

**Report to:** Cabinet (Draft report – For Consultation)

**Date of Meeting:** 11 February 2019

**Report Title:** Revenue Budgets 2018/19 (Revised) and 2019/20, plus Capital Programme 2019/20 to 2021/22

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## Purpose of Report

1. This report presents the revised revenue budget for 2018/19 and a budget for 2019/20. The revised budget for 2018/19 takes account of the known variations to expenditure and income streams that have occurred since setting the budget in February 2018.
2. This report will be updated for Cabinet and full Council, potentially verbally, following the receipt of the final government grant settlement - generally received in early February.
3. In setting the budget for 2019/20, recognition has to be taken of the ongoing reductions in external funding for the years ahead. The report identifies that a balanced budget can be achieved in 2019/20 although this involves using £1.8m of reserves. The forecast deficit for 2020/21 is some £2.49m, in 2021/22 it is estimated at £1.85m, and in 2022/23 it is estimated at £1.95m. The alignment of the Council's available resources to its priorities requires the achievement of additional income streams and the continuing review and reduction of services during the next 12 months in order to achieve balanced and sustainable budgets in the years beyond. The levels of reductions required and the absence of Transition reserves in future years provide an enormous challenge.
4. The Cabinet meeting on the 11 February is a key part of the budget setting process. This full Council meeting on the 27 February 2019 is responsible for setting a balanced budget and determining the Council Tax. If the recommendations in the report are approved by Council there will be an increase in the Borough's part of the Council Tax in 2019/20 of some 2.99%.
5. Please note that the final grant settlement figures from government were received last year on 6 February 2018 (after the first report to budget Cabinet was produced and circulated). The figures for Disabled Facility Grants were not received until well into the financial year. Once final figures are received adjustments will be made to the figures detailed in this report. Precept figures

will also be updated following receipt of the final figures from the Police and Crime Commissioner, ESCC and the Fire Authority.

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## Recommendations

Cabinet recommended that full Council:-

- (i) Approve the revised revenue budget for 2018/19 (Appendix A).
- (ii) Approve the draft 2019/20 revenue budget (Appendix A)
- (iii) Approve a 2.99% (rounded up) increase in the Borough Council's part of the Council Tax.
- (iv) Agree that the absolute minimum level of reserves that shall be retained be £6m (plus General Fund Balance).
- (v) Approve the Capital Programme 2018/19 (revised) to 2021/22 (Appendix P).
- (vi) Approve the proposed expenditure from the Renewal and Repairs Reserve, and Information Technology Reserve (Appendices J and I respectively) and those items from other reserves shown in Appendix H that can proceed without further reference to Cabinet or Council.
- (vii) Approve that the use of the monies in the budget and Reserves for "Invest to Save" schemes be determined by the Chief Finance Officer in consultation with the Leader of the Council.
- (viii) Approve the revised Land and Property Disposal Programme (Appendix L), and agree that disposals can be brought forward if market conditions make it sensible to do so.
- (ix) Agree that schemes marked with an asterisk in the Capital Programme can proceed without further reference to Cabinet or Council.
- (x) Agree that work on Priority Income and Efficiency Reviews (PIER) through the Strategic Oversight and Planning Board should continue, and where possible identify a sustainable budget for a period in excess of one year. A mid-year review, for members and officers, to be undertaken in the light of the continuing severe government grant reductions.
- (xi) Approve the detailed recommendations in Appendix M, which relate to the setting of Council Tax in accordance with Sections 31 to 36 of the Local Government Act 1992 (to be updated for full Council).
- (xii) Approve that the budget be amended as necessary to reflect the final grant figures including Disabled Facility Grants - once received.
- (xiii) Approve an increase in the Council Tax premium chargeable for long term empty properties to 100% extra from 2019/20 (from 50% extra), 200% extra from 2020/21 (empty for 5-10 years), 300% extra from 2021/22 (empty greater than

10 years), i.e. the maximum permissible amounts in accordance with the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.

- (xiv) Approve the revised parking charges as detailed in Appendix Q.
- (xv) Approve that the Director of Operational Services, or his nominee, in consultation with the lead member for Environment and Place, will consider, negotiate and agree amendments to the recycling arrangements within the new joint waste contract.

