducing. There has been an

increase in provider costs. Storage & Removal costs remain high, although these costs can be reclaimed, it is unlikely to be repaid in full. Additional staff were recruited in July, to help reduce client numbers in Temporary Accommodation.

- 35. The Rough Sleeper budget is projecting an overspend of £70,000 due to the ongoing accommodation of people in temporary accommodation who otherwise would have returned to rough sleeping following the 'Everyone In' accommodation offer in response to the pandemic. We are not forecasting any additional spend in this budget as we have been able to help the 3 remaining people accommodated to secure alternative, more settled, accommodation and they have either already moved or in the process of doing so in the next few weeks.
- 36. Housing Renewal is projecting to underspend by £68,630 due to Disabled Facilities Grant contribution to staff costs.
- 37. To demonstrate the growth in demand for temporary accommodation two graphs have been provided below. The first graph shows the growth in the number of Temporary Accommodation clients over the current and past three years. The second graph shows successful preventions from entering Temporary Accommodation and the increase/ decrease from the previous month figure.



Number of TA Clients



Head of People and Business Support

38. This area is forecasting an overspend of £112,890. Of this £95,200 is to be used from the Repairs and Renewals reserve for works not completed last year mainly the replacement of the Boilers.

Head of Strategic Programmes

39. This service area is showing a forecasted overspend of £301,970. This is an increase from last month's report of £154,400 as Dangerous Structures has been transferred to this service area. This is a necessary overspend due to Battle Road works as approved by Ful Council and cost recovery is now being triggered. The previously reported overspend is being addressed through the service review.
40. Local Land Planning Management and Admin is showing an underspend of (£20,480) due to additional income from a major application for naming and numbering of streets.
41. Development Management is showing an overspend of £113,050. The service budget is predicated on the assumption that we will receive major applications during the year which require significant work which is funded in part by the fee paid by the applicant. The trend has been that the council has received at least one major application in each of the last few years. As there are currently no major applications in the pipeline, the budget forecast will show a reduction of £75,000 income. Officers are developing a proposal to encourage those who may be submitting their major applications to do so ASAP while the council has resources to assess them. There is also a £39,000 additional spend on legal fees required for the award of costs against the refusal of 777 The ridge.
42. Local Land Charges Register is showing an overspend of £56,500 as income is expected to be lower than budgeted. A detailed analysis will be undertaken as part of the service review and options to mitigate brought forward.
43. Dangerous structures work at Battle Road have now been completed and £154,400 has been spent to date this financial year. We are not anticipating any further expenditure. Cost recovery for this year, and previous years is now underway. (NB the Council took the action to remedy the dangerous structure in default following court action requiring the owners to undertake the works).
44. The budget of £150,000 for Renewable Energy is to be allocated to a new earmarked reserve.

Property and Commercial Assets Manager

45. This area is forecasting an underspend of (£378,480). In non-accounting terms this is a positive picture demonstrating the vitality of our factory rentals.
46. Unit Factories are showing an underspend of (£125,400) due to additional income from the new factory micro units at Churchfields currently (£51,000) and a combination of rent reviews and renewed leases which have taken place in the last few months (£90,000).
47. The Properties and Estates cost centre is showing an underspend of (£298,100) mainly due to rent reviews at Lacuna Place for the DWP (£260,000) and Pebsham Tip (£60,000). Unforeseen additional repairs of £50,000 are required this year. The rest of the balance is made up of other rent reviews that have occurred and a couple of write offs.

48. St Mary in the Castle is showing an overspend of £24,980 due to essential costs while the building is vacant.

Debt Repayment Costs

49. Table 3 below shows the debt repayment costs position. As discussed earlier in this report, the budgets have been revised for a £500,000 saving that was budgeted to be achieved from reduced expenditure on the capital programme.
50. Even with the £500,000 reduction in the budget, an underspend of £227,900 is forecast at year end. This is made up of a number of items which are discussed below.

Table 3: Debt Repayment Costs Position

| Net Interest (Earnings) / Payments July Forecast - Period 5 | Budget 2023/24 | Forecast Outturn 2023/24 | Forecast Year End Variance |
|--|---------------------------|---|---|
| Gross Interest Payable | 2,436,000 | 2,435,000 | (1,000) |
| Gross Interest Received | (899,000) | (1,085,500) | (186,500) |
| Net Investment Properties Income | (64,000) | (64,000) | 0 |
| Fees | 10,000 | 10,500 | 500 |
| Net Interest (Earnings) / Payments | 1,483,000 | 1,296,000 | (187,000) |
| Provision for the Repayment of Principal (MRP) | 945,000 | 904,100 | (40,900) |
| Total Debt Repayment Costs | 2,428,000 | 2,200,100 | (227,900) |

Gross Interest Payable

51. The Council currently has 22 loans with the Public Works Loan Board (PWLB). These are a combination of maturity and annuity loans and are all at fixed rates, so the Council is protected from any rises in interest rates.
52. When setting the budget for 2023/24 a certain amount of borrowing was assumed to fund the capital programme. Due to delays and changes to plans in the capital programme the Council did not undertake additional borrowing at the end of 2022/23. This has resulted in a £375,000 budget virement being undertaken to reduce the budgeted expenditure on interest payable. This makes up part of the £500,000 capital programme revenue savings that was budgeted for.

Gross Interest Receivable

53. The Council currently has c£35m in investments. At the time of setting the budget interest rates were lower and expected to fall towards the end of the year. With inflation still being a cause of concern the picture now is less certain. Since the budget was set in February 2023 the Bank of England base rate has increased from 4.0% to 5.25% (as at 11th October 2023) and further increases may occur. This has resulted in a £75,000 budget virement being undertaken to increase the budgeted income from interest receivable. This makes up part of the £500,000 capital programme revenue savings that was budgeted for.

Net Investment Properties Income

54. The Council has a few properties categorised as investment properties. These do not include the various industrial units and retail parks that the Council owns which are categorised as operational assets. The net income (i.e., income after all costs have been deducted) from investment properties is forecast to be £64,000 which is on budget with no variance.

Fees

55. No major variances to report.

Provision for the Repayment of Principle (MRP)

56. The Council is required to make a Minimum Revenue Provision (MRP) payment in respect of its borrowing – to ensure the debt liability is repaid over an appropriate period.
57. As there was no borrowing in 2022/23 to fund the capital programme an underspend is forecast on the provision for MRP payments. This forecast includes making an additional £80,000 Voluntary Revenue Provision (VRP) payment which will be used in future years to offset increases in the MRP as a result of the revised MRP policy. This has resulted in a £50,000 budget virement being undertaken to reduce the MRP budget. This makes up part of the £500,000 capital programme revenue savings that was budgeted for.
58. It is anticipated that there will be a total underspend of £40,900 on MRP payments that need to be made in 2023/24 compared to the revised budget.

Capital Programme

59. The Council approved a gross capital programme budget of £29,322,000 for 2023/24. The adjusted Capital Budget for 2023/24 is £19,130,000 once carry forwards and budget revisions amounting to (£8,987,000) have been allowed for and £19,038,000 has been moved to future years. This differs from what was reported in July due to the inclusion of forecast for Towns Fund projects.
60. The capital programme has been reviewed and where possible programmes have been pushed back to future years in order to aid the revenue budget. For schemes that are funded by borrowing, postponing the scheme to future years will achieve revenue savings in the short-term by reduced interest and MRP payments. If capital receipts can be generated from asset sales this will further reduce the need to borrow and generate additional revenue savings.
61. As Table 4 below shows, the spend to the end of August, 5 months into the financial year, is £3,560,000 with the year-end forecast outturn expected to be on track. Further details are included in Appendix 2.

Table 4: Capital Programme (Gross expenditure)

| | Original Budget 2023/24 | Carry forwards & adjustments | Adjusted Budget | Spend to End Sept 2023 | Forecast Outturn | Forecast Variance to Adjusted Budget |
|--------------|-------------------------|------------------------------|-----------------|------------------------|------------------|--------------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Total | 29,322 | (10,051) | 19,272 | 4,304 | 19,272 | 0 |

62. The capital programme is forecasting a nil variance.

Reserves

63. The forecast movement on reserves is shown in the table below:

| | Opening Balance at 1 April 2023 | Forecast Movement 2023-24 | Closing Balance at 31 March 2024 |
|--|---------------------------------|---------------------------|----------------------------------|
| | £'000 | £'000 | £'000 |
| (1) General Reserve | (8,423) | 4,181 | (4,242) |
| (2) Capital Reserve | (150) | 0 | (150) |
| (3) Renewal and Repairs Reserve | (1,656) | 915 | (741) |
| (4) Risk Management Reserve | (315) | 15 | (300) |
| (5) Information Technology Reserve | (274) | 25 | (249) |
| (6) On-Street Car Parking Surplus Reserve | (40) | 0 | (40) |
| (7) Section 106 Reserve (Revenue) | (426) | 49 | (377) |
| (8) Revenues & Benefits Reserve | (255) | 255 | 0 |
| (9) Countryside Stewardship Reserve | (28) | 3 | (25) |
| (10) Monuments in perpetuity | (46) | 1 | (45) |
| (11) Ore Valley Reserve | (250) | 0 | (250) |
| (12) Invest to save and efficiency Reserve | (87) | 12 | (75) |
| (13) Resilience and Stability Reserve | (900) | 900 | 0 |
| (14) Redundancy Reserve | (565) | 225 | (340) |
| (15) Safer Hastings Partnership Reserve | (98) | 22 | (76) |
| (16) Disabled Facilities Grant | (1,374) | 0 | (1,374) |
| (17) Housing Licensing reserve | (277) | 205 | (72) |
| (18) Community Housing Reserve | (11) | 0 | (11) |
| (19) Controlling Migration | (116) | 0 | (116) |
| (20) Towns Fund | (236) | 0 | (236) |
| (21) Section 31 - Grant Reserve | (3,653) | 3,653 | 0 |
| (22) Green Energy | 0 | (150) | (150) |
| Total | (19,179) | 10,311 | (8,868) |

64. The 2023/24 budget was set based on using a net contribution of £3.758m from reserves. This is comprised of £1.227m from Earmarked Reserves, £0.9m from the Resilience and Stability Reserve and £1.631m from the General Reserve.

65. The current 2023/24-year end forecast use of the General Reserve is £4.18m. This is £2.5m more than the budget agreed by Council in February as a result of Total Expenditure being above the £17.754m budget agreed.

66. The opening balance of the General Reserve has increased by £824k to £8.423m. Up until this stage work has been progressing on closing the 2022/23 statement of accounts, however, this is now completed, and balances have been confirmed (subject to audit) and revised for budget monitoring purposes. The opening balance on the Section 31 Grant Reserve has reduced by £2.683m. These changes are due to the use of the s31 grant reserve to repay central government for unspent government grants. Some of these repayments were initially forecast to have been financed from the General Reserve.

Review of PIER savings

67. Our external auditors observed that PIER savings are planned in detail within the council's annual budget process reports and savings identified are removed from the budgets once approved by Cabinet. They commented that there is opportunity to enhance reporting to Cabinet further by stating actual savings achieved compared to the original estimate.
68. It was recommended that management include the actual savings achieved against each PIER scheme following their implementation when reporting the outturn variance. This recommendation was accepted by the Council and reporting of the achievement of PIER savings was undertaken in the 2022/23 outturn report.
69. To take this a stage further we will now be reporting on the achievement of the 2023/24 PIER savings during the year as part of the budget monitoring process. Appendix 3 details the achievement of the savings in 2023/24 to date.
70. The 2023/24 budget identified net PIER savings of £1,162,550 and it is forecast that £77,550 of savings or 7% have been achieved at the end of August (Period 5).
71. Most savings have already been achieved and the budget reduced. Likewise, for the growth items, the budgets have been transferred to increase the budget, although potentially this may not be fully used this financial year and therefore could lead to savings upon further review.
72. It is now mainly dependant on the £1m saving of Temporary Accommodation costs to be achieved to generate any further improvement to the PIER savings list. As the majority of the savings planned for Temporary Accommodation were scheduled to be achieved in Q4 it is unlikely that we will see much improvement until later in the year. We will, however, continue to monitor the position on Temporary Accommodation closely.
73. If the growth items and Temporary Accommodation saving are excluded, then 80% of the savings targets have been achieved to date.
74. Some of the savings can be hard to quantify and for these a commentary has been provided to help in the understanding of the figures. The savings have been colour-coded (Red, Amber, Green) to enable quick identification of where savings may not be fully achieved. Growth items have been shaded in blue.

75. Appendix 3 only considers the PIER savings and does not look at other savings generated within the year or identify any non-related overspends.

MTFS Update

76. Due to a separate full MTFS being presented at Cabinet, no Appendix 4 will be included as part of this report.

Conclusion and Management Action

77. The revenue forecast outturn is that an additional £3.4m will be spent compared to the original budget this financial year. All service managers, but particularly those predicting a year end overspend, have been asked to identify savings to offset the variances where possible. If offsetting savings cannot be found, then reserves will need to be used to balance the budget.
78. The rise of inflation, particularly in relation to energy costs and staff pay demands, causes concern for the Council and is likely to have a significant impact on the year end position. The full impact on the year is uncertain and we will need to continue to monitor budgets closely and identify offsetting savings and further possible cost reductions to mitigate the effect.
79. Regular meetings between Members and officers are occurring to identify ways to reduce expenditure in the current year and future year budgets and a number of financial restrictions have been put in place since the 1st October 2023 and are detailed in the Medium Term Financial Strategy paper.
80. It should be noted that if it were not for the forecast overspend on Homelessness (£2.615m) the council would be reporting an overspend of £320,000 for the year which is less than the cost of the forecast increased pay offer to staff (£459,000). The council has set up the Homelessness Taskforce to cross departmental boundaries to identify and implement solutions to reduce the spiralling costs. This is recognised as a key corporate objective and work continues at pace. The graphs at paragraph 40 indicate the first tentative signs of a plateau, and potential reduction in the number of people in temporary accommodation, which is an encouraging sign.
81. There is a risk of potential delays to some capital programme schemes and variations in the year given the current climate and inflation increasing costs. Any slippage will be carried forward to future year capital budgets. Slippage on the capital programme could result in lower interest and MRP charges, delaying the impact to future years. The capital programme has been reviewed and where possible expenditure plans pushed out to future years to generate revenue savings on interest and MRP payments.
82. The further use of any reserves to balance the budget prejudices the potential to use reserves to fund future expenditure and would necessitate greater cuts to services and staff in future financial years to achieve a balanced budget and restore reserves to minimum recommended levels.

Timetable of Next Steps

83. Key actions and the scheduled dates:

| Action | Key milestone | Due date (provisional) | Responsible |
|--|---------------------------------|---------------------------|-----------------------|
| Continued monthly and quarterly monitoring | Each financial quarter | Relevant Cabinet meetings | Chief Finance Officer |
| Production of 2023/24 outturn Report | Financial year end (31/03/2024) | July 2024 | Chief Finance Officer |

Wards Affected

None

Implications

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

| | |
|---------------------------------------|-----|
| Equalities and Community Cohesiveness | No |
| Crime and Fear of Crime (Section 17) | No |
| Risk Management | Yes |
| Environmental Issues | No |
| Economic/Financial Implications | Yes |
| Human Rights Act | No |
| Organisational Consequences | Yes |
| Local People's Views | No |
| Anti-Poverty | No |

Additional Information

Appendix 1 Revenue Summary (August – Period 5)
Appendix 2 Capital Summary (August – Period 5)
Appendix 3 Achievement of the 2023/24 PIER savings during the year

Officer to Contact

Kit Wheeler
Chief Finance Officer

GENERAL FUND REVENUE MONITORING

| General Fund Activities | Cost Centre | 2023/24 Original Budget excl. Recharges | Actuals | 2023/24 Full year net Forecast excl. Recharges | 2023/24 Total Full year Variance excl. Recharges | Transfer to / from reserves including carry forwards | 2023/24 Total Full year Variance on General Fund |
|--|-------------|---|------------------|--|--|--|--|
| Senior Leadership Team | 20101 | 1,105,970 | 460,581 | 1,213,290 | 107,320 | 0 | 107,320 |
| Internal Audit Services | 20107 | 205,690 | 50,838 | 205,810 | 120 | 0 | 120 |
| Accountancy & Exchequer Services | 20109 | 878,060 | 327,947 | 759,840 | (118,220) | 0 | (118,220) |
| Revenues and Benefits Service | 20110 | 1,443,720 | 800,823 | 1,654,039 | 210,319 | 0 | 210,319 |
| Fraud Joint Working Initiative | 20108 | 2,300 | 0 | 0 | (2,300) | 0 | (2,300) |
| Corporate Expenses | 20120 | 467,200 | 771,583 | 467,200 | 0 | 0 | 0 |
| Housing Benefit Payments | 20126 | (580,590) | 0 | (580,590) | 0 | 0 | 0 |
| Housing Benefit Administration | 20127 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rechargeable Works Orders Admin | 20134 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fin. Serv.-Other Expend.& Income | 20135 | 431,620 | 30,039 | 433,400 | 1,780 | 0 | 1,780 |
| Corporate Management Costs | 20124 | (725,360) | 7,585 | 289,800 | 1,015,160 | 0 | 1,015,160 |
| Corp Man. Non-distributed Costs | 20125 | 177,600 | 119,552 | 282,600 | 105,000 | 0 | 105,000 |
| Tax Collection Costs | 20129 | (244,170) | 0 | (244,170) | 0 | 0 | 0 |
| Household Support Fund | 20346 | 0 | (230,694) | 0 | 0 | 0 | 0 |
| LA EBSS GB Apps | 20356 | 0 | (381,760) | 0 | 0 | 0 | 0 |
| Energy Price Guarantee | 20357 | 0 | (18,000) | 0 | 0 | 0 | 0 |
| Contingency - General Fund | 20164 | 107,700 | 0 | 107,700 | 0 | 0 | 0 |
| Contingency - Repairs and Renewals Reserve | 20165 | 100,000 | 0 | 100,000 | 0 | 0 | 0 |
| | | | | | | | |
| Chief Finance Officer Total | | 3,369,740 | 1,938,493 | 4,688,919 | 1,319,179 | 0 | 1,319,179 |
| | | | | | | | |
| Corporate Policy and Partnerships | 20102 | 173,890 | 82,554 | 179,900 | 6,010 | 0 | 6,010 |
| Legal Services | 20106 | 395,930 | 139,064 | 389,300 | (6,630) | 0 | (6,630) |
| Cost Of Democratic Processes | 20138 | 416,270 | 204,219 | 381,140 | (35,130) | 0 | (35,130) |
| Chief Legal Officer Total | | 986,090 | 425,836 | 950,340 | (35,750) | 0 | (35,750) |

GENERAL FUND REVENUE MONITORING

| General Fund Activities | Cost Centre | 2023/24 Original Budget excl. Recharges | Actuals | 2023/24 Full year net Forecast excl. Recharges | 2023/24 Total Full year Variance excl. Recharges | Transfer to / from reserves including carry forwards | 2023/24 Total Full year Variance on General Fund |
|------------------------------|-------------|---|-----------|--|--|--|--|
| Marketing & Comms.Division | 20178 | 47,210 | 19,791 | 48,730 | 1,520 | 0 | 1,520 |
| 1066 Country Campaign | 20222 | 53,410 | 1,237 | 53,410 | 0 | 0 | 0 |
| Tourism Marketing | 20223 | 15,000 | 791 | 15,000 | 0 | 0 | 0 |
| Battle Marketing | 20224 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tourist Information Centre | 20225 | 25,850 | 3,284 | 25,750 | (100) | 0 | (100) |
| Community Awareness | 20226 | (300) | (4,625) | (300) | 0 | 0 | 0 |
| Seafood and Wine | 20228 | 460 | 10,928 | 21,600 | 21,140 | 0 | 21,140 |
| Midsummer Fish Festival | 20237 | 0 | 2,549 | 8,100 | 8,100 | 0 | 8,100 |
| R.T.P. - Hastings Week | 20230 | 1,500 | 0 | 1,500 | 0 | 0 | 0 |
| R.T.P. - Jack-in-the-Green | 20231 | 6,800 | 9,426 | 9,430 | 2,630 | 0 | 2,630 |
| R.T.P. - Old Town Carnival | 20232 | 4,130 | 0 | 4,130 | 0 | 0 | 0 |
| R.T.P. Events | 20233 | 18,000 | 70 | 18,000 | 0 | 0 | 0 |
| R.T.P. - Trolley Bus | 20234 | 0 | 900 | 1,800 | 1,800 | 0 | 1,800 |
| R.T.P. - Town Crier | 20235 | 0 | 0 | 0 | 0 | 0 | 0 |
| Meteorological Expenses | 20239 | 2,420 | 2,597 | 2,520 | 100 | 0 | 100 |
| Civic & Ceremonial Expenses | 20240 | 15,600 | 7,636 | 15,500 | (100) | 0 | (100) |
| Filming | 20241 | (4,990) | (19,328) | (4,500) | 490 | 0 | 490 |
| Hastings Castle | 20246 | 16,030 | (21,717) | 21,030 | 5,000 | (5,000) | 0 |
| St Clements Caves | 20247 | (10,000) | (10,000) | (10,000) | 0 | 0 | 0 |
| White Rock Theatre | 20249 | 145,000 | 94,982 | 141,725 | (3,276) | 19,000 | 15,725 |
| Leisure & Cultural Dev. Div. | 20175 | 130,310 | 66,349 | 144,610 | 14,300 | 0 | 14,300 |
| Falaise Hall | 20258 | 13,230 | 3,442 | 17,430 | 4,200 | (4,200) | 0 |
| Sports Centres | 20259 | (15,430) | (32) | 95,870 | 111,300 | (116,800) | (5,500) |
| Active Hastings | 20264 | 4,720 | (160,750) | 4,720 | 0 | 0 | 0 |
| Play Pathfinder | 20267 | 3,000 | 0 | 1,200 | (1,800) | 0 | (1,800) |
| Playground Projects | 20268 | 0 | (8,683) | 0 | 0 | 0 | 0 |
| Cultural Activities | 20212 | 66,900 | 990 | 67,000 | 100 | 0 | 100 |

GENERAL FUND REVENUE MONITORING

| General Fund Activities | Cost Centre | 2023/24 Original Budget excl. Recharges | Actuals | 2023/24 Full year net Forecast excl. Recharges | 2023/24 Total Full year Variance excl. Recharges | Transfer to / from reserves including carry forwards | 2023/24 Total Full year Variance on General Fund |
|--|-------------|---|------------------|--|--|--|--|
| Museums & Art Galleries | 20251 | 349,010 | 148,710 | 345,749 | (3,261) | 0 | (3,261) |
| Fisherman's Museum | 20252 | 3,310 | 554 | 3,310 | 0 | 0 | 0 |
| Museum - NPO fund | 20255 | 0 | (89,241) | 0 | 0 | 0 | 0 |
| Museums & Schools Project | 20327 | 0 | 22,485 | 0 | 0 | 0 | 0 |
| Regeneration Management & Admin | 20177 | 18,740 | 5,619 | 19,070 | 330 | 0 | 330 |
| Regeneration Activity | 20208 | 178,720 | (56,085) | 169,400 | (9,320) | 0 | (9,320) |
| External Funding Initiatives | 20214 | 0 | (0) | (0) | (0) | 0 | (0) |
| Community Cohesion | 20215 | 27,310 | 0 | 27,310 | 0 | 0 | 0 |
| Youth Windfall | 20220 | 0 | 0 | 0 | 0 | 0 | 0 |
| Youth Activities | 20221 | 5,000 | 7,500 | 5,000 | 0 | 0 | 0 |
| UK Shared Prosperity Fund | 20354 | 0 | (205,296) | 0 | 0 | 0 | 0 |
| Levelling Up - Parks Fund | 20355 | 0 | (72,400) | 0 | 0 | 0 | 0 |
| CHART CLLD | 20269 | 0 | (333,216) | 0 | 0 | 0 | 0 |
| CHART ESF | 20320 | 0 | 284,557 | 0 | 0 | 0 | 0 |
| Resort Services Management and Admin | 20176 | 60,700 | 29,261 | 61,500 | 800 | 0 | 800 |
| Coast Protection Sea Defences | 20242 | 1,480 | (6,969) | 1,480 | 0 | 0 | 0 |
| Navigational Aids | 20243 | 3,290 | 3,206 | 4,190 | 900 | 0 | 900 |
| Environmental Schemes (Net Huts) | 20244 | 12,070 | 267 | 12,070 | 0 | 0 | 0 |
| Cliff Railways | 20245 | (106,700) | (114,524) | (28,930) | 77,770 | 17,000 | 94,770 |
| Chalets & Private Hut Sites | 20248 | (289,080) | (232,141) | (292,400) | (3,320) | 0 | (3,320) |
| Seafront | 20250 | 155,950 | 240,906 | 196,830 | 40,880 | (25,800) | 15,080 |
| Sports Management | 20257 | (10,850) | (5,284) | (13,610) | (2,760) | 0 | (2,760) |
| Externally Funded: | | | | | | | |
| Towns Fund | 20166 | 0 | (371,039) | 0 | 0 | 0 | 0 |
| Commercial Services and Development Total | | 947,800 | (743,295) | 1,215,224 | 267,424 | (115,800) | 151,624 |

GENERAL FUND REVENUE MONITORING

| General Fund Activities | Cost Centre | 2023/24 Original Budget excl. Recharges | Actuals | 2023/24 Full year net Forecast excl. Recharges | 2023/24 Total Full year Variance excl. Recharges | Transfer to / from reserves including carry forwards | 2023/24 Total Full year Variance on General Fund |
|--|-------------|---|------------------|--|--|--|--|
| Election Services | 20103 | 181,820 | 71,160 | 178,100 | (3,720) | 0 | (3,720) |
| Registration Of Electors | 20136 | 76,730 | 46,367 | 88,700 | 11,970 | 0 | 11,970 |
| Police and Crime Commissioner Election | 20143 | 0 | 0 | (5,300) | (5,300) | 0 | (5,300) |
| Contact Centre | 20113 | 506,630 | 231,785 | 489,700 | (16,930) | 0 | (16,930) |
| Communications and Design | 20324 | 142,070 | 67,100 | 145,800 | 3,730 | 0 | 3,730 |
| Environment Management & admin | 20169 | 616,190 | 265,922 | 638,800 | 22,610 | 0 | 22,610 |
| Food Safety | 20276 | 18,870 | (679) | 18,100 | (770) | 0 | (770) |
| Health & Safety Enforcement | 20277 | (2,150) | (1,113) | (2,200) | (50) | 0 | (50) |
| Health & Safety Corporate | 20278 | 22,800 | 7,801 | 22,800 | 0 | 0 | 0 |
| Environmental protection | 20279 | 10,240 | 11,902 | 11,900 | 1,660 | 0 | 1,660 |
| Pest Control | 20280 | 46,690 | 22,681 | 49,800 | 3,110 | 0 | 3,110 |
| Local Licensing | 20281 | (35,340) | (176,932) | (42,000) | (6,660) | 0 | (6,660) |
| Scrap Metal Licensing | 20282 | (380) | (2,131) | (400) | (20) | 0 | (20) |
| Liquor Licensing | 20283 | (84,400) | (26,160) | (84,400) | 0 | 0 | 0 |
| Gambling Licensing | 20284 | (17,500) | (7,665) | (17,500) | 0 | 0 | 0 |
| Parking Service - Management and Admin | 20317 | 535,470 | 267,485 | 551,000 | 15,530 | 0 | 15,530 |
| Off Street Car Parking | 20287 | (1,400,820) | (1,395,485) | (1,382,110) | 18,710 | 0 | 18,710 |
| Hornbye Car Park | 20288 | (3,360) | 2,703 | (3,400) | (40) | 0 | (40) |
| Abandoned vehicles | 20289 | 2,630 | 3,311 | 3,600 | 970 | 0 | 970 |
| CCTV Control Room | 20290 | 83,600 | 16,752 | 83,600 | 0 | 0 | 0 |
| Waste and Environmental Enforcement Team | 20297 | (20,000) | (160) | (5,000) | 15,000 | 0 | 15,000 |
| Stray Dog Service | 20285 | 45,560 | 15,516 | 45,600 | 40 | 0 | 40 |
| Emergency Planning | 20286 | 51,820 | 7,080 | 50,300 | (1,520) | 0 | (1,520) |
| Safer Hastings Partnership (External Funding) | 20300 | 0 | 21,684 | 22,400 | 22,400 | (22,400) | 0 |
| Safer Streets | 20337 | 0 | (35,124) | 0 | 0 | 0 | 0 |
| Safer Streets 4 | 20352 | 0 | (45,444) | 0 | 0 | 0 | 0 |
| Community and Regulatory Services Total | | 861,830 | (647,811) | 921,090 | 59,260 | (22,400) | 36,860 |

GENERAL FUND REVENUE MONITORING

| General Fund Activities | Cost Centre | 2023/24 Original Budget excl. Recharges | Actuals | 2023/24 Full year net Forecast excl. Recharges | 2023/24 Total Full year Variance excl. Recharges | Transfer to / from reserves including carry forwards | 2023/24 Total Full year Variance on General Fund |
|---|-------------|---|------------------|--|--|--|--|
| Waste Services Management and Admin | 20316 | 364,670 | 145,899 | 329,496 | (35,174) | 0 | (35,174) |
| Public Conveniences | 20315 | 313,090 | 168,645 | 328,090 | 15,000 | 0 | 15,000 |
| Refuse Collection | 20293 | 1,249,320 | 800,486 | 1,249,326 | 6 | 0 | 6 |
| Street Cleansing | 20295 | 11,740 | 9,683 | 11,740 | 0 | 0 | 0 |
| Recycling | 20294 | 940,000 | 689,140 | 940,000 | 0 | 0 | 0 |
| Greenwaste | 20296 | (344,500) | (530,952) | (354,500) | (10,000) | 0 | (10,000) |
| Together Action | 20298 | 15,000 | 0 | 15,000 | 0 | 0 | 0 |
| Administrative Buildings - DSO Operational Building | 20119 | 30,540 | 1,883 | 30,540 | 0 | 0 | 0 |
| DSO Service | 20323 | 1,260,470 | 1,334,086 | 1,339,580 | 79,110 | 0 | 79,110 |
| Building Cleaning | 20347 | 167,220 | 61,343 | 166,920 | (300) | 0 | (300) |
| Cemetery & Crematorium | 20303 | (680,450) | (274,280) | (553,200) | 127,250 | (96,000) | 31,250 |
| Wetland Funerals | 20304 | 8,240 | 46,969 | 8,266 | 26 | 0 | 26 |
| Open Space Management | 20170 | 240,810 | 141,661 | 252,500 | 11,690 | 0 | 11,690 |
| Hastings Country Park - Parking | 20312 | (50,130) | (35,538) | (55,500) | (5,370) | 0 | (5,370) |
| Watercourses | 20302 | 14,300 | 4,525 | 14,300 | 0 | 0 | 0 |
| ESCC Highway Tree Maintenance | 20291 | (3,000) | (16,466) | (3,000) | 0 | 0 | 0 |
| Travellers Costs | 20305 | 18,640 | 20,444 | 18,640 | 0 | 0 | 0 |
| Town Centre | 20306 | 16,500 | 4,442 | 16,500 | 0 | 0 | 0 |
| Allotments | 20307 | (27,360) | (25,115) | (28,900) | (1,540) | 0 | (1,540) |
| Ecology | 20308 | 7,000 | 100 | 2,000 | (5,000) | 5,000 | 0 |
| Arboriculture | 20309 | 149,820 | 68,223 | 153,584 | 3,764 | 0 | 3,764 |
| Parks & Gardens | 20310 | 1,267,080 | 488,832 | 1,493,000 | 225,920 | (215,100) | 10,820 |
| Hastings Country Park | 20313 | 87,580 | 68,249 | 120,900 | 33,320 | (30,600) | 2,720 |
| Upstraw - INTERREG | 20319 | 0 | 0 | 0 | 0 | 0 | 0 |
| Countryside Stewardship | 20314 | 24,000 | 20,546 | 33,751 | 9,751 | 0 | 9,751 |
| Local Parks Improvement Funding Grant | 20330 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hastings Country Park Grant Funded Works | 20338 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreshore Trust Recharge | | (42,240) | 0 | (42,240) | 0 | 0 | 0 |
| Environment and Operations Total | | 5,038,340 | 3,192,803 | 5,486,792 | 448,452 | (336,700) | 111,752 |

GENERAL FUND REVENUE MONITORING

| General Fund Activities | Cost Centre | 2023/24 Original Budget excl. Recharges | Actuals | 2023/24 Full year net Forecast excl. Recharges | 2023/24 Total Full year Variance excl. Recharges | Transfer to / from reserves including carry forwards | 2023/24 Total Full year Variance on General Fund |
|--|-------------|---|------------------|--|--|--|--|
| Housing Renewal | | | | | | | |
| Building Control | 20179 | 69,610 | (69,610) | 69,610 | 0 | 0 | 0 |
| Housing Renewal | 20191 | 226,530 | (170,964) | 157,900 | (68,630) | 0 | (68,630) |
| Housing Licensing Team | 20196 | 159,970 | 75,639 | 159,970 | 0 | 0 | 0 |
| Housing Solution Services | 20197 | (3,310) | 16,109 | (4,200) | (890) | 0 | (890) |
| | | | | | | | |
| EXTERNAL FUNDED | | | | | | | |
| Homeless Reduction Grant | 20183 | 0 | (1,120,000) | 0 | 0 | 0 | 0 |
| Syrian Resettlement Programme | 20206 | (10,435) | 29,802 | (10,435) | 0 | 0 | 0 |
| Afghan Resettlement Programme | 20344 | 0 | 294,026 | 0 | 0 | 0 | 0 |
| Resettlement Employability Project | 20342 | 0 | 100,450 | 0 | 0 | 0 | 0 |
| | | | | | | | |
| Household Support Fund | 20346 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | |
| Head of Housing Total | | 6,426,235 | 1,200,159 | 7,462,107 | 1,035,872 | (9,900) | 1,025,972 |
| | | | | | | | |
| Personnel and Business Support | 20111 | 441,640 | 194,852 | 429,100 | (12,540) | 0 | (12,540) |
| Corporate POD Expenses | 20112 | 126,910 | 72,766 | 125,300 | (1,610) | 0 | (1,610) |
| Admin.Bldgs.-Town Hall | 20116 | 26,080 | (35,660) | 48,880 | 22,800 | (10,000) | 12,800 |
| Admin.Bldgs.- Muriel Matters House | 20117 | 117,920 | 34,272 | 222,160 | 104,240 | (85,200) | 19,040 |
| | | | | | | | |
| Head of People and Business Support Total | | 712,550 | 266,230 | 825,440 | 112,890 | (95,200) | 17,690 |

GENERAL FUND REVENUE MONITORING

| General Fund Activities | Cost Centre | 2023/24 Original Budget excl. Recharges | Actuals | 2023/24 Full year net Forecast excl. Recharges | 2023/24 Total Full year Variance excl. Recharges | Transfer to / from reserves including carry forwards | 2023/24 Total Full year Variance on General Fund |
|---|-------------|---|--------------------|--|--|--|--|
| Programmes and Compliance | 20115 | 143,810 | 73,131 | 145,200 | 1,390 | 0 | 1,390 |
| DCE-Information Technology Division | 20121 | 609,050 | 278,372 | 599,600 | (9,450) | 0 | (9,450) |
| Local Digital Cyber Fund | 20353 | 0 | (125,000) | 0 | 0 | 0 | 0 |
| IT Reserve Expenditure | 20122 | 214,000 | 256,213 | 214,000 | 0 | 0 | 0 |
| Land & Property Systems-GIS | 20123 | 30,000 | 14,719 | 27,200 | (2,800) | 0 | (2,800) |
| Local Land Planning Management and Admin | 20173 | 45,930 | 205 | 25,450 | (20,480) | 0 | (20,480) |
| Development Management | 20180 | 507,150 | 147,307 | 620,200 | 113,050 | 0 | 113,050 |
| Local Land Charges Register | 20181 | (125,800) | (69,769) | (69,300) | 56,500 | 0 | 56,500 |
| Planning Policy | 20211 | 222,910 | 98,136 | 234,100 | 11,190 | 0 | 11,190 |
| Local Plan | 20341 | 182,000 | (215,720) | 182,000 | 0 | 0 | 0 |
| Dangerous Structures | 20200 | 0 | 154,328 | 154,400 | 154,400 | 0 | 154,400 |
| Renewable Energy Solutions | 20321 | 147,830 | (1,079) | (4,000) | (151,830) | 150,000 | (1,830) |
| Head of Strategic Programmes Total | | 1,976,880 | 610,843 | 2,128,850 | 151,970 | 150,000 | 301,970 |
| Estates Services | 20104 | 177,820 | 81,571 | 177,300 | (520) | 0 | (520) |
| Employment Areas | 20130 | (410,700) | (208,895) | (415,500) | (4,800) | 0 | (4,800) |
| Unit Factories | 20131 | (1,640,350) | (970,780) | (1,765,750) | (125,400) | 0 | (125,400) |
| Properties & Estates | 20132 | (3,421,460) | (2,361,029) | (3,719,560) | (298,100) | 0 | (298,100) |
| St.Mary-in-the-Castle | 20133 | 11,820 | 21,734 | 36,800 | 24,980 | 0 | 24,980 |
| Admin.Bldgs.-General Expenses | 20118 | 57,300 | 6,415 | 72,300 | 15,000 | (15,000) | 0 |
| Contact Centre - Trading Account | 20114 | 0 | 0 | 0 | 0 | 0 | 0 |
| Building Surveyors | 20105 | 159,430 | 75,442 | 161,900 | 2,470 | 0 | 2,470 |
| Shelters and Seats (Highway) | 20148 | 26,600 | 3,013 | 11,600 | (15,000) | 15,000 | 0 |
| Naming and Numbering Streets | 20149 | 8,070 | 1,482 | 5,000 | (3,070) | 0 | (3,070) |
| Decorative Lighting | 20150 | 38,580 | 34,618 | 64,540 | 25,960 | 0 | 25,960 |
| Property and Commercial Services Total | | (4,992,890) | (3,316,431) | (5,371,370) | (378,480) | 0 | (378,480) |
| DIRECT SERVICE EXPENDITURE TOTAL | | 15,326,575 | 2,926,828 | 18,307,392 | 2,980,817 | (430,000) | 2,550,817 |