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## Reasons for Recommendations

1. Major reductions in funding are set to continue in 2019/20 and this impacts heavily upon the Council's ability to provide services and grants across all areas of existing activity. A major overhaul of the funding mechanism along with the Government's 2019 spending review provides considerable uncertainty on funding for 2020/21 and beyond.
2. Since 2010/11 funding has been reduced by more than 70% in cash terms on a like for like basis. To ensure key corporate priorities and statutory responsibilities are achieved it remains imperative that the limited resources available are properly targeted.
3. The Council needs to be in a position to match its available resources to its priorities across the medium term and to maintain sufficient reserves and capacity to deal with potentially large and unexpected events in addition to fluctuations in income and expenditure levels.
4. The Council is exposed to a much greater degree of volatility in the level of funding it receives through Non Domestic Rates. In addition it is also exposed to a much higher degree of volatility in terms of Council Tax Support claims – the cost falling directly on the Council and the preceptors. The potential downside risks of Brexit and the increased reliance on income streams provide further potential volatility to the Council's future funding.
5. Further reductions in grant funding have major implications for the Council and as such work needs to continue to identify and make savings in order to produce balanced budgets in 2019/20 and beyond.

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## Introduction

1. The government's deficit reduction programme continues to result in significant and ongoing reductions in funding for the Council. The period over which these reductions will last continues to have far reaching effects for the levels and range of service that the Council can continue to provide.
2. The Council continues to find itself in a very challenging financial period that is anticipated to extend beyond 2022/23. The last year of the government's four year settlement offer is 2019/20. This provided a degree of certainty for at least

a part of the Council's funding stream (until 2019/20) – albeit there are still very significant year on year reductions. 2020/21 sees wholesale changes in the way in which local authorities are funded. There appears to be no easing of austerity for councils like ours.

3. On a national basis significant public spending cuts continue to be made. Lower levels of disposable income may result in even more pressure on Council services such as Housing and Revenue Services.
4. The Council when setting the budget in February 2018 forecast that there would be a deficit in 2018/19 of some £1,039,000, and £1,036,000 in 2019/20. A balanced budget for the two years being achieved by using limited amounts of the Council's reserves. The position has however not been improved for 2019/20 following the retendering of the Waste and Street Cleaning contract, and the loss of all recycling credits. The additional costs of which are expected to add an estimated £1.4m p.a. to the Council's costs. The income generation forecasts have also had to be substantially amended.
5. The deficit now forecast for 2018/19 is some £964,000 although the figure is subject to major uncertainties around Business Rate appeals and legal claims.
6. For 2019/20 following extensive service transformation work, service reviews and reductions, initiatives to generate additional income, as well as some budget growth, the deficit is estimated at some £1,802,000. The level of risk within the budget and uncertainty within the forecasts has increased – particularly the uncertainties surrounding Brexit, business rate income, inflation prospects, demands on services, and claims being made against the Council e.g. Pier and NHS rate claims.
7. The Council accepted the government's 4 year settlement offer two years ago. This results in a reduction in the Settlement Funding Assessment for Hastings BC in 2019/20 of some 9.1% or £473,000. The Revenue Support Grant (RSG) would have decreased by £554,000 or 35.9% to £988,000, but following a successful application as a business rate pilot for 75% rate retention the Council will see all RSG go, to be replaced by the ability to retain a greater share of business rates.
8. With the level of government grant continuing to decrease at such significant levels the Council will need to make both further substantial savings and generate income, in order to produce sustainable balanced budgets in the years ahead.
9. The Council's external auditors, last year, commended the Council on its approach to financial management over the last few years and its approach to maintaining and enhancing reserves whenever possible. This approach has helped the Council in its transition to date and the continuation of this approach is proposed. However, the Council will need to further prioritise its full resources, at least for a while, on areas that generate or will generate additional income or where costs can be reduced or activities cut or postponed. Staff resources will also need to be reduced and others redirected.

10. It should be noted that the budget does include the anticipated increases in expenditure (both Capital and Revenue) and increases in income that will arise during the year as income generation schemes are realised. The projections for the income achievable from energy initiatives in particular were overly optimistic when determined in September 2017 and have again been re-profiled.

## Strategic Priorities

11. The Council's strategic priorities and corporate plan for 2019/20 has been reviewed in the light of the continuing challenges that the Council and the community face. They remain challenging objectives against the background of severe financial funding reductions.

12. They are:-

(a) **Economic & physical regeneration:** To secure economic and physical regeneration that produces high quality new developments while preserving the best of our heritage, high standards of education and training, road and rail improvements and high-speed broadband, thereby creating economic growth and rewarding jobs.

(b) **Cultural regeneration:** To contribute to the regeneration of the borough through a rich cultural programme that appeals both to local people and visitors, extending, broadening and promoting the borough's cultural activities to establish Hastings as a nationally and internationally recognised centre for arts and culture.

(c) **Intervention where it's needed:** To make full use of our available powers and sanctions to tackle anti-social behaviour or practices, including poor housing, eyesore properties, unauthorised development, derelict land, fly-tipping and dog fouling.

(d) **Creating decent homes:** To facilitate the supply of secure, affordable and well-designed homes, through strategic planning policies, planning conditions, regulation of the private rented sector, tackling bad landlords, and by working with social housing providers.

(e) **An attractive town:** To maintain visually interesting, well-maintained, uncluttered, clean and functional urban public spaces, especially along the seafront and in our town centres, integrated with high quality protected green spaces accessible to all.

(f) **A greener town:** To promote practices that minimise our carbon footprint through our policies and our own operations, protect and enhance biodiversity, and limit damaging consequences of human intervention on the natural environment.

(g) **Improving the way we work** – To maximise the benefits provided by new technology, to take opportunities for smarter 'One Team' working and continue our drive to be more Customer First focused and efficient in the design and delivery of services.

## Financial Planning - Medium Term Financial Strategy

13. The Medium Term Financial Strategy, approved in September 2018, provided indicative budget forecasts for the 5 year period 2018/19 to 2022/23. These have been updated within the budget papers attached.
14. Given the need to plan for future years, the Medium Term Financial Strategy, identified key principles to be followed when compiling the budget as well as identifying the financial risks and opportunities more closely. The Financial Strategy is robust in that it integrates the financial and policy planning procedures of the Council.
15. That robustness is built upon a foundation of key principles:
  - (i) Ensure the continued alignment of the Council's available resources to its priorities.
  - (ii) Maintain a sustainable revenue budget.

This means meeting recurring expenditure from recurring resources. Conversely non recurring resources such as reserves and balances can generally be used to meet non recurring expenditure providing sufficient reserves and balances exist.

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

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

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

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

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

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



- (vii) Ensure sufficient reserves are maintained.

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

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

It should be noted that the annual governance report produced by the Council's external auditors in July 2018 gave a positive opinion on the Council's provision of value for money services.

- (ix) Maintain affordable increases in Council Tax whilst accepting that such an objective is linked to the amount of annual government grant, inflation and new legislative requirements.
- (x) Recognise the importance of partners in delivering cost effective solutions for services.

16. The levels of risk that the Council is facing from fluctuations in income streams has increased significantly. This is recognised by the government and Chartered Institute of Public Finance Accountants (CIPFA) resulting in new codes of practice and government regulations have been introduced to help ensure that councils do not over extend themselves in this challenging environment. Key new prudential indicators are included in the Treasury Management Strategy, which include, for example, limitations on the use of reserves to temporarily fund capital expenditure, limitations on the gearing of the local authority i.e. total debt compared to total assets and limitations on the level of reserves that are not held in cash or cash equivalents.

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

### **Funding from Business Rates**

17. The government launched the Business Rates Retention (BRR) scheme on 1 April 2013 as one of the main forms of local government funding. Instead of a single grant settlement for 2019/20 the Council receives details of Revenue Support Grant (RSG) and the Business Rate Baseline Funding level (expressed as Baseline Need). The two figures effectively make up the Settlement Funding Assessment (SFA). Whilst the government calculate a notional business rate figure they believe each Council should collect, ultimately it is the actual level of business rates collected that will determine the total funding received for this element of the settlement i.e. the level of RSG is guaranteed throughout the year whilst the business rate element is not.
18. The business rate, itself, is set by the government with regard to the change in the Retail Prices Index. The proportion retained in Hastings to date (2018-19)

has been 40% (9% is payable to ESCC, 1% to the Fire and Rescue Authority and 50% to the Government).

19. In order to project business rate income account is taken of planning approvals for new commercial buildings and for change of use to residential and an allowance is made for the likely reductions due to successful appeals against rateable values. Businesses see no difference in the way the tax is set. Rate setting powers remain under the control of central government and the revaluation process remains the same – save for a new revaluation every three years.
20. Under the existing scheme 50% of business rates is localised through a system of top-ups and tariffs that fix an amount to be paid by high yield authorities and distributed to low yield authorities – this amount being increased annually by inflation (CPI). Local authorities retain a proportion of all business rate growth or conversely experience a reduction in resources if the business rate base declines.
21. The existing 50% central government share is distributed through the annual local government settlement process – thus enabling the government to control the overall amount received by local authorities. Where there is disproportionate growth this will be used to provide a safety net for those authorities experiencing little or negative growth and allow the treasury to top slice business rates income. A reset mechanism is in place with the first reset in 2020/21 (expected to be overtaken with the Fair Funding review). The system, the calculations required, accounting treatments, and particularly the budgeting requirements are not straightforward.
22. The changes increase the level of instability in the forecast of resources and the interaction with economic growth or decline will increase the associated risks. A decline in an industry within the borough could result in both a decrease in the business rate base and an increase in demand for Council Tax support – both increasing Council costs.