| Cost Centre | Description Of Scheme | Service Area | Original Budget 2023/24 (Gross) | Carry forwards & adjustments (From 2022-23) | Carry Fwd to future years | Adjusted Gross Budget | Spend to 30th Sept 2023 | Forecast Outturn | Forecast Variance to Adjusted Gross Budget |
|--|---|----------------------------------|---------------------------------|---|---------------------------|-----------------------|-------------------------|------------------|--|
| | | | £000's | £000's | | £000's | £000's | £000's | £000's |
| 71240 | Groyne Refurbishment | Resort Services | 35 | 0 | 0 | 35 | 0 | 35 | 0 |
| 71241 | Work on Harbour Arm and New Groynes | Resort Services | 0 | 234 | 0 | 234 | 10 | 234 | 0 |
| 71290 | MUGA Refurbishments | Leisure facilities | 0 | 49 | 0 | 49 | 0 | 49 | 0 |
| 71292 | TFC - Green low carbon skills & economy | Towns Fund | 0 | 1,279 | 0 | 1,279 | 321 | 1,279 | 0 |
| 71293 | Hastings Castle | Towns Fund | 0 | 500 | 0 | 500 | 0 | 500 | 0 |
| 71294 | TFC - Town to sea creative quarter | Towns Fund | 0 | 1,068 | 0 | 1,068 | 113 | 1,068 | 0 |
| 71295 | TFC - Town Centre Core 1a | Towns Fund | 0 | 13 | 0 | 13 | 0 | 13 | 0 |
| 71296 | TFC - Public Realm | Towns Fund | 0 | 800 | 0 | 800 | 0 | 800 | 0 |
| 71297 | TFC - Town Living | Towns Fund | 0 | 90 | 0 | 90 | 0 | 90 | 0 |
| 71300 | UK Shared Prosperity Fund (Capital) | Regeneration | 0 | 0 | 0 | 0 | 1 | 1 | 1 |
| 71303 | Cliff Railways | Resort Services | 1,000 | (226) | 0 | 774 | 666 | 774 | 0 |
| Head of Commercial Services and Development | | | 1,035 | 3,807 | 0 | 4,842 | 1,111 | 4,843 | 1 |
| 71280 | Priory Street Works | Parking and Enforcement | 0 | 41 | 0 | 41 | 0 | 41 | 0 |
| Head of Community and Regulatory Services | | | 0 | 41 | 0 | 41 | 0 | 41 | 0 |
| 71249 | Playgrounds Upgrade Programme | Parks & Open Spaces | 0 | 44 | 0 | 44 | 0 | 44 | 0 |
| 71258 | Buckshole and Shornden Reservoirs | Parks & Open Spaces | 0 | 81 | 0 | 81 | 12 | 81 | 0 |
| 71301 | Grounds Maintenance Equipment | Street, Beach & Toilet Cleansing | 626 | 0 | 0 | 626 | 296 | 626 | 0 |
| Head of Environment and Operations | | | 626 | 126 | 0 | 752 | 308 | 752 | 0 |
| 71227 | Private Sector Renewal Support | Housing Renewal | 0 | (0) | 0 | (0) | (21) | (0) | 0 |
| 71228 | Disabled Facilities Grant | Housing Renewal | 2,056 | 603 | (603) | 2,056 | 608 | 2,056 | 0 |
| 71284 | Rough Sleeping Accommodation Programme (was Next Steps Accommodation Pathway) | Housing | 0 | 886 | 0 | 886 | (5) | 886 | 0 |
| 71288 | Bexhill Road South (Housing & Car Park) | Housing | 2,500 | 1,075 | (3,575) | 0 | 0 | 0 | 0 |
| 71289 | Mayfield E (Housing) | Housing | 4,500 | 0 | (4,500) | 0 | 0 | 0 | 0 |
| 71229 | Empty Homes Strategy - CPO | Housing | 0 | 50 | 0 | 50 | 0 | 50 | 0 |
| 71304 | Housing Acquisition Programme | Housing | 5,933 | 0 | 0 | 5,933 | 1,447 | 5,933 | 0 |
| Head of Housing | | | 14,989 | 2,614 | (8,678) | 8,925 | 2,029 | 8,925 | 0 |
| 71231 | Restoration of Pelham Crescent/ Pelham Arcade | Development Management | 350 | 0 | (330) | 20 | 0 | 20 | 0 |
| 71232 | Road at Pelham Arcade | Development Management | 60 | 603 | (180) | 483 | 0 | 483 | 0 |
| 71256 | Energy and Solar Panels | Transformation Team | 500 | 638 | (638) | 500 | 0 | 500 | 0 |
| 71267 | Energy Generation - Unallocated | Transformation Team | 2,300 | 0 | (1,800) | 500 | 0 | 500 | 0 |
| Head of Strategic Programmes | | | 3,210 | 1,241 | (2,948) | 1,503 | 0 | 1,503 | 0 |
| 71253 | Conversion of 12/13 York Buildings | Estates Services | 74 | (47) | 0 | 27 | 27 | 27 | 0 |
| 71259 | Priory Meadow Contribution to Capital Works | Estates Services | 288 | 250 | (250) | 288 | 0 | 288 | 0 |
| 71272 | Churchfields Business Centre | Estates Services | 0 | 359 | 0 | 359 | 387 | 359 | 0 |
| 71273 | Development / Furbishment of Lacuna Place | Estates Services | 0 | 114 | 0 | 114 | 0 | 114 | 0 |
| 71274 | London Road and Shepherd Street | Estates Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 71275 | Cornwallis Street Development | Estates Services | 8,400 | 42 | (6,442) | 2,000 | 40 | 2,000 | 0 |
| 71276 | Harold Place Restaurant Development | Estates Services | 0 | 21 | (20) | 1 | 1 | 1 | 0 |
| 71285 | Castleham Industrial Units | Estates Services | 0 | 204 | 0 | 204 | 181 | 204 | 0 |
| 71302 | Roof Refurbishment Programme | Estates Services | 700 | 0 | (700) | 0 | 0 | 0 | 0 |
| 71305 | Hastings Retail Park | Estates Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 71306 | Bexhill Road Retail Park | Estates Services | 0 | 214 | 0 | 214 | 220 | 214 | 0 |
| Property and Commercial Assets Manager | | | 9,462 | 1,158 | (7,412) | 3,208 | 856 | 3,208 | 0 |
| Grand Total | | | 19,322 | 8,987 | (19,038) | 19,271 | 4,304 | 19,272 | 1 |

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Achievement of the 2023/24 PIER savings during the year - September 2023 update

| Proposals | 2023/24 | Savings to date | RAG | Comments |
|---|-------------------|-----------------|-------|---|
| Savings identified during the PIER process for the 2023/24 budget supporting information set out in Budget Book Appendix L | | | | |
| REVIEW and REDUCE: On-going programme to review and reduce service costs and staffing expenditure (combination of approaches) to a total of £1m over three years. Posts to be deleted by start of 23/24 are all either vacant or are voluntary severance requests | £275,000 | £275,000 | Green | The savings target of £275k is comprised as follows: £14k - HR Reduction in Hours / Flexi Retirement, £36k - Deletion of 1 x FTE Planning Senior Enforcement Officer, £25k - Deletion of 1 x FTE Customer Service Officer, £50k - Renewable Energy Post, £100k one year saving for 4 x vacancies in DSO Street cleaning, £25k - R&B Restructure, £25k - Finance Restructure |
| REDUCE and COST AVOIDANCE: Temporary Accommodation Costs Reduction Strategy | £1,000,000 | £0 | Amber | Savings are not expected to be achieved until Q4. There is a risk that the saving will not be achieved as the cost of TA has increased. |
| Total | £1,275,000 | £275,000 | | |
| Other Savings Items | | | | |
| STOP: Emergency Planning – Stop satellite phone and One Voice IT system | £3,300 | £3,300 | Green | Achieved. Budget has been reduced. |
| REDUCE: Communications – Saving on printing, etc. | £500 | £500 | Green | Achieved. Budget has been reduced. |
| REDUCE: Community safety – Reduce funding for community safety initiatives | £5,000 | £5,000 | Green | Achieved. Budget has been reduced. |
| STOP: Cemetery and Crematorium external cleaning contract | £2,500 | £2,500 | Green | Achieved. Budget has been reduced. |
| REDUCE: Provision of live meeting streaming - continue only Full Council, Audit, O&S and Planning meetings. | £5,000 | £5,000 | Green | Achieved. Budget has been reduced. |
| REVIEW grants/delivery of events: No changes in 2023/24 or first half of 2024/25. | £0 | £0 | Green | No saving this year |
| St Leonards Festival £8k | £0 | £0 | Green | No saving this year |
| Chess congress £10k | £0 | £0 | Green | No saving this year |
| Old Town Carnival £4k | £0 | £0 | Green | No saving this year |
| Jack in the Green £5k TBC (£3k reduction already agreed last year) | £0 | £0 | Green | No saving this year |
| Hastings Week £1k | £0 | £0 | Green | No saving this year |
| STOP: Support for 2023 Town Crier's competition | £2,000 | £2,000 | Green | Achieved. Budget has been reduced. |
| STOP: Contribution to 1066 Country Campaign marketing campaign and focus on Hastings-only marketing divert staffing to marketing Hastings as a destination. | £50,000 | £50,000 | Green | Achieved. Budget has been reduced. |
| REVIEW and REDUCE: Museum running costs and seek a strategic partnership solution to the sustainable future of the museum | £25,000 | £25,000 | Green | Achieved. Budget has been reduced. |
| REDUCE: Contribution to Hastings Contemporary (currently £30k p.a.) | £5,000 | £5,000 | Green | Achieved. Budget has been reduced. |
| REVIEW: Options for cost effective provision of public toilets and meeting spiralling vandalism costs | £0 | £0 | Green | No saving this year |
| REDUCE: Maintenance costs of decorative lighting across the borough (total net cost is currently £72k) | £40,000 | £0 | Amber | Budget has been reduced. High energy costs may make saving unachievable. |
| REDUCE: Expenditure/seek commercial sponsorship for Christmas trees (£7,500 budget) | £5,000 | £0 | Amber | Budget for income created. No known sponsorship agreements achieved to date. |
| STOP: Funding Visitor Information Centre at SCCH (net cost £30k) and divert 50% of the budget to marketing Hastings as a destination | £15,000 | £15,000 | Green | Achieved. Budget has been reduced. |
| Total Savings | £158,300 | £113,300 | | |
| Growth Items and Budget adjustments | | | | |
| Emergency Planning – budget for out of hours on call payments (silver/gold/rest centre) adjusted to meet needs | £4,000 | £4,000 | Blue | Budget has been increased. |
| Local Plan evidence research required earlier than profiled to enable plan to be submitted to Examination in Public stage | £50,000 | £50,000 | Blue | Budget has been increased. Any underspend at year end will be transferred to an earmarked reserve. |
| Green Investment Fund Created (1% of HBC net budget) to invest in climate emergency activity - to include officer resources, activity and investment in alternative fuels for the waste fleet | £150,000 | £150,000 | Blue | Budget has been created. |
| Funding for external support and advice required to review the council's governance system - as per motion agreed by Full Council 15th Dec 2022 | £30,000 | £30,000 | Blue | Discussions still ongoing around timelines for expenditure. |
| Establish a Hastings specific Tourism & Marketing function with savings from 1066 and VIC closure after Summer 2023 season | £15,000 | £15,000 | Blue | Budget has been increased. |
| Pilot to tackle anti-social behaviour in urban and countryside parks (post will be part-year 24/25 and 25/26) | £0 | £0 | Blue | No growth this year. |
| New temporary part-time post to promote Voter ID requirements recently introduced by government. Including a Temporary part time post from October 2023. | £21,750 | £21,750 | Blue | Budget has been increased. |
| Total Growth | £270,750 | £270,750 | | |
| NET Total of Savings / Growth | £1,162,550 | £117,550 | | |

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Agenda Item 6



Report to: Cabinet

Date of Meeting: 6 November 2023

Report Title: Medium Term Financial Strategy (MTFS)

Report By: Kit Wheeler
Chief Finance Officer

Purpose of Report

The Medium Term Financial Strategy (MTFS) seeks to identify the financial risks that will impact the annual budgets for each of the next 3 years, and the anticipated resources that will be available to the Council.

Recommendation(s)

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

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

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

Reasons for Recommendations

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

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

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

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

The Council needs to be able to match its available resources to its priorities across the medium term and to maintain sufficient reserves and capacity to deal with potentially large and unexpected events, in addition to fluctuations in income and expenditure levels.

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

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

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

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

The management controls implemented so far include:

- all expenditure over £1,000 will need to be signed off by the Chief Finance Officer and either the Chief Executive or Deputy Chief Executive
- expenditure below £1,000 will be signed off by two Heads of Service
- a temporary ban on non-contractual overtime
- a reduction in the use of current agency staff and temporary ban on appointing any new agency staff (there will likely be some exceptions to this)
- a pause on subscriptions and memberships
- a pause on externally provided training.

It is therefore imperative that attention is drawn once again to the current and future financial position of Hastings Borough Council and that Members act immediately on the recommendations as outlined in this report.

Failure to do so will result in the issuing of a Section 114 notice by the Chief Financial Officer, in the next financial year. Members have also been invited to a briefing presented by CIPFA (Chartered Institute of Public Finance and Accountancy) around the legal impact of that process and will have an opportunity to ask more detailed questions on 27th November 2023.

Although previously included in financial reports, it is worth a reminder about what a Section 114 notice is and what the impact would be on Hastings Borough Council as a result, and this is provided in Appendix 2.

Introduction

1. Appendix 1 updates the MTFs, taking into account the latest forecasts and estimates, whilst making more broader assumptions around funding and wider economic fluctuations. In compliance with the relevant codes and as good practice recommends, the financial planning assumptions are kept under constant review.
2. The current MTFs considers the financial outlook over the next three years and reflects the forthcoming legislative changes, the uncertainty around cost of living pressures, and takes a prudent approach when estimating any expected grant funding from Government. This could include delays to funding reforms, previous savings success against targets and any other emerging demands and pressures.

3. Given the timing of this report it is acknowledged that this is an interim step before the budget setting process is completed, however, the Medium Term Financial Strategy currently identifies a cumulative funding gap of **£13.8m** until the end of 2026/27 financial year. **£4.3m** of that total is in the current financial year of 2023/24.
4. Therefore, and unless urgent and drastic action is taken the Councils General Reserve will be all but extinguished by the end of next financial year.
5. This is completely unsustainable for the future going concern of the council and needs to be urgently addressed as highlighted and discussed in previous reports.
6. If no action is taken, then the council would be unable to fulfil its statutory obligations to set a balanced budget in future years and have no prospect of doing so.
7. It is a breach of the Councils statutory obligations to commit expenditure where the funding source is not available, and long-term borrowing is not permitted when the medium-term financial plan is not in balance.
8. Councils have a legal requirement to operate within a duty to provide Best Value and allowing the situation outlined above to occur in the future would be a clear breach of that duty.
9. The Council's external auditors (Grant Thornton) would issue a public interest report and there would be a risk of government intervention – which could include commissioners being appointed to oversee the councils' operations including spending.

Conclusion

10. The Financial situation that the Council currently finds itself in means that further urgent and decisive action is required to reduce the rising expenditure costs for the current financial year, in particular Temporary Housing expenditure and arrest the decline in our general reserve balance which is not sustainable.
11. The immediate action for management is to continue with the current financial restrictions implemented from October 2023 until at least the end of this financial year and to review the financial benefits, as well as the organisational impact before deciding on a longer term strategy.
12. Reviews of service areas and their current forecasts to address any overspends within their departments to find in year and future savings wherever possible are currently underway. The Chief Finance Officer, Chief Executive and Deputy Chief Executive are attending these meetings to ensure a strong Corporate and consistent approach to challenge budget holders further on all areas of spending across the organisation and includes both statutory and non-Statutory areas.

13. The MTFs has been prepared on a basis of the most prudent forecasting around additional Grants from Government and any additional income streams. At the time of writing there are no formal timelines confirmed for when the Local Government Settlement will be announced, but early indications are that we will not receive that information until very late December 2023 after a later than usual Autumn statement is expected.
14. Given that the Council is facing further difficult, and regrettably much needed budget saving decisions, some of which are likely to directly impact Council staff and services, the Leader of the Council has committed to bringing forward the consultation period and to agree the savings plan in December 2023 before the Settlement is announced.
15. This will allow for the necessary time and consultation period to take place throughout December and in time for final figures to be calculated as part of the Full Budget being agreed as usual in February 2024. This should therefore mean a faster implementation period in the new financial year from April 2024 onwards, and prevent any delays from occurring, risking the success of the financial savings being achieved as a result.
16. A key part of the MTFs is that it aligns with the strategic longer term vision of the Council, including an up to date Corporate Plan. At the time of writing this report, the Corporate plan (along with a number of other significant strategies used in the formulation of the MTFs) have not been completed or updated. This is a key area of business planning and the financial risk that this creates by not having the completed strategies is to be mitigated as soon as possible in order to secure the longer term financial sustainability of the Council.
17. As part of the budget setting process a review of the Earmarked reserves will continue as agreed as part of the Reserves policy, with the stated aim of maximising Earmarked Reserves wherever possible to reduce the burden on the General Fund.
18. It is imperative that Hastings Borough Council continue to lobby the Government to recognise the circumstances (i.e., the costs of Temporary Accommodation) that are fuelling the rise in the budget deficit. Meetings continue with colleagues at DLUHC (Department for Levelling up, Housing and Communities) with the aim of securing the future financial sustainability of the Council.

Timetable of Next Steps

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

| Action | Key milestone | Due date (provisional) | Responsible |
|-----------------------------------|------------------------|------------------------|-----------------------------------|
| Budget Planning (Savings Plan) | Cabinet | December 2023 | Chief Executive / Finance Officer |
| Fees and Charges | Cabinet | December 2023 | Chief Finance Officer |
| Set a longer-term balanced budget | 2024/25 budget Council | February 2024 | Chief Finance Officer |

Wards Affected

All

Implications

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

| | |
|---------------------------------------|-----|
| Equalities and Community Cohesiveness | No |
| Crime and Fear of Crime (Section 17) | No |
| Risk Management | Yes |
| Environmental Issues | No |
| Economic/Financial Implications | Yes |
| Human Rights Act | No |
| Organisational Consequences | Yes |
| Local People's Views | No |
| Anti-Poverty | No |

Additional Information

Appendix 1 – Medium Term Financial Strategy (MTFS) 2024/25-2026/27

Appendix 2 – S114 notice guidance

Officer to Contact

Kit Wheeler (Chief Finance Officer)

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**Medium Term Financial Strategy (MTFS)
2024/25 to 2026/27
Hastings Borough Council**



Introduction

The Medium Term Financial Strategy (MTFS) is a vitally important, and a key document in the financial planning and reporting cycle for Hastings Borough Council.

This document sets out the strategic and financial approach the Council will take in addressing the current and future years budget deficit to avoid the issuing of a Section 114 notice which is an inevitability if urgent action is not taken.

The MTFS should form part of an overarching long term strategy which is aligned with the Council's portfolio of other strategies, which currently are not fully formed. When these strategies (including the new Corporate Plan) are agreed, then the MTFS will underpin the financial roadmap to achieving those aspirations as an organisation.

In order for the Council to avoid a Section 114 notice and deliver a balanced budget in future years, it will need to operate in a tight financial environment across the entire organisation in order to meet the ongoing demand and costs for Housing the most vulnerable in the Borough.

This will mean Councillors and the Senior Leadership Team making difficult and at times unpopular decisions in the forthcoming months ahead as we look to address the large budget deficit facing the Council.

However, this is not the time to be indecisive or be distracted by short term projects, or in fact ones that are not at the core focus and responsibility of a Council's existence.

Now is the time for the Council to change to a more strategic and coordinated approach, with its full attention and focus exclusively on its primary objectives of financial sustainability and addressing the Housing Crisis.

Budgets will need to be properly aligned and re-evaluated to ensure they are delivering value for money for the citizens of Hastings. If they are not then a new modern approach will need to be developed for those services that are provided either within the Council or through more appropriate methods, potentially elsewhere and through a different delivery model.

The Council will need to continue to move towards, and operate in, a more highly disciplined financial management environment to enhance its chances of obtaining the long term financial sustainability that the Citizens of Hastings deserve and expect.

Kit Wheeler

Chief Finance Officer & Section 151 Officer

Hastings Borough Council

1. The Medium Term Financial Strategy (MTFS) sets out how we plan to manage our finances over the next few financial years, and how we aim to align it with our latest corporate priorities and plans.
2. The aim of the MTFS is to pull together all the known (and estimated unknown) factors that could affect the financial position and financial sustainability of the Council over the medium term.
3. The objective is to balance the financial implications of objectives and policies against constraints in resources to enable measured decision making within the organisation. The process of developing and discussing the MTFS will give a greater focus to the future implications of policy decisions and discussions around priorities and any wider external influences.
4. The MTFS is the first stage in the annual business planning process and provides the strategic context against which the revenue budgets and Capital Programme will be developed and then proposed to Full Council for approval as part of the annual budget setting process.
5. This MTFS has been updated, taking into account the latest forecasts and estimates, whilst making more broader assumptions around funding and wider economic fluctuations. In compliance with the relevant codes and as good practice recommends, the financial planning assumptions are kept under constant review.
6. The current MTFS considers the financial outlook over the next three years and reflects the forthcoming legislative changes, the uncertainty around cost of living pressures, and takes a prudent approach when estimating any expected grant funding from Government. This could include delays to funding reforms, previous savings success against targets and any other emerging demands and pressures.

Strategic Priorities



7. The council's corporate plan is currently in the process of being updated at the time of writing this MTFs, but the latest published update version which covers April 2023 – March 2024 can be found on the council's website using the following link:

[2023-24 Corporate Plan update | Hastings Borough Council](#)

8. The priorities are as follows:

- Tackling homelessness, poverty and ensuring quality housing
- Keeping Hastings clean and safe
- Minimising our environmental impact
- Making the best use of our land, buildings, public realm and cultural assets
- Minimising environment and climate harm in all that we do – tackling our climate and biodiversity crisis
- Delivering of our major regeneration schemes
- Ensuring the Council can survive and thrive into the future

9. There are a number of other strategies, policies and plans that impact on the MTFS and therefore impact on the day to day operations as well as the direction of travel as an organisation. These include:

- ✓ Strategic Asset Management Plan
- ✓ Workforce Strategy (including Equalities)
- ✓ Housing and Homelessness Strategy
- ✓ Capital Programme Strategy
- ✓ Treasury Management Strategy
- ✓ Climate Change / Green Infrastructure Strategy
- ✓ Cultural Regeneration Strategy

10. A number of the above strategies are either missing or still in the process of being developed at the time of writing the MTFS. As a result, the MTFS is developed with the latest information available and is constantly being updated and included as part of the regular Financial monitoring reports to Cabinet and Overview and Scrutiny Committee.

Basis of Decision Making

11. Over the lifetime of the MTFS the Council will need to make several difficult and challenging decisions, and as part of that decision making process there needs to be a clear basis to work to in order to be transparent and ultimately successful in order to achieve the financial sustainability that is required.

12. Therefore, it is imperative that the decision making is based around sound financial management and professional knowledge and judgement. The following is only a general guide to the approach that will be taken, because at times there maybe occasions where there needs to be a deviation to the recommended approach due to various reasons, potentially some outside of management's control and certainly will only be agreed after careful consideration has taken place.

I. **Maximising Income Streams** – Given the financial peril that the Council finds itself in, it means that striking the right balance between maintaining core statutory functions and services whilst continuing to minimise expenditure is paramount. One way of aiding this is by looking to maximise revenue and funding streams such as Council Tax and External Grants over the period of the MTFS to support the delivery of the core services.

II. **Value For Money** – The Council will strive to deliver a value for money approach when it comes to decision making, ensuring that the citizens of Hastings are able to clearly see the best value outcomes and results.

III. **Fees & Charges** – These will continue to be reassessed annually for inflation changes, competitiveness and statutory limits and included as part of the budget setting process. All charges will be reviewed for their impact on the citizens of Hastings to ensure that the most vulnerable are being protected as much as possible.

- IV. **Joint Working** – The Council will look to and encourage approaches to work in partnership on a local and national level in order to drive efficiencies and reduce cost of services at both an operational and a management level.
- V. **Service Reviews** – The Council will continue its rolling review of service budgets on an annual basis throughout the lifetime of the MTFS as part of the budget setting process to ensure that service delivery is in line with the wider strategic plans of the organisation which in turn will link to the new Corporate Plan.
- VI. **Service Savings, Investments & Growth** – Future business cases will be brought forward with clear details on the deliverability, feasibility, and financial impact on the organisation. All business cases will be rigorously tested for their financial impact and payback periods and need to be agreed by SLT (Senior Leadership Team) before progressing. If no clear financial benefit can be obtained, then clear reasoning will need to be provided within the report as to why it is required. E.g. Legal / Contractual reasons.
- VII. **Budget Growth** – No areas of growth will be accepted within service budgets unless they are either contractual or can demonstrate clear financial benefits to the Council over the lifetime of the MTFS. Any growth items will need to be funded by either additional external Grants and income, or in service budget reductions.
- VIII. **General Fund Balance & Earmarked Reserve Use** – The Current MTFS shows that not only will the General Reserve balance fall below the £4m recommended level but be exhausted by the end of MTFS period if no action is taken. Therefore, a detailed savings plan needs to be identified and agreed to not only recover the deficit and set a balanced budget, but also to replenish the amounts used from General Reserve. As part of this work there needs to be a clear direction of use of Earmarked Reserves and a reduction thereof for a period of time to allow the Council to fully utilise all of its resources.
- IX. **Capital Receipts & Disposal of Assets** - The Council's Asset Management Strategy needs to define the approach to maintaining, maximising use and disposal of its assets with the intention of reducing external borrowing costs for the Council and alleviate financial pressure.
- X. **Consultation** – The Council will consult with all stakeholders of Hastings Borough on any budget decisions.

Budget Timetable

| Date | Key milestone |
|-----------|--|
| 10 Nov 23 | Public consultation on budget proposals begins |
| 20 Nov 23 | O&S committee for budget planning |
| 4 Dec 23 | Cabinet to include budget planning |
| 13 Dec 23 | Full council for budget planning |
| 5 Feb 24 | Budget cabinet to formalise budget |
| 14 Feb 24 | Full council to formalise budget |

13. The table above outlines the high level budget setting timetable, and consultation period around any proposed savings. It should be noted that the current MTFS contained in this report does not include any *future* savings that will be proposed as part of the consultation and only currently includes previous savings targets agreed as part of the previous budget setting process.
14. The reason for this is, is due to the required scale and nature of the savings required, discussions are still in ongoing between officers and lead Councillors at the time of writing this report and the MTFS will be updated once final outcomes have been decided.

National & External Pressures

15. The MTFS is set amongst the context of national economic and public expenditure plans, taking into account national legislation and the Council's ability to externally borrow, raise income from Council tax as well as other sources.
16. The current ongoing impact as a result of the conflict in Ukraine, which has partly been responsible for high inflation and interest rates is adding considerable financial pressure to all Councils including Hastings.
17. The Consumer Price Index (CPI) rose by 6.7% in the 12 months to August 2023, down from 6.8% in July 2023. In May 2023 however, it was at its highest since March 1992 at 7.1%. All of this has contributed to the rising costs for Hastings Borough Council as there are a number of contracts which include annual CPI increases, meaning spending powers and budgets are effectively reduced in order to cover these additional yearly costs.

18. High levels of inflation have impacted the prices of food, energy and building materials which have led in turn to increases in the labour market. The result is that inflationary pressure such as this has not been since the late 1970's and early 1980's.
19. In recent years central Government has provided the Council with a lower proportion of funding than it received through local sources. For the 2023/24 financial year Hastings Borough Council, along with all Councils, was hopeful of receiving a multi-year settlement from Government to aid future financial planning. However, this did not come to fruition and although a steer for 2024/25 was provided there has been no real assurances around future years figures which is disappointing once again.
20. The Autumn statement is due later this year, and expectations are that the Finance Settlement for Local Government will not be received until late December 2023 meaning that no assurances can be given until after this point in time. With many Councils facing difficult decisions, this delay and lack of clarity will have significant implications potentially in terms of decisions needing to be made and additional stress and anxiety placed on staff as a result.
21. There has been no indication of confirmed timelines for the much publicised Fair Funding Review or Business Rates review, which again could have significant impacts on local Councils across the country.

Financial Assumptions

22. The following assumptions have been included as a basis for this MTFS, and where possible further details have been provided.
23. **Council Tax** – In order to relieve some of the financial pressure on local Councils last financial year, the Government raised the threshold for Council Tax referendum increases to 3%.
24. As a result, last year Hastings Borough Council decided to increase by the maximum allowed. Although no current confirmation has been provided, given that the inflationary pressures and struggles of Councils is well documented it has been assumed that the threshold will remain at 3% for all future years as part of this MTFS and those numbers are shown below.

| | 2024/25 | 2025/26 | 2026/27 |
|------------------------------------|----------------|----------------|----------------|
| Council taxbase | 27,787 | 28,065 | 28,346 |
| Band D (standard - £) | £298.76 | £307.70 | £316.90 |
| Total Band D (excl local precepts) | £8.302m | £8.636m | £8.983m |

25. Please note that the figure of 2.99% is for planning purposes only, and the actual increase will not be set or agreed until the budget is agreed in February 2024. There have also been assumed increases in tax base of 1% per annum, based on historical and forecast data provided by the Revenues and Benefits Manager.
26. **National Non-Domestic Rates (NNDR)** – As part of the financial settlement in 2023/24 it was announced that there would be a number of support packages to help businesses worth around £14bn over two financial years. The 2023 revaluation was agreed, and a number of measures were put into place to limit the impact on businesses as a result. They included;
- **Transitional Relief Scheme** - (government funded) for the 2023 Revaluation (£1.2bn in 2023/24). This has no effect on billing authorities (like Hastings), it simply makes the transitional support scheme more generous for businesses.
 - **75% relief for Retail, Hospitality and Leisure (RHL) sectors** in 2023/24 (£2.3bn in 2023/24). Local authorities will be compensated in the usual way through section 31 grants.
 - **3-year support for small businesses** (scheme for properties losing Small Business Rates Relief or Rural Rates Relief) equating to £190m per year for 3 years. Again, local authorities will be fully compensated.
27. Hastings Borough Council is currently part of the East Sussex Business Rate Pool, which means it retains the levy on business rate growth which would otherwise be returned to central government.
28. The pooling arrangements have been reviewed by an independent advisor and it has been financially beneficial for the Council to remain in the pool previously.
29. The current review has concluded that it would be beneficial to continue in the pool and DLHUC has written to all Councils asking them to indicate their preference, subject to confirmation by the Secretary of State that pooling arrangements will continue in 2024/25.
30. Hastings Borough Council along with all the other pool members have confirmed their intention to remain in the pool for 2024/25 and as a result all forecasts contained in the MTFs are reflective of that approach continuing.
31. The Business Rates (Section 31 Grant) has been estimated to reduce to £1.5m from the previous years figure of £2.645m as a result of current forecasts but will be confirmed as part of budget setting when further calculations and details are known.

32. **New Homes Bonus** – The New Homes Bonus was originally introduced in 2011/12 to incentivise and reward Councils and communities that build new homes in their area. The bonus was originally paid as an un-ringfenced grant for six years and was paid based on the net additional homes plus an additional supplement of £350 per affordable dwelling. The payment was then split between local authority tiers: 80% to lower tier (Hastings) and 20% to upper tier (ESCC).
33. The Government has been considering reform or phasing out of New Homes Bonus and currently the grant is calculated on a one-off annual basis. It is assumed that the Council will receive £200,000 in 2024/25 and future years of the MTFS as a result of a piece of work carried out on behalf of our Revenues and Benefits team to identify additional numbers of properties. Current forecasted estimates are potentially higher than those included within the MTFS, but have been included at a prudent level until final confirmation as part of budget setting is known.
34. **Minimum Funding Guarantee** - This £136M grant replaces the Lower Tier Services Grant. This grant is intended to provide a funding floor for all local authorities, so that no local authority would see an increase in Core Spending Power that is lower than 3% (before assumptions on council tax rate increases but includes those on Council Tax base). This has been kept at the same rate as the 2023/24 figure of £154,000.
35. **Council Tax Support Grant and Housing Benefit Admin Grant** - are estimated to remain at the same levels as previous years (£157,000) and (£425,000) respectively.
36. **Fees and Charges** – There will be a separate report on Fees and Charges brought forward as part of the budget planning meeting in December 2023. Work is currently in progress to identify and update all fees and charges, but the assumption included within this MTFS is that the additional income generated through that process will be £200k.
37. This is based on an early assumption that fees and charges will be increased where appropriate by a minimum of CPI + 3%. Given that inflation currently sits at 6.7% as previously highlighted in this report then that would look to be in the region of a 10% increase. If that were to be the case that would see around £200k additional income generated to offset the cost pressures faced by the Council.
38. **Inflation** – Inflation as previously discussed is having a huge impact across the organisation. Inflation is budgeted as a central contingent amount and allocated across the organisation based on need as part of budget setting. Current figure set aside is 3% of net expenditure budget at £536k. This does not include staff pay awards which is calculated separately and based on establishment need.
39. **Staffing Pay award** – The assumption for staffing pay awards is currently based on an average increase of 3% annually.

40. The Council has also been notified of receiving a number of additional grants from Government and at present discussions are ongoing to see if any of this funding could be used to reduce the financial burden of Temporary Accommodation.

41. The funding currently advised is as follows and covers both Capital and Revenue expenditure:



Reserves

42. As part of producing a MTFs, it is important to include all internal resources available, including Reserves.

43. There are generally two types of Reserves in the Council, and they are as follows:

- Unusable Reserves - These are reserves, that are not immediately available for use to support revenue or capital expenditure.
- Useable Reserves - These reserves are available to support the Council's expenditure, although the Capital Receipts Reserve and the Capital Grants and Contributions Reserve may only be used for capital purposes.

Reserve Levels

| | Opening Balance at 1 April 2023 |
|--|--|
| | £'000 |
| (1) General Reserve | (7,599) |
| (2) Capital Reserve | (150) |
| (3) Renewal and Repairs Reserve | (1,656) |
| (4) Risk Management Reserve | (315) |
| (5) Information Technology Reserve | (274) |
| (6) On-Street Car Parking Surplus Reserve | (40) |
| (7) Section 106 Reserve (Revenue) | (426) |
| (8) Revenues & Benefits Reserve | (255) |
| (9) Countryside Stewardship Reserve | (28) |
| (10) Monuments in perpetuity | (46) |
| (11) Ore Valley Reserve | (250) |
| (12) Invest to save and efficiency Reserve | (87) |
| (13) Resilience and Stability Reserve | (900) |
| (14) Redundancy Reserve | (565) |
| (15) Safer Hastings Partnership Reserve | (98) |
| (16) Disabled Facilities Grant | (1,374) |
| (17) Housing Licensing reserve | (277) |
| (18) Community Housing Reserve | (11) |
| (19) Controlling Migration | (116) |
| (20) Towns Fund | (236) |
| (21) Section 31 - Grant Reserve | (6,336) |
| Total | <u>(21,039)</u> |

44. The Cabinet is recommending to Council a new Reserves policy, at which point the recommended minimum General Reserve balance will be amended to be £4m.

45. As part of the Budget setting process the earmarked reserves will be subjected to the same level of scrutiny as the revenue budgets are and any reserves identified as being surplus to requirements will be reduced or removed accordingly. This will be part of the rationalisation of budgets process with the impetus and focus solely being on what is necessary in line with the basic principles set out previously in this report.

46. The current forecast for the MTFs below shows that there is a cumulative deficit over the period of £13.6m. This includes £4.3m in the current financial year.

| | 2023-24 Projection £000's | 2024-25 Projection £000's | 2025-26 Projection £000's | 2026-27 Projection £000's |
|--|--|--|--|--|
| Funding Shortfall / (Surplus) | 4,342 | 3,123 | 3,138 | 3,021 |
| (Use of) / Transfer to General Reserve | (3,442) | (3,123) | (1,033) | 0 |
| Use of Resilience and Stability Reserve | (900) | 0 | 0 | 0 |
| Net Funding Shortfall / (Surplus) | 0 | 0 | 2,104 | 3,021 |
| General Reserve Balance (31st March) | 4,157 | 1,033 | 0 | 0 |

47. As per the table above based on current forecasts it is estimated that the Council will drop below its minimum General Reserve balance of £4m in the 2024/25 Financial year, and completely exhaust the General reserve by 2025/26.
48. This is completely unsustainable for the future going concern of the council and needs to be urgently addressed as previously highlighted.
49. If no action is taken, then it is unlikely that the council would be able to fulfil its statutory obligations to set a balanced budget in future years and have no prospect of doing so.
50. It is a breach of the Council's statutory obligations to commit expenditure where the funding source is not available, and long-term borrowing is not permitted when the medium-term financial plan is not in balance.
51. Councils have a legal requirement to operate within a duty to provide Best Value and allowing the situation outlined above to occur in the future would be a clear breach of that duty.
52. The Council's external auditors (Grant Thornton) would issue a public interest report and there would be a risk of government intervention – which could include commissioners being appointed to oversee the council's operations including spending.

Key Risks

53. There is a significant degree of uncertainty, arising from both internal and external factors, which could have a significant impact on the key assumptions made within the MTFs.

54. The macro financial systems within which the council operates are complex and highly sensitive to a range of variables and it is therefore important that those risks, that could have a material effect on the financial position of the council, are identified and understood in terms of the potential impact (positive or negative) and the likelihood of occurrence.

55. The key financial risks to the council's financial position over the short to medium term are reflected in the assessment of the adequacy of estimates and reserves.

56. Factors that can have a material effect on the financial position of the council include:

- the lack of certainty in government funding for future years, including grants and the new fair funding formula
- continuation of issues around local housing allowances and approach to the housing crisis by Government.
- changes in the economy
- changes in councillors' priorities
- unmanaged service pressures and increases in demand
- council tax policy
- changes in legislation and government policy
- levelling up and devolution agenda
- level of future pay awards and general inflation assumptions
- adequacy of contingencies in any one period
- business rate volatility, more frequent business rates revaluations with a and business rates retention
- treasury management and interest rate changes
- projected income levels from fees and charges
- non achievement of savings
- External Audit Fees
- level of provision for insurances
- new burdens
- welfare reforms
- provider failure, and
- demographic changes

57. It is important to note that the revised forecasts represent the most realistic forecast position moving forward. However, there are a number of risks associated with these revised forecasts, the main risks being as follows:

- **Financial risk** – The majority of the future years' financial strategy and model is based on a series of assumptions, the further into the future we try to estimate the higher risk that these assumptions will prove to be different to what we expect. That is why the MTFs is reviewed annually and on this occasion only shown until 2026-27 as any further than this would be potentially too far off to verify. A relatively small change in key underlying assumptions can produce a significant change in the forecast. The key sensitivities are employee costs, business rates income, rent income and investment income.

- **Political risk** – The ongoing uncertainty around how local government funding will be determined and distributed remains a risk. Until further announcements are made about potential timescales, forecasting across the period of the MTFS is very challenging.
- **Treasury risk** – The MTFS is based on a challenging global financial position going forward and potential risk of recession and uncertain times ahead. If the assumptions change it may have a major impact on the financial position of the council particularly around commercial rents, business rate income and interest payments. The Treasury Management Strategy sets the parameters in which borrowing can be undertaken and along with longer term forecasts for interest rates. Up until now the Treasury Management Strategy has held firm against the challenges the Council has faced but there is always a risk that could change in the years ahead.
- **Transformational and organisational change** – It is essential that the council continues to further its major change programmes to ensure the organisation is ‘fit for the future’ and is sustainable. There is a degree of risk associated with this type of change, particularly as the management capacity to drive this change through reduces, and as we seek to deliver significant change against a backdrop of constrained funding.
- **Underachievement of savings** – The MTFS contains figures from the previous budget setting process for agreed savings targets including large targets for Housing each financial year. Based on previous experience there is a known risk of these not being fully achieved within the MTFS timeline. This would lead to further savings being required and as such should be taken into account when producing the MTFS. The MTFS therefore includes a provision of 75% savings only being achieved over the period.

58. To demonstrate how impactful some of these changes could be financially, the following is for illustration purposes and for overall context of the volatility of the numbers included in the MTFS.

59.

| | |
|-----------------------------|----------|
| Business Rates (1%) | £87,000 |
| Council Tax (1%) | £507,000 |
| Fees and Charges (1%) | £20,000 |
| Grants made (1%) | £112,350 |
| Savings Underachieved (25%) | £948,000 |

60. The Financial situation that the Council currently finds itself in means that urgent and decisive action is required to reduce the rising expenditure costs for the current financial year, in particular Temporary Housing expenditure and arrest the decline in the general reserve balance which is not sustainable.

Next Steps and Future

61. As part of the recent financial restrictions imposed on the Council by the Senior Leadership team to address the in-year deficit position that it finds itself with, it will be imperative that the focus is not lost in reducing in year savings wherever possible.
62. Detailed savings proposals will be discussed and agreed with the Leadership before public consultation begins. As part of the Cabinet papers, they will also include details of the savings previously proposed by officers and not agreed by Cabinet in order to have a full and complete list.
63. The Council will need to agree its Strategic priorities corporately which will then inform the remaining strategies that feed into the MTF5 piece of work, which will be continually updated and revised as latest information becomes available.
64. Whilst the budget gap is high at present, ongoing discussions with Councillors, staff and colleagues at DLUHC (Department for Levelling Up, Housing and Communities) continues with the ultimate aim to find the solutions required to solve the budget issues and Housing crisis facing Hasting Borough Council over the next few years.
65. If that is a success then the town and its residents will have a brighter and more vibrant future as a result, built on the foundations of good sound financial sustainability and decision making.



Revenue Budget Forward Plan

| Revenue Budget Forward Plan | 2023-24 Projection £000's | 2024-25 Projection £000's | 2025-26 Projection £000's | 2026-27 Projection £000's |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Direct Service Expenditure (Net) | 17,870 | 17,433 | 17,245 | 17,437 |
| Funding Commitments: - | | | | |
| Fees and Charges | 0 | (200) | (200) | (200) |
| Other: | | | | |
| Contingency Provision | 0 | 300 | 300 | 300 |
| Interest (net of Fees) & other Adjustments | 1,481 | 1,500 | 2,000 | 2,000 |
| Minimum Revenue Provision | 904 | 939 | 976 | 1,014 |
| Net Use of Earmarked Reserves | (1,916) | (1,916) | (1,916) | (1,916) |
| Net Council Expenditure | 18,339 | 18,056 | 18,405 | 18,635 |
| Taxbase | 26,473 | 27,787 | 27,787 | 27,787 |
| Council Tax | 290.09 | 298.76 | 307.70 | 316.90 |
| Funding | | | | |
| From Collection Fund - Council Tax | (7,680) | (8,302) | (8,550) | (8,806) |
| From Collection Fund - Business Rates | (2,830) | (2,887) | (2,887) | (2,887) |
| Revenue Support Grant | (1,309) | (1,309) | (1,309) | (1,309) |
| Minimum Funding Grant (Formally Known as Lower Tier Services Grant) | (154) | (154) | (154) | (154) |
| New Homes Bonus | (16) | (200) | (200) | (200) |
| Council Tax Support Admin Grant | (157) | (157) | (157) | (157) |
| Housing Benefit Admin Grant | (425) | (425) | (425) | (425) |
| NNDR (Surplus) / Deficit | 1,619 | 0 | 0 | 0 |
| NNDR Pooling | (193) | 0 | 0 | 0 |
| Business Rates Section 31 Grant | (2,645) | (1,500) | (1,500) | (1,500) |
| Council Tax - Section 31 Grant | 0 | 0 | 0 | 0 |
| Council Tax Surplus | (207) | 0 | 0 | 0 |
| Contribution To General Fund | (13,997) | (14,933) | (15,182) | (15,437) |
| Funding Shortfall / (Surplus) | 4,342 | 3,123 | 3,223 | 3,198 |
| (Use of) / Trf to General Reserve | (3,442) | (3,123) | (1,033) | 0 |
| Use of Resilience and Stability Reserve | (900) | 0 | 0 | 0 |
| Net Funding Shortfall / (Surplus) | 0 | 0 | 2,190 | 3,198 |
| General Reserve Balance (31st March) | 4,157 | 1,033 | 0 | 0 |

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Appendix 2

What is a S114 Notice?

Within the Local Government Finance Act 1988, Section 114 (3) dictates that:

“The chief finance officer of a relevant authority shall make a report under this section if it appears to them that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure”.

In general terms this means that for Local Government, it is the Chief Finance Officer or Section 151 officer who has the role under law of being the most senior financial advisor to the wider Council’s leadership on its financial plans.

Uniquely across the public sector however, the CFO also has the power and responsibility to legally suspend spending for a period of time if they judge the Council does not have a balanced budget or the imminent prospect of one.

What Happens when a S114 Notice is Issued?

It means that no new expenditure is permitted, with the exception of that funding statutory services, including safeguarding vulnerable people, however existing commitments and contracts will continue to be honoured.

Council officers must therefore carry out their duties in line with contractual obligations and to acceptable standards, while being aware of the financial situation.

Any spending that is not essential or which can be postponed should not take place and essential spend will be monitored.

The only allowable expenditure permitted under an emergency protocol would include the following categories:

- existing staff payroll and pension costs
- expenditure on goods and services which have already been received
- expenditure required to deliver the council’s provision of statutory services at a minimum possible level
- urgent expenditure required to safeguard vulnerable citizens
- expenditure required through existing legal agreements and contracts
- expenditure funded through ring-fenced grants
- expenditure necessary to achieve value for money and / or mitigate additional in year costs

Councillors have 21 days from the issue of a Section 114 notice to discuss the implications at a Full Council meeting.

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Agenda Item 7



| | |
|-------------------------|--|
| Report To: | Cabinet |
| Date of Meeting: | 6 November 2023 |
| Report Title: | Interim Review of Polling Districts and Polling Places 2023 |
| Report By: | Natasha Tewkesbury, Head of Community and Regulatory Services |
| Key Decision: | Y |
| Classification: | Open |

Purpose of Report

To report the findings and evaluation of the recent interim review of Polling Places and the (Acting) Returning Officer's subsequent recommendations.

Recommendation(s)

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

Reasons for Recommendations

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

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

Introduction

1. The Electoral Administration Act 2006 (Section 16, EAA 2006) introduced a duty for all UK parliamentary polling districts and polling places to be reviewed by the end of 2007 and thereafter to be fully reviewed every 5 years .
2. The council's last full review under the legislation was completed and approved in October 2019.
3. Due to the recent completion of the Boundary Commission for England's review of parliamentary constituencies, it was advised to undertake a short, interim review now with a full review taking place in 2024.
4. Although there have been no changes to the Hastings & Rye constituency boundaries within our own register area, we deemed it an appropriate time to review our polling districts and polling places prior to a potential UK parliamentary election in 2024.
5. The council must seek to ensure that, until the next full review, all electors within the borough boundary of the Hastings and Rye parliamentary constituency, have such reasonable facilities for voting as are practicable in the circumstances, and to ensure that, as far as is reasonable and practicable, the polling places are accessible to all electors, including those with disabilities and specific needs.
6. The same arrangements made for UK parliamentary elections are also used at other elections.
7. The final recommendations will be reported to Full Council on 22 November 2023. Assuming these are agreed, the revised electoral register will be published on 1 December 2023.
8. The Electoral Commission has no role in the review process itself. However, it can consider comments if people do not think the review has met the reasonable requirements of electors or taken sufficient account of the needs of electors.
9. The following are not covered by the review:

Boundaries of UK parliamentary constituencies;

Borders and names of local authorities and electoral areas within local authorities; and

Electoral ward boundaries

Local people's views

10. The public consultation has actively sought comments from people who have particular expertise in relation to access to premises or facilities for persons who have different forms of disability, or accessibility needs. Any elector within the Hastings and Rye parliamentary constituency may make representations. Although not specifically required in law, the consultation carried out by the council has included local political parties and elected representatives.

Equalities and community cohesiveness

11. Electoral Services staff have visited every polling place to carry out an access audit, taking account of the needs of disabled voters. Questionnaires were also issued to each polling place

under consideration, in order to provide us with a detailed overview of facilities and accessibility.

The interim review process

12. The timetable for the interim review is set out as:

Notice of start of review: 2 October 2023

(Acting) Returning Officer's representations published: 2 October 2023

Closing date for representations: 22 October 2023

Final recommendations heard by Cabinet: 6 November 2023

Recommendations considered and decision made by Full Council: 22 November 2023

Revised electoral register published: 1 December 2023

13. The council consulted the (Acting) Returning Officer, Jane Hartnell, who is also the Returning Officer for all other elections and referenda.

Conclusion of the review / publishing stage

14. The (Acting) Returning Officer is recommending to keep the existing polling place arrangements in place and to make changes only where exceptional circumstances require. The changes in venues are:

Polling district N2

The Bridge Community Centre, Priory Road to Calvert Church Hall, Mount Pleasant Road.

The Bridge Community Centre is no longer available. Calvert Church Hall was used successfully in 2022 elections with no reduction in turnout.

Polling district O2

West St Leonards Primary Academy, Harley Shute Road to West St Leonards Community Centre, Bexhill Road.

West St Leonards Primary Academy is no longer available. The community centre was used successfully in 2021 and 2022.

15. Throughout the interim review, any documentation, correspondence, etc. have been available for public inspection through the Electoral Services office at Muriel Matters House. All relevant items (correspondence, representations etc.) will be published when the review has been completed.

16. Once Full Council have agreed the recommendations they will be published on the council's website.

The (Acting) Returning Officer's representations and other representations, including risk management

17. In addition to contacting the various stakeholders, the council consulted the (Acting) Returning Officer for the Hastings & Rye constituency. They are required to make representations to the council and in doing so must include information as to the location of polling stations (existing or proposed) within polling places (existing or proposed). Rother District Council has consulted the (Acting) Returning Officer in respect of those wards that fall within Rother but form part of

the Hastings and Rye constituency. Rother District Council will make a decision in respect of these.

18. The (Acting) Returning Officer must also take account of the following:

The council must seek to ensure that all electors have such reasonable facilities for voting as are practicable in the circumstances.

The council must seek to ensure that so far as is reasonable and practicable every polling place is accessible to electors who are disabled.

Ideally, the polling place should be in its own polling district.

Ideally, no polling place should be shared by two wards.

Where possible, "natural" boundaries should be used, e.g. railways, major roads, etc.

All properties in a minor road or estate should, ideally, be in the same polling district.

Polling places should be "logical"; that is, electors should not have to pass another polling place to get to their own polling place.

19. Appended to this report is a summary of the (Acting) Returning Officer's comments and recommendations to the council.

20. Each polling district has one or more polling places allocated to it and the polling place is the premises, including the exterior access points, in which polling stations are situated. During this interim review, the majority of existing polling places were found to be satisfactory.

21. The paragraphs below highlight areas where concerns have been identified or about which comments have been received. In each case every effort has been made to identify an alternative location or to resolve the problem.

22. In N2 polling district (Tressell ward), one of the ward councillors raised concerns over the location of the new proposed polling place at Calvert Church Hall as it was not as well located as the previous venue. They asked that we investigate using The Bridge Community Centre, should it become available again. Officers attempted to contact the venue to discuss this on several occasions, without success. As such, it was agreed with the (Acting) Returning Officer to proceed with the proposal to move the polling place to Calvert Memorial Hall.

23. In O2 polling station (West St Leonards ward), one of the ward councillors objected to the use of West St Leonards Community Centre as a dual polling station with O1. Reasons for this included that the proposals would mean that ward would only have one polling place, and poor public transport links to the proposed polling place from Harley Shute Road and surrounding areas. They suggested siting a mobile polling station within the polling district in order for voters in the area to more easily cast their vote. Having explored this option previously in the area, the costs of a portable unit far exceeds the polling station budget, and there were challenges in finding a suitable and secure site to locate a mobile station together with a power supply (most likely a generator). In light of these challenges, the (Acting) Returning Officer agreed to proceed with the proposal to move the polling place to West St Leonards Community Centre. The (Acting) Returning Officer has directed that officers continue to seek suitable venues within O2 polling district and if one were to be identified, the (Acting) Returning Officer would use delegated powers to change the polling station.

24. Any risk associated to changing a polling district boundary, polling place or polling station has been taken into account as part of the review and the (Acting) Returning Officer has been

consulted at each stage of the process. None of the proposals offered within this are considered high risk in the context of the review and its remit.

Challenging the outcome of the review

25. Following the conclusion of the local authority's review, certain persons have a right to make representations to the Electoral Commission. There are only two grounds on which a representation may be made. These are that the local authority has failed to meet the reasonable requirements of the electors in the constituency and that insufficient account of accessibility to disabled persons of the polling station(s) within a polling place has been made.
26. More detailed information is available on the Electoral Commission website - www.electoralcommission.org.uk

Timetable of Next Steps

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

| Action | Key milestone | Due date (provisional) | Responsible |
|---|---|------------------------|-------------------|
| Incorporate any agreed changes to polling district boundaries to electoral register | Publication of revised electoral register | 1 December 2023 | Katrina Silverson |

Wards Affected

(All Wards);

Policy Implications

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

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

Additional Information

Proposal document, including (Acting) Returning Officer recommendations
 Interactive Map [Consultation Interim Polling Place Review 2023 \(hastings.gov.uk\)](http://Consultation Interim Polling Place Review 2023 (hastings.gov.uk))

Officer to Contact

Katrina Silverson, Electoral Services Manager
ksilverson@hastings.gov.uk
01424 451747



Review of Polling Districts, Polling Places and Polling Stations in Hastings

**Consultation document for interim review
held in October 2023**

Consultation period runs from

2 to 22 October 2023

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Contact information:

Information on who can make representations and where to address representations is given on page 5 of this consultation document.

If you want to talk to someone about this review, please contact:

Katrina Silverson
Electoral Services Manager
Hastings Borough Council
Muriel Matters House
Breeds Place
Hastings
TN34 3UY

Telephone (01424) 451747

E-mail: electoralservices@hastings.gov.uk

If you would like to receive this consultation document in an alternative format, such as large print, please let us know by contacting Electoral Services:

- E-mail: electoralservices@hastings.gov.uk
- Telephone: (01424) 451087

1. Background to this review

The council must regularly review the division of its area into polling districts and the places where electors are asked to vote. Full reviews must be started and completed within the period of 16 months that starts on 1 October of every fifth year after 1 October 2013.

The relevant legislation can be found in section 16 of the Electoral Administration Act 2006, the Representation of the People Act 1983 and the Review of Polling Districts and Polling Places (Parliamentary Elections) Regulations 2006. Guidance is also published by the Electoral Commission.

The Council's last full review under the legislation was carried out in 2019. Due to the recent completion of the Boundary Commission for England's review of parliamentary constituencies, we have decided to undertake a short, interim review now with a full review taking place in 2024.

Further information about the procedures for making representations is given later in this paper and the detailed proposals, including proposals for change, are set out in the appendix.

2. Definitions

"Parliamentary constituency". This cannot be changed by the review. It is the division of the constituency into polling districts and places that is the subject of the review. It should be noted that only the parts of the Hastings and Rye constituency that falls within the Borough of Hastings is being reviewed by the Council. The area of the constituency that lies outside the Borough (Rye and Eastern Rother and Brede Valley and Marsham) will be reviewed separately by Rother District Council.

"Polling district". The area created by the division of a constituency or ward into smaller parts, within which a polling place can be determined which is convenient to the electors.

"Polling place". The building or area in which polling stations will be selected by the (Acting) Returning Officer.

"Polling station". The actual area where the process of voting takes place. This must be located within the polling place and designated for the particular polling district. This function is the responsibility of the (Acting) Returning Officer.

3. The review process

As part of the review process the Council must:

- Seek to ensure that all electors in the constituency have such reasonable facilities for voting as are practicable in the circumstances;
- Seek to ensure that so far as is reasonable and practicable the polling places are accessible to those who are disabled, and
- When considering or reviewing the designation of a polling place, have regard to the accessibility needs of disabled persons.

The council is required to publish notice of the holding of a review. Information about the review is made available on the council’s website and can also be obtained in person from the Electoral Services Office at Muriel Matters House, Breeds Place, Hastings TN34 3UY.

The consultation document will also be sent to the local Member of Parliament, Borough Councillors, County Councillors and local political parties. It will also be sent to organisations who have particular expertise in relation to access to premises or facilities for persons who have alternative accessibility needs.

The consultation period for this review will last for approximately 3 weeks.

The timetable for this review is set out below:

| | |
|--|----------------------------|
| Publication of notice and consultation document. | Monday 2 October 2023 |
| Closing date for representations. | Sunday 22 October 2023 |
| Final proposals heard by Cabinet. | Monday 6 November 2023 |
| Final proposals published (as part of the agenda papers for the Council meeting to be held on 22 November 2023). These will be available on the Council’s website. | Tuesday 14 November 2023 |
| Council approves scheme. | Wednesday 22 November 2023 |
| Revised electoral register 2024 published. | Friday 1 December 2023 |

4. The role of the (Acting) Returning Officer

The Council is required to consult the (Acting) Returning Officer for every Parliamentary constituency that is wholly or partly within its area. This consultation document already includes any proposals made by the (Acting) Returning Officer.

5. Proposals

The appendix to this consultation document sets out details of current polling district and polling places for each of the 16 wards in the Borough of Hastings and details of proposed changes.

6. Making representations

Any elector in the whole of the Hastings and Rye constituency (whether they live in the Borough or not) may make representations to the Council.

Representations will also be considered from individuals or organisations who have particular expertise in relation to access to premises or facilities for persons who have alternative accessibility needs.

We would encourage anyone making representations to suggest alternative polling districts/places to those proposed where appropriate and to give reasons for the alternative. This is especially relevant to those polling stations that are situated outside of a polling district or are currently in use as a dual polling station.

Any representations must be received by Sunday 22 October 2023.

You can email your representations (with the words “Polling Places Review” in the subject line) to electoralservices@hastings.gov.uk

If you prefer, you can write to us with your representations. These should be addressed to:

Polling Places Review
Electoral Services
Hastings Borough Council
Muriel Matters House
Breeds Place
Hastings
TN34 3UY

All representations received will be available for viewing, by appointment, at our offices. Even if you have already commented on the proposals, you may make further submissions in response to other representations. Any further submissions must be received no later than the consultation closing date on 22 October 2023.

7. Completion of the review

The final proposals will be submitted to the Full Council meeting on 22 November 2023. This report will be published on 14 November 2023. Councillors will be asked to consider the proposals and representations received and make a final decision. The Council is required to give reasons for its decisions in respect of the designation of both polling districts and polling places.

A revised electoral register will be published on 1 December 2023.

In addition, the council must publish:

- all correspondence sent to the (Acting) Returning Officer in connection with the review and all correspondence sent to any person who the council thinks has particular expertise in relation to access to premises or facilities for persons who have different forms of disability;
- all representations made by any person in connection with the review;
- the minutes of any meetings held by the council where details of the review have been considered;
- details of the actual designations of polling districts and polling places agreed as a result of the review; and
- details of where the results of the review have been published.

8. Challenging the outcome of the review

Although the Electoral Commission has no initial role in the review process itself, it does have an important role in respect of considering representations and observations made that a Council has not conducted a review so as to:

- meet the reasonable requirements of the electors in the constituency, or a body of them (i.e. the reasonable requirements of a particular area of the authority have not been satisfactorily met); or
- take sufficient account of the accessibility to disabled persons of polling stations within a designated polling place.

9. Who may make a representation to the Electoral Commission?

The following may make representations to the Electoral Commission namely;

- not less than 30 registered electors in the constituency
- any person who made representations to the council when the review was being undertaken (except the (Acting) Returning Officer)
- any person who is not an elector within the constituency who the Electoral Commission feel has sufficient interest in the accessibility of disabled persons;

Also the (Acting) Returning Officer may make observations on any representations made to the Commission.

10. Review by the Electoral Commission

The Electoral Commission is required to consider any such representations and observations, and after doing so, may direct the relevant council to make any alterations it sees necessary to the polling places designated by the review.

Should a council fail to make the alterations within two months of the direction being given, the Commission may make the alterations itself.



Appendix

Interim review of polling districts and polling places in Hastings
Interim review (October – November 2023)

Proposals document

Electorate as at **1 September 2023**

An interactive map of all polling stations can be found here

<https://maps.hastings.gov.uk/portal/apps/experiencebuilder/experience/?id=58e524b729a3471581ba45dc3517e5f7>

HASTINGS AND RYE CONSTITUENCY

Ashdown Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|------------|--|------------|---|---|---|
| A1 | Hastings Centre, The Ridge, Hastings TN34 2SA | 1,147 | Situated outside of the polling district (as no suitable accommodation within). Good access. Free off-road parking for electors and excellent public transport links. Currently a dual polling station with polling district F1. | No change. Tellers' area: Outside main entrance, ensuring access to venue not blocked. If inclement weather, maximum of 2 tellers in alcove area in foyer. | Currently the most suitable venue within the immediate area. There are no issues with duality of this venue. No complaints have been made about the duality of this venue |
| A2 | St Johns Church Room, Upper Church Road, St Leonards on Sea TN37 7BS | 1,131 | Situated within polling district. Satisfactory access. Unrestricted on-street parking and satisfactory public transport links. | No change. Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue. |
| A3 | Bannatyne Spa Hotel (Montgomerie Suite), Battle Road, St Leonards on Sea TN38 8EA. | 1,682 | Situated just outside of the polling district. Free off-road parking for electors and satisfactory public transport links. | No change. Tellers' area: Outside main entrance. Maximum of four tellers in outer foyer area. | Currently the most suitable venue within the immediate area. No complaints have been made about this venue. |

The polling district boundaries for this ward do not need to be reviewed.

Baird Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|--|-------------------|---|--|---|
| B1 | Elim Pentecostal Church, Elphinstone Avenue, Hastings TN34 2DJ | 1,761 | Situated within the polling district. Level access. Unrestricted on-street parking and public transport links nearby. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| B2 | Broomgrove Community Centre, Junction Malvern Way/Chiltern Drive, Hastings TN34 3PY | 2,083 | Situated within the polling district. Level access and good lighting. Unrestricted on-street parking. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Braybrooke Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|---|-------------------|--|--|---|
| C1 | St Mark's United Reformed Church Hall, Hughenden Place, Hastings TN34 3TB | 1,989 | Situated within the polling district. Temporary lighting installed on polling day. Satisfactory access. Restricted on-street permit parking, but excellent public transport links. | No change Tellers' area: Raised patio area outside, ensuring access to venue not blocked. | No other suitable venue in polling district. No complaints have been made about this venue |
| C2 | Amherst Tennis Club, Amherst Gardens, Hastings TN34 1TU | 1,962 | Situated within the polling district. Satisfactory access. Unrestricted on-street parking and public transport links in near vicinity. | No change Tellers' area: Outside venue, at the bottom of the entrance ramp ensuring access to venue is not blocked. | Currently the most suitable venue in polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Castle Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|------------|--|------------|---|---|--|
| D1 | His Place Church Hall, Robertson Street, Hastings TN34 1HL | 1,686 | Situated within polling district. Level access and good lighting. Within pedestrianised zone of town centre. Pay and display parking in the vicinity, but excellent public transport links. | No change Tellers' area: Outside main entrance or within outer lobby, ensuring access is not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue. |
| D2 | Quaker Meeting House, South Terrace, Hastings TN34 1SA | 1,491 | Situated within polling district. Level access and good lighting. Pay and display parking in the vicinity and excellent public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. In inclement weather, maximum of 2 tellers in lobby area. | Currently the most suitable venue within the polling district. No complaints have been made about this venue. |
| D3 | Mendham Memorial Hall, Vicarage Road, Hastings TN34 3LZ | 1,534 | Situated within polling district. Level access and good lighting. On-street parking and nearby public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. In inclement weather, maximum of 3 tellers in lobby area by staircase. | Currently the most suitable venue within the polling district. No complaints have been made about this venue. |

The polling district boundaries for this ward do not need to be reviewed.

Central St Leonards Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|---|-------------------|--|---|---|
| E1 | The Royal Victoria Hotel, Marina, St Leonards on Sea TN38 0BD | 2,793 | Situated within the polling district. Level access and good lighting. Pay and display parking opposite venue, allocated disabled parking and good public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. If inclement weather, maximum of 3 tellers may stand at the back of the main reception area. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| E2 | Christ Church Parish Centre, 2 Christchurch Courtyard, London Road, St Leonards on Sea TN37 6GL | 2,205 | Situated within the polling district. Satisfactory access and good lighting. Limited parking in vicinity, allocated disabled parking on-site and excellent public transport links. | No change Tellers' area: Outside main entrance in courtyard area, by memorial. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Conquest Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|------------|---|------------|---|--|--|
| F1 | Hastings Centre, The Ridge, Hastings TN34 2SA. | 1,588 | Situated within the polling district. Good access. Free off-road parking for electors and excellent public transport links. Currently a dual polling station with polling district A1. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. If inclement weather, maximum of 2 tellers in alcove area in foyer. | Currently the most suitable venue within the polling district. No complaints have been made about the duality of this venue |
| F2 | St Peter and St Paul Church Hall, Parkstone Road, Hastings TN34 2QE | 2,198 | Situated within the polling district. Level access and good lighting. Unrestricted on-street parking, car park, and good public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Gensing Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|---|-------------------|---|---|---|
| G1 | YMCA, The Y Sportscentre, St Paul's Road, St Leonards on Sea TN37 6RS | 2,418 | Situated within the polling district. Satisfactory access. Limited on-street parking. Public transport links in nearby vicinity. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. If inclement weather, maximum of 2 tellers in foyer. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| G2 | St John's Parish Hall, Brittany Road, St Leonards on Sea TN38 0RD | 2,194 | Situated within the polling district. Level access and good lighting. Unrestricted on-street parking and public transport links in near vicinity. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Hollington Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|------------|---|------------|---|--|---|
| H1 | Robsack Community Centre, Bodiam Drive, St Leonards on Sea TN38 9TW | 1,304 | Situated within the polling district. Level access and good lighting. Unrestricted parking and good public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| H2 | Tilekiln Community Centre, Tilebarn Road, St Leonards on Sea TN38 9PA | 1,217 | Situated within the polling district. Level access and good lighting. Unrestricted parking and good public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| H3 | Hollington Youth Club, 1 Wishing Tree Road North, St Leonards on Sea TN38 9LL | 1,287 | Situated within the polling district. Level access and good lighting. Unrestricted on-street parking and good public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Maze Hill Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|---|-------------------|---|---|--|
| I1 | Arthur Easton Centre, St Michael's Hospice, 25 Upper Maze Hill, St Leonards on Sea TN38 0LB | 1,648 | Situated within the polling district. Level access and good lighting. Limited parking and public transport links in near vicinity. | No change Tellers' area: Outside main entrance under covered area. Telling must not interfere with hospice activity. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| I2 | The Taplin Centre, Healey House, 3 Upper Maze Hill, St Leonards on Sea TN38 0LQ | 2,135 | Situated within the adjoining polling district (I1). Level access and good lighting. Unlimited on-street parking and public transport links in near vicinity. | No change. Tellers' area: Outside main entrance on sloped drive area, ensuring access to venue not blocked. | No other suitable venue found so far within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Old Hastings Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|--|-------------------|---|---|---|
| J1 | All Souls Hall, Athelstan Road, Hastings TN35 5JE | 1,860 | Situated within the polling district. Satisfactory access and good lighting. Limited on-street parking and public transport links in near vicinity. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| J2 | All Saints Church Hall, All Saints Street, Hastings TN34 3BG | 1,974 | Situated within the polling district. Satisfactory access and good lighting. Restricted on-street parking and good public transport links. | No change. Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

Ore Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|--|-------------------|---|---|---|
| K1 | Salvation Army Hall, 418 Old London Road, Hastings TN35 5BB | 2,139 | Situated within the polling district. Level access and good lighting. Limited on-street parking and excellent public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |
| K2 | Downs Farm Community Centre, Crowborough Road, Hastings TN35 5EA | 1,798 | Situated within the polling district. Level access and good lighting. Unrestricted parking and public transport links in near vicinity. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. Otherwise, a maximum of three tellers may convene in hallway area. | Currently the most suitable venue within the polling district. No complaints have been made about this venue |

The polling district boundaries for this ward do not need to be reviewed.

St Helens Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|---|-------------------|--|--|--|
| L1 | Christ Church Blacklands Church Hall, Laton Road, Hastings TN34 2ES | 2,316 | Situated at the very edge of the polling district. Satisfactory access (with ramp). Unrestricted on-street parking and public transport links in near vicinity. | No change Tellers' area: Maximum of 3 tellers in foyer area. No tellers to stand outside the entrance as access too narrow. | No other suitable venue within the polling district. No complaints have been made about this venue. |
| L2 | Hastings United Football Club, Pilot Field, Elphinstone Road, Hastings TN34 2AX | 1,568 | Situated at the very edge of the polling district. Level access, separate accessible entrance and good lighting. Unrestricted on-street parking and good public transport links. | No change Tellers' area: Outside main entrance at bottom of ramp, ensuring access to venue not blocked. | No other suitable venue within the polling district. No complaints have been made about this venue. |

The polling district boundaries for this ward do not need to be reviewed.

Silverhill Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|------------|---|------------|--|--|---|
| M1 | St Luke's United Reformed Church Hall, Alma Terrace, St Leonards on Sea TN37 6QT | 2,105 | Situated within the polling district. Level access and good lighting. Limited on-street parking and good public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked | Currently the most suitable venue within the polling district. No complaints have been made about the duality of this venue. |
| M2 | Church of Jesus Christ of Latter Day Saints, 2 Ledsham Avenue, St Leonards on Sea, TN37 7LE | 2,053 | Situated within the polling district. Level access and good lighting. Off-street parking with satisfactory public transport links. | No change since 2021. Tellers' area: Outside main entrance, ensuring access to venue not blocked. | No other suitable venue within the polling district. No complaints have been made about the duality of this venue |

The polling district boundaries for this ward do not need to be reviewed.

Tressell Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|---|-------------------|--|---|--|
| N1 | Christ Apostolic Church, 1 The Ridge (Entrance Clifton Road), Hastings TN34 2AA | 1,314 | Situated at the very edge of the polling district. Satisfactory access and good lighting. Limited on-street parking and public transport links in near vicinity. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked | Currently the most suitable venue within the polling district. No complaints have been made about this venue. |
| N2 | Calvert Church Hall, Mount Pleasant Road, Hastings TN34 3SP | 2,321 | Situated within the polling district. Level access and good lighting. Limited on-street parking and good public transport links. | No change from 2022. The previous polling place was The Bridge Community Centre, 361 Priory Road, Hastings TN34 3NW. A change in leaseholder necessitated move to new polling place. Tellers' area: Outside main entrance, ensuring access to venue not blocked. | Currently the most suitable venue that is available within the polling district. No complaints have been made about this venue. |

The polling district boundaries for this ward do not need to be reviewed.

West St Leonards Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|------------|--|------------|---|---|--|
| O1 | West St Leonards Community Centre, 130 Bexhill Road, St Leonards on Sea TN38 8BL | 2,028 | Situating within the polling district. Level access and good lighting. Limited on-street parking and satisfactory public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked | No other suitable venue in polling district. No complaints have been made about this venue. |
| O2 | West St Leonards Primary Academy, West St Leonards School, Harley Shute Road, St Leonards on Sea TN38 8BX Change to: West St Leonards Community Centre, 130 Bexhill Road, St Leonards on Sea TN38 8BL | 1,573 | Situating within the polling district. Level access and good lighting. Limited on-street parking and satisfactory public transport links. | Change of venue as shown. Tellers' area: Outside main entrance, ensuring access to venue not blocked | Previous polling place is no longer available. We have used the community centre as a dual station for the last two elections. Currently no other suitable venue within the polling district. No complaints have been made about this venue. |

The polling district boundaries for this ward do not need to be reviewed.

Wishing Tree Ward

| PD Letters | Polling Place | Electorate | Issues, Options and considerations | (Acting) Returning Officer/Local Authority Proposal | Reasons |
|-------------------|--|-------------------|--|--|--|
| P1 | Hollington Parish Room, 177 Wishing Tree Road, St Leonards on Sea TN38 9LD | 2,045 | Situated within the polling district. Level access. Limited on-street parking and satisfactory public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked. In inclement weather, maximum of 2 tellers in foyer area. | No other suitable venue within the polling district. No complaints have been made about this venue. |
| P2 | Four Courts Community Centre, Sydney Close, St Leonards on Sea TN38 9DD | 2,161 | Situated within the polling district. Level access and good lighting. On-site parking and satisfactory public transport links. | No change Tellers' area: Outside main entrance, ensuring access to venue not blocked | Currently the most suitable venue within the polling district. No complaints have been made about this venue. |

The polling district boundaries for this ward do not need to be reviewed.

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Agenda Item 8a



Report To: Cabinet

Date of Meeting: 6th November 2023

Report Title: Hastings Town Deal Programme Update

Report By: Victoria Conheady, Deputy Chief Executive and Director of Place

Key Decision: Y

Classification: N/A

Purpose of Report

1. To provide updates on the Hastings Town Deal programme

Recommendation(s)

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

Reasons for Recommendations

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

Introduction

Hastings Town Investment Plan

1. Hastings Town Investment Plan was submitted to DLUHC (formerly the Ministry of Housing, Communities and Local Government) on 29th January 2021. Hastings' Stage 1 Town Investment Plan (TIP) can be viewed by following this link to our blog: <https://www.hastingstowndeal.co.uk/>
2. Our ambition through the Town Investment Plan is to deliver 'a healthy, vibrant and quirky seaside town that people love to visit, live and work in and say, 'I can #MakeItInHastings'.'
3. Through the investment provided by the Town Deal Board Programme we will see the revival of Hastings Town Centre with investment in key heritage assets, large buildings and the public realm.
4. Residents and visitors to the town centre will want to visit these renewed assets and will also want to see the South East's first 'garden town'. Green arteries buzzing with biodiversity will connect the entwined streets in the town centre with routes to the sea. It will allow for curation of the street scene which will allow people to breathe, think and dwell.
5. Supporting and interweaving with this is the creation of two new regional skill bases in the Ore Valley. These will be focused on the green economy and land-based skills, employment and self-enterprise. To support small business and start-ups a new BREEAM standard (Building Research Establishment Environmental Assessment Method) business centre has been built in Hollington, set amongst high tech manufacturing businesses to enable cross fertilisation, mutual support and growth.
6. The government issued a Heads of Terms to the town in June 2021 offering £24.3m for delivery of our investment proposals. This was less than asked for but a considerable success for the town. Since the terms were issued there have been several changes to the project profile, which have been agreed with both DLUHC and the Town Deal Board. The changes arise from the withdrawal of projects due to financial viability and/or failure at the business case stages.
7. All the Towns Fund Projects have successfully developed full business cases that have been independently assessed and approved by the Town Deal Investment Panel, the Section 151 Officer and ratified by the Town Deal Board. The Project Summary documents have all been approved by DLUHC. See Appendix 1
8. An updated summary of the current projects agreed with the Town Deal Board and DLUHC is detailed in Appendix 1 with their short description. It also identifies all the withdrawn / cancelled projects since the heads of terms was issued by the government.
9. Appendix 2 is a Towns Fund Programme Project Update presentation documentation for wider use.
10. It is important to note that the council is the accountable body for the programme, but investment decisions are made by the Town Deal Board and its delegated bodies, following

DLUHC guidance. In addition, this update and progress report is compiled from the ongoing feedback provided by the lead organisation for each project. This includes the council, but also other bodies as identified in Appendix 1. They are responsible for direct project delivery.

Towns Fund Programme overview October 2023

11. The programme has now fully entered project implementation with all project business cases formally approved by DLUHC.
12. The following Towns Fund projects have now been completed and are open for activities and business, some are still to deliver their outputs and are mainly on track:
 - a. **Churchfield Business Centre** – a new, sustainable green building with 29 Business incubation units for the town's small businesses. Several of these have already been let;
 - b. **Hastings Commons (Observer Building Creative Technology Hub)** is open;
 - c. **Former Debenhams Building (1) Freedom Works** – Hastings' co-working, flexible office and community space on the third and fourth floors of the former Debenhams Buildings. This has been so successful the fifth floor is being developed independently of Towns Fund;
 - d. **Former Debenhams Building (2)** – joint venture between Moxie Management Two and Owens Entertainment - after opening last autumn, the building provided a mixed entertainment, game and leisure venue (Ground, first and second floors of the former Debenhams building). It is currently closed for refurbishment and rebranding with statements from operators it will re-open in the new year.
 - e. **White Rock Courtyard** – installation of the lift to the courtyard allowing the mix of restaurants and businesses to be fully accessible.
 - f. **Priory Meadow** (repurposing of New Look building) – Gym Group is now open on the upper floor offering affordable gym memberships which has increased the provision of affordable health and fitness facilities to a larger catchment population for a longer period of the day. There are new office spaces on the ground floor where an alternative user is being sought after the departure of JobCentre Plus.
 - g. **Broadening Futures Together** – This is a unique partnership between Education Futures Trust and Plumpton College. With the development of 18,000m² semi-derelict site the new education facilities will offer courses related to the land-based economy. Construction is complete and the building will be available for use by Plumpton College from September 2023. Other courses are already underway, and the student related outputs are on track and increasing.

Progress on all other projects

Hastings Castle

13. The council has been considering how to deliver the Hastings Castle Project given its current restricted financial circumstances. Essentially this has impacted in its ability to borrow from the Public Works Loan Board given its low reserve balance and the current high interest rates. This limits its financial ability to commit to the repayments of any loans and take additional substantial financial risks in the short to medium term. In 2022 the council had expected to commit £2.5m towards the development of the first phase of the castle project in addition to the £3.4m on offer from the Town Deal Board Programme.

14. As a result, the council would preferably like to explore with the wider private and public development market to seek partners including potential developers, operators and funders who may be interested in delivering the above project. This approach has been discussed with DLUHC, the Town Deal Board and other potential funders and all are generally supportive. Once the EOIs have been carefully assessed, the Programme Team, the council and the Town Deal Investment Panel will consider the next steps and identify the appropriate processes.

Hastings Commons

15. All the Towns Fund projects within Hastings Commons are progressing with the Observer Building creative technology hub being complete. The initiative has been able to access various other sources of funding including CHART, Trinity Triangle Heritage Action Zone, Growing Places Fund (loan), Getting Building Fund, Architectural Heritage Fund (loan), Youth Investment Fund & Towns Fund: Total project value £19M (TF contribution @£4m).

16. Eagle House has been acquired and the project is going through its RIBA stages but on track for full outputs by the end of the programme. Full refurbishment being funded by YIF for the creation of a youth hub. Initial works have been undertaken to open up the Alley Level floor.

17. Planning permissions are currently being sought for development of 12 Claremont – art gallery, workspace and hosting centre for ethical nomads. 12 Claremont will go to tender for the main contractor in Jan 2024 and is expected to start on site in April 2024. This building is now the main focus of Towns Fund activity.

Public Realm and Green Connections

18. The ambition of the project is to create green arteries buzzing with biodiversity that will connect the entwined streets in the town centre with routes to the sea. It will allow for curation of the street scene which will allow people to breathe, think and dwell.

19. The project is led by East Sussex County Council with guidance and contributions from Hastings Garden Town and the council. The Project is progressing but the reallocation of Towns Fund, taking it from £3m to £10m, required a review of the internal procurement process, driving a delay in appointing the design consultants for the public realm work. Contract negotiations are being finalised and the consultant design team are due to start work by mid-October 2023. The construction company for the build phase is already in place and the delivery date of 2026 still holds.

Green Construction, Energy and Vehicle Training Centre

20. The project (@£2.63m TF allocation) it will provide new training and skills opportunities with focus on installing and maintaining green and sustainable technologies in homes, industry and transport (electric vehicles).

21. Progress is being made on the implementation of the project although delayed until September 2024 for completion. Delays have been caused by finalising the funding agreement and pausing the programme until construction costs relatively stabilise.

Town Living

22. This project is currently being reviewed by the council given its current financial position. The specific building originally identified is not being taken forward as part of the programme because of various risks including financial, suitability, deliverability, and future management of a refurbished listed building. The council is due to propose alternative ways of delivering homes in the town centre with other potential providers using the £1m Towns Fund allocated for this project.
23. Further discussion will be had with DLUHC, the Town Deal Investment Panel and the Town Deal Board to agree a way forward.

Reallocation of Funds

24. Table below confirms the reallocation amount for each project following two reallocation processes agreed with the Town Deal Board and DLUHC. The last being the reallocation of Town Core Projects funds to the Public Realm project.

| Project | Original Allocation | Reallocation | Current Allocation | % TF Uplift |
|--|-----------------------|----------------|-----------------------|-------------|
| TOTALS per project: | £23,085,000.00 | £0.00 | £23,085,000.00 | |
| COMPLETED inc Outputs | | | | |
| Hastings co-working, flexible office, community space | £112,500.00 | £4,232.00 | £116,732.00 | 3.76% |
| Source / Courtyard lift | £65,000.00 | £0.00 | £65,000.00 | 0.00% |
| COMPLETED On Site | | | | |
| Churchfields | £750,000.00 | £28,211.00 | £778,211.00 | 3.76% |
| Broadening Futures Together | £402,000.00 | £15,121.00 | £417,121.00 | 3.76% |
| Former Debenhams Building | £0.00 | £400,000.00 | £400,000.00 | 0.00% |
| Priory Meadow shopping centre (Fast Track element) | £337,000.00 | £12,676.00 | £349,676.00 | 3.76% |
| ON SITE | | | | |
| Hastings Commons | £3,852,300.00 | £144,903.00 | £3,997,203.00 | 3.76% |
| APPROVED | | | | |
| Green construction, energy and vehicle training centre | £2,543,100.00 | £95,658.00 | £2,638,758.00 | 3.76% |
| Hastings Castle | £3,325,000.00 | £125,069.00 | £3,450,069.00 | 3.76% |
| Public Realm & Green connections | £2,815,100.00 | £6,939,358.00 | £9,754,458.00 | 246.50% |
| Town Living | £1,000,000.00 | £37,615.00 | £1,037,615.00 | 3.76% |
| CANCELLED | | | | |
| Enterprise Space, Ponswood | £220,000.00 | -£220,000.00 | £0.00 | -100.00% |
| Wellington Place/Sports Direct | £1,000,000.00 | -£1,000,000.00 | £0.00 | -100.00% |
| Priory Meadow shopping centre | £1,663,000.00 | -£1,663,000.00 | £0.00 | -100.00% |
| Priory Street/ESK | £5,000,000.00 | -£4,919,843.00 | £80,157.00 | -98.40% |

Cancelled or withdrawn projects from the programme;

25. Four projects have been cancelled / withdrawn from the programme (listed in above table) and explanation provided in Appendix 1.
26. All the funds from these projects have been reallocated to existing projects with one new project being the Debenhams building and the funding being split between Moxie Management Two and Owens Entertainment with the required business case, Town Deal Board and DLUHC approval.

Review of the programme and projects by Overview and Scrutiny Committee

27. The Overview and Scrutiny Committee reviewed a draft copy of this report on 18th October 2023.
28. The Overview and Scrutiny report is included with the papers for this Cabinet meeting 6th Nov 2023.
29. In summary, the programme team will be incorporating the following recommendations into the management of the programme as soon as possible:
- All existing projects will be requested to provide relevant building and safety certificates before HBC make the last stage payments. These will, however, have to be accepted on face value as it is the building owners/operators who are responsible for ensuring the building works are satisfactory and satisfy all regulations.
 - The Town Deal website and blog will be kept up to date to reflect progress, success, or failure.
 - Specialist advisors will be employed to assess business cases appropriate to the project proposal.
 - Estimates of the income generation by the council because of the projects being delivered – income arising from investment in HBC and other assets via rentals, business rates etc.
 - Improvements in the publicity, community engagement and consultation conducted by projects.
30. Other recommendations and suggestions made by the Overview and Scrutiny Committee will be examined and considered by the programme team as appropriate.

Launch of the Hastings Station Gateway Project initiative with Homes England

31. This initiative follows the cancellation of the ESK / Priory Street Car Park development project which was included in the Towns Fund Programme. This was due to the large funding gap to enable a mixed-use development but also because of interest from Homes England to regenerate the town centre.
32. In a statement to the council and the Town Deal Board in October 2022 they confirmed the following:
- ‘Homes England are working with Hastings Borough Council to understand the opportunities that exist and exploring how Homes England can use its resources to support Hastings’ regeneration ambitions, as part of the agency’s support for the government’s levelling up ambitions.’
33. In December 2022, Homes England and HBC commissioned Lambert Smith Hampton and Tibbalds Planning and Urban Design to review and advise on the market potential for regeneration of sites around Hastings Station. As part of this work, the consultants produced a report outlining their recommended next steps. This identified the need to develop a Strategic Regeneration & Investment Framework to guide investment and the regeneration of the town centre.

34. In summary, the aim of the SRIF is to identify the opportunities that exist within the site area and to explore options as to how best to deliver Hastings' regeneration ambitions. It will support the identification, co-ordination and suggested management of critical interventions and initiatives. It will help unlock wider investment within Hastings Town Centre from both the public and private sectors. It will also enable the delivery of homes through quality placemaking and protect the future of the town centre, generating future income and creating employment opportunities.

35. This work is due to commence very soon and will be conducted in phases with consultation with the community and key stakeholders during the whole process. It will take approximately 9 months to complete. Further updates on this will be provided to members and Cabinet as this initiative progresses with Homes England.

Other government funded initiatives

36. The programme team is also overseeing the delivery of £1m UK Shared Prosperity Fund focused on improving the lives and opportunities of residents on the Broomgrove Estate. Update on this programme and others recently announced by the government (Levelling Up Partnerships and Long-Term Town Plan) will be provided to members and the Cabinet as soon as possible.

Public Exemption

None

Timetable of Next Steps

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

| Action | Key milestone | Due date (provisional) | Responsible |
|---|--|--------------------------------|---|
| Continue to progress implementation of all remaining Town Deal Board Projects | Keep members updated with further updates. | October / November 2024 | Pranesh Datta Economic Development Manager |
| Commencement of Hastings Station Gateway Project with Homes England | Completion of Phase 1 of study Spring 2024 | Updates to members Summer 2024 | Pranesh Datta Economic Development Manager |

Wards Affected

All

Policy Implications

Reading Ease Score:

Have you used relevant project tools? Y

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

Equalities and Community Cohesiveness Y

The proposals set out in the Town Investment Plan – includes delivering jobs, skills, new housing, educational, cultural and leisure assets to maintain opportunities for all in the town. Employment and Educational assets are also being built or enhanced in the most deprived parts of the part of the town including in Hollington and the Ore Valley.

A full Equalities Impact Assessment has been conducted on the programme and this shows the potential for positive benefits for all residents. All projects will be completing an Equalities Screening check to and identify any immediate issues and actions with their proposal. The Programme Team will engage with each of the projects to review their 'screening' check and ensure actions are followed through as agreed.

Crime and Fear of Crime (Section 17) Y

The Town Investment Plan has a large investment programme to improve the public realm in the town centre, increase footfall and reduce fear of crime.

Risk Management Y

As part of the project management tools a detailed project plan is used and a RAID log is being maintained. Each project will be producing their own risk assessment as part of preparing their business cases. Risk assessments of projects will be regularly conducted by the programme team.

A programme risk assessment has been produced by the programme team. Generally, the risks relate to the projects rather than the programme.

Environmental Issues & Climate Change Y

As part of business case development all project leads were asked to consider the environmental impact of their project and respond to council's net zero carbon emission target by 2030. The indicative plans will attempt to deliver the new buildings to high sustainability standards. The buildings need to be sustainably built and operated and will include use of modern technologies such as heat pumps and solar panels where applicable. In addition, a project included in the plan is to establish a new sustainable skills excellence centre by East Sussex College Group.

Economic/Financial Implications Y

This is a large capital investment programme with the council being the accountable body. Further implications will become clearer as projects are developed in more detail and tenders are prepared. All the projects have the potential to generate income for the council (including business rates and council tax) and contribute to the wider economic growth and regeneration of the town.

Human Rights Act N/A

Organisational Consequences Y
The organisational consequences were set out in previous Cabinet reports to deliver the Town Deal Board programme.

Local People's Views Y
Local stakeholders were consulted on development of the Town Investment Plan. Many put their ideas forward and will have further opportunities to shape projects as they develop. A community engagement plan has been developed as part of the programme.

Anti-Poverty Y
The proposals will deliver jobs, skills, new learning opportunities and raise people's income.

Legal Y
HBC as accountable body for the entire programme has addressed all legal issues relating to its projects and also other delivery partners.

Additional Information

Appendix 1 – Towns Fund programme projects summary October 2023

Appendix 2 – Towns Fund Programme project update presentation

Officer to Contact

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Appendix 1 – Towns Fund programme projects update October 2023

| Projects per theme | | | | | | | |
|--|--|--|---------------------|--|--|---|---|
| Challenge Theme | Projects & Project Lead | Town Fund Contribution | Total Project Value | Brief description | Project status | Results | |
| Jobs and enterprise growth (Skills & Enterprise) | Hastings co-working flexible office space - FreedomWorks Ltd | £116,732 | £313,374 | Creation of shared work spaces at the former Debenham building - 3rd, 4th and 5th floor | Build Completed | Provided 968m2 of new office space in a green retrofit town centre building, operating at near full capacity. | |
| | Churchfield Business Centre - Hastings Borough Council | £778,211 | £4,804,068 | Creation of 29 Business incubation units on Churchfield Industrial Estate, Hollington | Build Completed | One new BREEAM standard building providing 1,196m2 of new office space (29 Business Units). So far 12 new units let (tech and light industrial) | |
| | Green Construction, Energy and Vehicle Training Centre - East Sussex College Group | £2,638,758 | £3,068,758 | Infrastructure for provision for Green Low Carbon Skills & business startup / development opportunities | Planning & under development | Target - To provide 650m2 of new and improved educational facilities to support various courses for a target of 150 students by Q1 2026. Expected Completion Sep 2024. | |
| | Enterprise Space, Ponswood - Unveiled Ltd | | | Repurposing existing open plan office spaces on Ponswood Industrial Estate | Project cancelled due to incomplete business case. | N/A | |
| | Broadening Futures Together - Education Futures Trust and Plumpton College | £417,121 | £686,896 | New education and skills offer linked to land based occupations and business opportunities - fast track project | Build Completed | Provided 100m2 new educational facility and, so far, 11,000m2 of improved outside space. So far, 243 new students have enrolled with 188 obtaining an education certificate | |
| Forgotten history and assets (arts, culture & heritage) | Hastings Castle - Hastings Borough Council (bbc) | £3,450,069 | £6,299,634 | Telling the story of the Norman invasion and its impact Project value estimated and TBC | Project currently under review as delivery partners sought | Target - to make the Castle a primary destination, increasing the visitor numbers to 100,000 and to improve 3,380 m2 of outside space | |
| | Hastings Commons OB Creative Creative Technology Hub - Hastings Commons Neighbourhood Ventures | £3,997,203 | £4,299,203 | Development of a community led creative quarter in the heart of the town centre - gallery, workspaces, homes, community spaces, wellbeing facilities; digital and education learning facilities. | Build Completed | Target - to improve/ green retrofit 1,996 m2 of existing space, including 1,027 of new office space. To improve 200 m2 of public realm. To provide improved and new educational facilities for 640 new students by the end of the programme | |
| | Hastings Commons Cambridge Rd (Eagle Hse) - Hastings Commons Neighbourhood Ventures | | | | Purchase Completed. Planning and Development | | |
| | Hastings Commons 12 Claremont - Hastings Commons Neighbourhood Ventures | | | | Planning & under development | | |
| | Discontinued/unloved town centres (urban regeneration & connectivity) | Town Centre Core Project 1a (New Look Fast Track) - NewRiver REIT | £349,676 | £1,059,970 | Gym Group now open on the upper floors and new office spaces on the ground floor (DWP has recently vacated, and alternative user being sought). | Build Complete | Provided 2,171m2 of green retrofit to an empty town centre building, homing a new gym and providing 1,041 of new office space |
| | | Town Centre Core Project 1B Redevelopment of Priory Meadow Shopping Centre (West Wing) - NewRiver REIT | | | Project withdrawn following indicative assessment of site as a possible mixed use development . Cost of development ; extent of funding gap; and changes to the current leasing arrangements of the centre were the main factors taken into consideration. | Cancelled. Funds re-allocated | N/A |
| | | Priory Street Car Park (Project withdrawn) - Hastings Borough Council | £80,157 | £80,157 | Project withdrawn following indicative assessment of site as a possible Leisure and Housing project. The assessment showed considerable funding gap and the full report will be made available on the Council's website in October 23. | Cancelled. Funds re-allocated | N/A |
| 1-7 Wellington Place - Hastings Borough Council | | | | Purchase and redevelopment of building for mixed use development. Project withdrawn very early in the stage due to current owners wanting to continue to operate from the building. | Cancelled. Funds re-allocated | N/A | |
| Former Debenhams Site (additional project) - Moxie Management Two Ltd and C&O Entertainments | | £400,000 | £826,345 | Development of an indoor entertainment centre at former Debenhams Building (ground, 1st and 2nd) - children's play, food and drink, games, indoor bowling, visuals, etc. | Build Completed | Provided 7,432m2 of retrofit to an empty town centre building, homing a new family entertainment destination and providing 278m2 of new office space | |
| Town Centre Public realm and green connections - East Sussex County Council | | £9,754,458 | £10,154,458 | Focus on improving active travel connectivity (walking and cycling) and the enhancement of the public realm in Hastings town centre. It will encompass ideas from the Hastings Garden Town - inspired by Great Dixter's philosophy of creative ecology, horticultural innovation and biodiversity. There has been a significant increase in the value of the project from @£3m to £10m - agreed in March 23. | Planning and under development | Target - to improve 14,580 m2 of town centre public realm, including the planting 35 trees, improved public transport links and community space. Design stage to commence October 2023 | |
| Lack of Quality Housing (urban regeneration) | | Town Living - Hastings Borough Council | £1,037,615 | £1,657,615 | Town Centre Housing Investment Proposal - providing new and renovating existing. This project is currently being reviewed. | Project being reviewed | Target - To provide 562 m2 of green retrofit residential space in the town centre as 12 residential units. |
| Improved access to Source Park | Source Park - White Rock Courtyard - The Source Hastings Ltd | £65,000 | N/A | Installation of lift to the courtyard - project partly previously funded via the Town Fund Accelerated Fund | Build Completed | Improved access to the Source Courtyard | |
| Totals | | £23,085,000 | | | | | |
| Including the programme 5% M&A allowance of £1,215,000 the TF programme totals £24,300,000 | | | | | | All projects have employment targets during delivery and post-delivery. The Programme target is in excess of 140 full time, temporary jobs and the creation of 360+ fulltime, permanent jobs. | |

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Hastings

#MakeItInHastings

Hastings Town Fund Programme
Update Presentation October
2023.

A healthy, vibrant and quirky seaside
town that people love to visit, live and
work in and say,
'I can #MakeItInHastings'

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Town
Investment
Plan



Churchfields Business Centre



Project led by: Hastings Borough Council

Towns Fund grant: £778,211 Project Completed

Total project value £4.5m (£500K LGF; £750K TF; £303K CHART; £2.94m HBC)

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29 business incubator units in Hollington @30 to 32m2

Construction started November 2021, completed March 2023, with first 12 tenants now in place (tech and light industrial)

- The hubs are designed for small businesses with a variety of uses with monthly lease charge of @ £384.50 (exc vat)
- BREEAM approved features including solar panels on the roof, electric charging points, EPC rating A+, planting
- Responds to demand for small business units, help keep activity local and provides investment into a deprived ward



Former Debenhams Building (1)

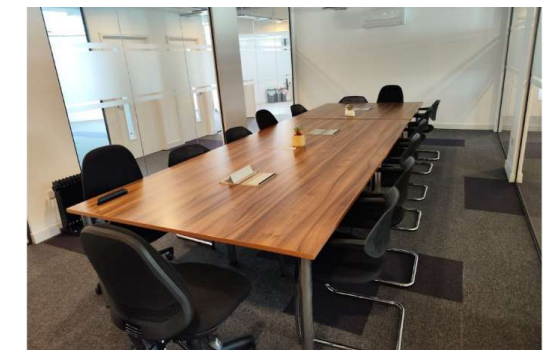
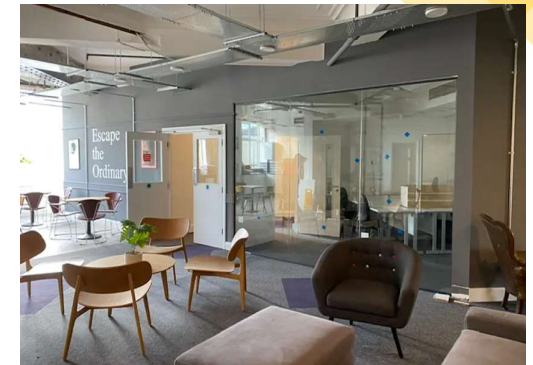
Hastings co-working, flexible office and community space

Project led by: Freedom Works

Towns Fund grant: £116,732 Project Completed

Total project value: £313,374

- Refurbishment of the upper floors of the building – breathing new life into a beautiful listed building
- 25 bright offices: creating a home for up to 150 members
 - 3 kitchens and break-out lounges
 - 4 meeting and board rooms
 - 24/7 access
- High occupancy rate of local businesses/entrepreneurs



Former Debenhams Building (2)

A joint venture between Moxie Management Two Ltd and C&O Entertainment

Towns Fund grant: £400,000

£250,000 to Moxie Management Two Ltd for general building works and £150,000 to C&O Entertainment for enhancing entertainment activities including the kitchen and play / game areas

Project Completed – October 2022

Total project value: £826,345

- Development of the ground, first and second floors of the former Debenhams building into an indoor entertainment centre providing a range of activities including ten pin bowling, crazy golf courses, immersive and virtual reality experiences
- Closed September 2023 for refurbishment, rebranding and reconfiguration of entertainment offerings but delivered 22 local jobs and renovated a significant empty building in a key location in the town centre



Repurposing of Priory Meadow Shopping Centre

Project led by: NewRiver REIT

Towns Fund grant: £349,676 Project Completed

Total project value: £1,059,970



- Page 107
- Project aims to support greater diversity of the town centre by re-purposing vacant retail space at Priory Meadow Shopping Centre
 - The former New Look building has been transformed into a offices on the ground floor and a low cost 24/7 gym operated by The Gym Group on the first floor
 - Increased provision of affordable health and fitness facilities to a larger catchment population and for a longer period of the day
 - DWP has since vacated the premises and new tenants are being sought. Further update to follow



Hastings Castle



Project led by: Hastings Borough Council

Towns Fund grant: £3,450,069

Total project value: TBC

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The project aims to:

- Make the West Hill lift and castle more accessible
- Provide new wayfinding, information and pathways to and within the castle
- Create a new interpretation centre and catering and retail space with augmented reality interpretation
- Project currently under review - alternative delivery options will be considered due to the council's current financial position



Hastings Commons

Project led by: Hastings Commons Neighbourhood Ventures

Towns Fund grant: £3,997,203

Total project value £19M. Funded by CHART, TTHAZ, Growing Places Fund (loan), Getting Building Fund, Architectural Heritage Fund (loan), Youth Investment Fund & Towns Fund.

- A series of key buildings in the neighborhood acquired and bringing back to life as mixed-use community owned assets:
- Observer Building – community-led rescue after 35 years of dereliction. Completed: concrete repairs, UKPN substation; warm roof; ground floor venue and café; first floor workspace; **creative technology hub**; Gym; new windows; Eco M&E systems; heritage facade & eastern elevation external works (underway)
- 12 Claremont – full renovation of much-loved historic building as art gallery, workspace and a hosting centre for ‘ethical nomads’
- Eagle House – TF enabled freehold purchase, full renovation is to be funded with YIF



Public Realm and Green Connections

Project led by: East Sussex County Council

Towns Fund grant: £9,754,458

Total project value: £10,154,458

- The public realm and green connections project is to build on the character of Hastings as an energetic and creative coastal community to support resurgence of its centre as a thriving, well-connected and healthy place. This will be achieved through the delivery of high quality, relevant and catalytic public realm initiatives, bringing nature and bio-diversity into the town and promoting active travel.
- Key Milestones
 - Commence RIBA 3 Design – Oct 2023
 - Mobilise contractors for RIBA 4/5 – Spring 2024
 - Finish Detail design – Winter 2024/5
 - Finish Construction 2026



Broadening Futures Together

Project led by: Education Futures Trust

Towns Fund grant: £417,121 Project Completed

Total project value: £686,896

- Page 111
- Unique partnership between Education Futures Trust and Plumpton College
- Developing a 18,000m² semi-derelict site in a deprived ward; the new education centre will create opportunities for learning and skills development for local residents.
- Building on EFT's existing support-based courses for hard-to-reach groups and providing a progression opportunity onto more structured and formal learning, leading eventually to accredited training



Town Living



Project led by: Hastings Borough Council

Towns Fund grant: £1,037,615

Total project value: TBC

- Residential development scheme aiming to produce additional affordable housing units in Hastings town centre with long term tenancies.

Project currently under review due to the council's financial position

- The original proposal was for the development of 24 Wellington Square. However, due to various risks including financial, suitability and deliverability of the project this building is being withdrawn from the programme.
- The programme team together with the Town Deal Board will consider alternative ways of delivering homes in the town centre with other potential providers using the £1m fund allocated towards this project.



Green Construction, Energy and Vehicle Training Centre

Project led by: East Sussex College Group

Towns Fund grant: £2,638,758

Total project value: £3,068,758



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- Re-configuration of existing spaces to facilitate off-campus courses, create capacity to enhance the existing curriculum and enable a new build extension
- New and existing courses for sustainability, retrofit and natural environment
- Will provide new training and skills opportunities for students aged 16-19, adults and higher education
- 650m² of new build and refurbished education facilities
- Focus on a high skilled offer around green and sustainable technologies



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Agenda Item 8b



| | |
|-------------------------|--|
| Report To: | Cabinet |
| Date of Meeting: | 6th November |
| Report Title: | Overview and Scrutiny: Hastings Town Deal Programme Update report recommendations |
| Report By: | Coral Harding (Continuous Improvement and Democratic Services Officer) |
| Key Decision: | N |
| Classification: | Overview and Scrutiny Committee Response |

Purpose of Report

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

Recommendation(s)

Overview and Scrutiny's additional recommendations are as followed;

- 1. Overview and Scrutiny recommend that auditing processes need to improve as part of the Town Deal. Overview and Scrutiny welcome the move to collate relevant safety certificates from project leads before full payments are released. There may be other auditing processes that are needed to be considered for different projects.**
- 2. Overview and Scrutiny request to see better ongoing monitoring of projects already delivered and maintain up-to-date public information on the Town Deal website to reflect project progress, success, or failure.**
- 3. Overview and Scrutiny recommend any potential legal dispute highlighted and investigated in full due to the high risk impact these could have.**
- 4. Overview and Scrutiny recommend local specialists, where available, should be used to look at initial business cases. Overview and Scrutiny believe this expertise would highlight concerns and potential issues about projects.**
- 5. Overview and Scrutiny request to see the Community Engagement Plan interact with the public positively. Better consultation and involvement is key. Small changes such as making clear project deadlines in reports would make it clearer to the public about when they can expect to see project outcomes. They would also like to see the website maintained regularly as this forms a key part of public communication.**

6. **Overview and Scrutiny welcome efforts to broaden and diversify the Town Deal Boards. They would like to see a broader range of expertise utilised to find the best projects for Hastings and wider and earlier town wide conversations to join up different initiatives.**
7. **Overview and Scrutiny recommend seeing the project employment opportunities monitored. Some projects have not produced the levels of local employment initially claimed.**
8. **Overview and Scrutiny request to see some estimates of the impact on income generation in the Hastings that the projects have produced. For example, through potential increases in business rates, visitor figures or employment.**
9. **Overview and Scrutiny request to see that the experience and qualifications projects produce for local people are relevant and accepted by employers and industries. Local people deserve opportunities to help them gain a positive future.**
10. **Overview and Scrutiny request information on how the towns current flood risks are impacting the delivery of the Town Deal projects.**
11. **Overview and Scrutiny request the opportunity to review reports on the council's projects for Hastings Castle and the Town Living project at an early stage.**

Reasons for Recommendations

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

Introduction

1. Overview and Scrutiny met on Wednesday 18th October 2023 to discuss the forthcoming November Cabinet report 'Hastings Town Deal Programme Update'.
2. The report was reviewed as part of a pre scrutiny decision making process. This process allows Overview and Scrutiny to identify and look at a planned Cabinet decision shortly before it is made.
3. Planned Cabinet decisions are publicly available as part of the Forward Plan and are published on our website. The Forward Plan shows the next 4 months planned decisions.
4. Overview and Scrutiny use the Forward plan to identify if there are reports that they wish to look at before the decision is made. The committee will seek more information about the item. This is the pre scrutiny decision making process.

Overview and Scrutiny Meeting

5. Overview and Scrutiny were given the opportunity to review the report prior to meeting with Officers and Lead members.
6. Overview and Scrutiny came up with the questions. These are contained in Appendix A and this formed the basis of initial enquiries at the meeting.
7. Councillor Batsford, Councillor Evans, the Economic Development Manager, Town Fund Project & Finance Officer and Chief Executive attended the meeting on 18th October 2023 to help answer the committees questions.
8. The meeting papers can be found here; [Modern Gov](#)
9. The meeting video can be found here; [Overview and Scrutiny - 18 October 2023 | Hastings Borough Council](#)

Recommendations

10. Overview and Scrutiny recommendations are made after the meeting they had with Lead Members and Officers. Overview and Scrutiny would like to thank them for their attendance. The information provided at the meeting was incredibly useful to the committee in making their recommendations.
11. The recommendations are made to ensure that the Town Deal projects continue to benefit the residents of Hastings.
12. They include requesting additional audit processes, monitoring activities and the use of local expertise.
13. It is Overview and Scrutiny's belief that this will produce additional successes from the Town Deal programme and will allow any future scheme to thrive.

Timetable of Next Steps

| Action | Key milestone | Due date (provisional) | Responsible |
|---|---------------|-------------------------------|--|
| Report added to Town Deal Update Programme Cabinet Item | Cabinet | 6 th November 2023 | Continuous Improvement and Democratic Services Officer |

Wards Affected

None

Policy Implications

Reading Ease Score:

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

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

Additional Information

Appendix A: Original Overview and Scrutiny Town Deal Questions

Officer to Contact

Officer: Coral Harding
Email: charding@hastings.gov.uk
Tel: 01424 451764

- a) Given the issues around Owens including it appears, no final sign off of the building for safety and local builders being left with significant debts as well as the sudden closing of the business resulting in many people losing their jobs, what auditing processes are in place to ensure work is completed satisfactorily before payment is made from the Town Deal funds.
- b) If there are no current auditing processes what will be put in place to ensure staged works are completed satisfactorily and contractors paid for the remaining Town Deal projects?
It may be that either audit or O and S needs to get regular progress reports on Town Deal projects to provide proper scrutiny.
O and S should see the business case documents submitted for the contribution to the Owens development. Given such an early failure in the enterprise it seems clear that the business case was not sufficiently thorough.
- c) Priory Meadow – Job Centre Plus was in the building for a very short time, this again indicates a failure in the business case. What reasons were given firstly for moving into the building and then very quickly moving out?
- d) Hastings Castle
Very concerned to learn more about the models of operation being considered for this as there are dangers in giving away too much control of what is delivered here. Would be keen to see this come to O and S for discussion before final decision made. Surely there is a high risk of this project not being delivered by 2026 given we don't even have an operator/designer for the project?
- e) Green Construction, Energy and Vehicle Training Centre
Do we have information on the curriculum for this new centre yet? Green construction could also include learning skills to work with natural building materials which are also relevant to maintaining the fabric of the many historic buildings in the town. There is a huge shortage of builders with skills to understand the repair, retrofit and maintenance of historic buildings.
- f) Town centre living
What will happen to this building now which we know is in desperate need of repair? The housing taskforce visited Eastbourne last week and saw how the in house team had tackled converting a similarly derelict historic building into TA. Are any efforts being made to engage the inhouse team from Eastbourne/Lewes to bring their skill set to bear on this building?
- g) There is still £80k allocated to Priory St/ESK. What was this spent on?
- h) Has any calculation been undertaken as to what increase in income to the council there is likely to be from the increase in council tax and business rates on all the proposed Town Deal projects?
- i) Only 12 out of 29 units let at Churchfield Business Centre so far. This seems slow, are you confident that the remaining units will be let? What feedback

have you had so far on reasons for both taking units on and not taking units on?

- j) Priory St report – appendix states report will be public in Oct 2023. So can O and S see this report?
- k) How are we monitoring employment targets? Are we assessing quality of jobs created?
- l) Public Realm and green connections project – timeline is unbelievably ambitious for such a large scale scheme especially since we have lost a year to procurement processes
- m) It's extremely frustrating that thinking processes so far on Hastings Castle and Town centre living as well as (under a different funding stream) the proposed new leisure centre, have not been more widely shared or the wider councillor group invited to comment and input at an early stage. I would like to hear how members will be engaged in these important projects for the town.

Agenda Item 9



Report to: Cabinet

Date of Meeting: 6th November 2023

Report Title: Tender for Home Adaptation Support Service Contract

Report By: Chris Hancock, Head of Housing

Purpose of Report

To inform Cabinet of the requirement to re-tender for a Home Adaptation Support Service (HASS) to support adaptations funded by Disabled Facilities Grants

Recommendation(s)

1. To request agreement from Cabinet, in line with the delegation of authority and procurement rules, to go out to tender to secure a new home adaptation support service.
2. To request delegated authority to award the contract to the successful bidding party, following due process, to the Head of Housing

1. Overview of the Home Adaptation Support Service

- 1.1 The Council administer the process for Disabled Facilities Grants, which is a duty under The Housing Grants Construction and Regeneration Act 1996. These grants are for the purposes of making adaptations to eligible applicants homes, so they are able to live safely and as independently as possible, for as long as they wish to.
- 1.2 As part of the grant application and approval process, the applicant is required to provide three quotes for the eligible works (based on the recommendations of adaptations needed from the Occupational Therapist), complete an application form, and provide other supporting evidence such as financial information (the grant is means tested). On approval of a grant, it would then be for the applicant to oversee the works themselves and in order to receive final payment, provide evidence to the Council that the works meet building regulation requirements, planning regulations (if needed) and all certification certificates e.g., electrical safety installation is provided. Only works that relate directly to the recommended adaptations made by the Occupational Therapist are eligible for approval and payment.

-
- 1.3 Whilst some applicants may feel able and want to go through this process themselves, many do not and seek support from the Council as to how they can meet these requirements. There is no duty on the Council to provide or facilitate this service, with the legislation only requiring the Council to process and administer applications for the grant funding.
- 1.4 However, it is recognised that facilitating a service that provides support can make the process a lot less stressful for applicants, at a time when they are coping with changes in their health and circumstances. The Disabled Facilities Grant Delivery – Guidance for Local Authorities in England https://assets.publishing.service.gov.uk/media/6245b9ac8fa8f527744f0683/DFG_Guidance.pdf states that it is considered good practice to offer the services of a home improvement agency service to support a disabled person and their family through the often complicated process of carrying out major building works.
- 1.5 A HASS will arrange the sourcing of tradespeople and schedule of works and costs, the oversight of the adaptations work and ensuring appropriate completion and sign off at the end of the project. In addition, they are there to liaise with applicants throughout the process, answering any queries or addressing any concerns an applicant may have.
- 1.6 The alternative to this would be, the applicant would have to arrange and oversee all of this activity themselves. The potential risk for applicants who may not be confident to do this is, they end up with works that take longer to complete and may not meet the requirements of the original recommendations. Ultimately resulting in the adaptations not being suitable for their needs or in line with the reason the grant received approval.

2. Demands on the Service

- 2.1 Hastings Borough Council have for a number of years used the services of a HASS. The commissioning of this has been led by Hastings Borough Council but in coordination with Rother District Council.
- 2.2 The contract with our current provider is due to end on 31st March 2024, having run for a period of 3 years. This was a two-year contract with the option to extend for a further year into 2023/2024, which was taken up.
- 2.3 In order to continue to provide a service of this nature from 1st April 2024, the Council is required to go out to tender for a new service provider. This gives us the opportunity to review the specification and requirements for the service and ensure that it remains fit for purpose for the next 2-3 years.
- 2.4 Demand for DFG's continues to grow both in terms of the core needs of our residents and through the widening of the discretionary use of DFG funding under our updated financial assistance policy.

-
- 2.5 The revised specification will be taking account of these factors and ensuring that key performance indicators on service delivery times, installation, and completion of works and customer service are strengthened to ensure that applicants who decide to use the HASS, have their adaptations delivered in a reasonable timeframe and without undue delay. Contract review points will be included to ensure performance against key performance indicators are being met.
- 2.6 It will also include requirements to utilise the services of local tradespeople as far as possible and that all activities are focused on ensuring they are reducing carbon emission, and are aligned with the Council aims of having a positive impact on addressing the climate emergency being faced.
- 2.7 The Housing Renewal Manager will be working with the support of the procurement hub and the legal team on a specification for tender and revised terms and conditions.

3. Economic/Financial Implications

- 3.1 The costs of providing the HASS are funded through the DFG budget via the approval of a grant to the applicant.
- 3.2 Where an applicant requests to use the services of the HASS, a fee for this service is included in the DFG application that they make and is considered as part of the overall approval process and grant funding required for that applicant.
- 3.3 This is equitable to applicants who decide not to use the services of a HASS but may seek the services of a project manager / surveyor to oversee any eligible works. Applicants who follow this route would also be able to include these as eligible costs in the DFG application they are making.
- 3.4 The HASS service is provided at no direct cost to the Council as it is funded through the DFG grant awarded to each applicant. The administration of the DFG under the legislation is a statutory function and is a duty of the authority to provide.
- 3.5 In terms of the demand for a HASS service the following figures for the last couple of years indicate its use by residents of Hastings and St Leonards. It shows that the vast majority of applicants prefer to use the services of a HASS as opposed to having to make their own arrangements.

| Year | No of adaptations completed in properties overall | Total Budget spent of adaptations | No of adaptations completed by current service providers | Value of work completed by current HASS providers |
|-------------------------------------|--|--|---|--|
| April 2023 to September 2023 | 59 adaptations in 37 properties | £479,565.58 | 45 adaptations in 25 properties | £415,590.67 |
| 22/23 | 154 Adaptations in 96 properties | £1,209,836.81 | 138 Adaptations in 79 properties | £1,125,921.81 |
| 21/22 | 119 Adaptations in 81 properties | £826,832.43 | 103 Adaptations in 65 properties | £767,277.19 |

3.6 The HASS service over the period of the current contract of April 2021 to September 2023 has cost £249,706 in total fees to applicants, with an estimated further £50,000 in potential fees to the end of the financial year. (paid by DFG grant). The total sum for Hastings being estimated at £299,706 excluding VAT.

3.7 The HASS service to Rother District Council over the period of the current contract (including an estimate to the end of this financial year) is estimated at £352,199 excluding VAT.

3.8 This means the total value of the contract based on previous activity will be in the region of £651,816 excluding VAT. Under the Contract Procedure (Procurement) Rules this is a Type D contract and therefore must comply with the tendering process for these types of contract.

3.9 The fee structure currently used for the application of fees is based on a % of the overall costs of works. The higher the value of the works, the lower the % of the fee charged. These fee bandings will also be reviewed as part of the contract to ensure best value for money.

3.10 We are keen to proceed with the tender process as soon as possible to allow the widest reach and opportunity for suitable providers to make a timely application to tender. It is hoped this will benefit the council in terms a choice of applicants and enable us to select a suitable provider in good time ready for the 1st April 2024. It should be noted that the risk of not achieving this will result in the council not being able to provide this support to DFG applicants, who will have to administer the process themselves, until a suitable provider is in place.

4. Environmental Issues

- 4.1 As mentioned above, the specification and tender documents will require those tendering to demonstrate how all of their procedures are supporting the reduction in carbon emissions.
- 4.2 This includes their procurement practices and the products and services provided both by themselves and the tradespeople they are overseeing. Using local tradespeople and supporting local businesses, skills, and training as far as possible is also a requirement of the specification.

5. Equalities and Community Cohesiveness

- 5.1 The overriding objective of the DFG is to allow residents the ability to remain living in their home, as safely and independently as possible, for as long as they wish to do so. Adaptations facilitate not only the ability for residents to move around and function in their home more easily, but they also provide easier access to the community. For example, by facilitating ramped access outside the property, widening front doors for wheelchair access and external stair lifts etc. Making the community more accessible for applicants is an important part of both their physical and mental wellbeing.
- 5.2 The provision of a HASS service allows those DFG applicants who may not be able, or do not feel confident enough to arrange their own adaptations work to use the services of an organisation that can do this for them. This helps remove the barriers they may otherwise face in completing a DFG application and providing the supporting information required, as well as overseeing the adaptations works for grants that are approved. This makes the DFG as accessible as it can be to anyone who wishes to apply.

Timetable of Next Steps

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

| Action | Key milestone | Due date (provisional) | Responsible |
|---|---------------|-------------------------|-------------------------|
| Raise procurement request / legal | | Completed | Housing Renewal Manager |
| Agreement of final draft of contract, specification, and tender documents | | Early November 2023 | Housing Renewal Manager |
| Release tender documents | | Subject to approval but | Housing Renewal Manager |

| | | | |
|-----------------------|--|----------------------------|-------------------------|
| | | aiming for mid November | |
| Acceptance of Tender | | January - February 2024 | Housing Renewal Manager |
| Start of new Contract | | 1 st April 2024 | Housing Renewal Manager |

Wards Affected

All

Implications

Relevant project tools applied? **Yes/No**

Have you checked this report for plain English and readability? **Yes/No**

Climate change implications considered. **Yes/No**

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

Additional Information

Officer to Contact

Officer Name Sandra Thornton
 Officer Email Address sthornton@hastings.gov.uk
 Officer Telephone Number 01424 451332