### **Business Rates - Pilot Project (2019/20)**

23. For 2019/20 the Council, along with the other members of the pool (East Sussex County Council, all East Sussex Boroughs and Districts, and the Fire Authority) applied for Pilot status, **whereby the Councils retain 75% of business rates, but lose all of the Revenue Support Grant.** The Council's baseline funding levels being amended to reflect the loss of grant. This effectively brings forward the funding methodology that will apply from 2020/21 onwards.
24. The application for pilot status was successful – the announcement being made in conjunction with the local government settlement.
25. The benefit to East Sussex as a whole is that more of the business rate growth is retained in the county – rather than being paid to the government in the form of the levy. The potential risk is that should the councils see a decline in the business rate income any losses are shared by the authorities in the pool. There



is a safety net and it is a higher level of support than an individual authority would receive it was not in a pool.

## **Business rates Income – 2019/20**

26. The government after determining the business rates baseline levels included small business rate relief within its own budget proposals. This effectively reduced Councils' income. The government is reimbursing authorities for this lost income which is now estimated to amount to some £1,040,192 for Hastings in 2018/19 and some £1,076,402 in 2019/20.
27. The rateable value (RV) of business properties at the start of the 2019/20 year is forecast to be some £62.7m (some £217,000 lower than 2018/19). However given the level of appeals, forecasting income levels for 2019/20 and beyond remains challenging. Business rates and the levels of appeals/ growth/ decline has been highlighted as a real risk yet again and will continue to impact significantly on the Council's level of funding. It is one of the key risks that the Council faces in terms of income volatility.
28. Multiplying the rateable value figure by the rate poundage and after charity and other reliefs the Council will collect some £21.7m of which the Council share is some 44% (£9.55m in 2019/20). For Hastings however with a Baseline Need that is lower than the Business Rate Baseline a Tariff is paid to central government – this amounts to £5,521,844 in 2019/20. The estimate of the business rate income collected that will be retained by the Council in 2019/20 as a result of entering into the Business rate pilot amounts to £3,935,000 (compared to £2,887,000 in the revised budget).
29. The Council is required to make an annual assessment of the income it expects to collect from Business Rates, and to provide these figures to government, East Sussex County Council and the Fire and Rescue Authority who each receive a share of the actual rates collected.

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

30. The 2019/20 provisional finance settlement was finally announced on 11 December 2018 with the final settlement figures being expected in February 2019. The settlement provides details of the Revenue Support Grant and the levels of Business Rates that the government expects councils to retain – the two figures combined make up the Settlement Funding Assessment. In Hastings case there is no longer any Revenue Support Grant; this is replaced with the ability to retain more business rate income.

Year	Settlement Funding Assessment (£ 000's)	Decrease (£ 000's)	Percentage Change (Annual)	Percentage Change (Cumulative)
2015/16	£7,194			
2016/17	£6,331	-£863	-12.0%	-12.0%
2017/18	£5,605	-£726	-11.5%	-22.1%
2018/19	£5,216	-£389	-6.9%	-27.5%
2019/20	£4,746	-£470	-9.0%	-34.0%

31. In terms of the cash grant that the Council receives from the government (Revenue Support Grant) the Council signed up to the 4 year settlement offered. The figures of the grants receivable over the period are detailed below. The Council will now no longer receive the £988,000 in Revenue Support Grant in 2019/20 (funding replaced by retaining more business rates). The authority would have lost some £2.7m (73.5%) over this short period alone.

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

32. Discretionary Housing Payments (DHP's) play a vital role in supporting a lot of people affected by the welfare changes. The grant figure for 2018/19 amounted to £381,729. The figure for 2019/20 is still awaited. This funding will be fully subscribed.

## Summarised Grant Position

33. The level of grants received from the government between 2010/11 (the year before the previous Comprehensive Spending Review) and 2019/20 have decreased by some 73% on a like for like basis (i.e. excluding Council Tax Freeze Grant, Homelessness Grant and Council Tax Support Grant in order to provide a clear comparison). These figures are all based on cash and exclude the effects of inflation (the inclusion of which would increase the % reductions even more).
34. **In 2019/20 the Council will no longer receive Revenue Support Grant (RSG) but retain more business rate income. The baseline increasing by the amount of RSG that the Council would otherwise have received. Overall the reduction would have been similar to the £554,000 RSG reduction. New Homes Bonus is some £93,000 less than in 2018/19 as detailed in the report and is set to fall further. These two funding losses alone amounting to some £647,000. This loss of grant when combined with the additional costs from inflation, waste and street cleaning, pay increases and demand pressures present the Council with significant financial and resource challenges.**

## Spending Review, Fair Funding Review & Business Rates Retention

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

## Income Generation

39. The Council has a number of key income streams besides Council Tax and business rates. These include for example rents from land and industrial estates

and shopping centres, cemetery, cliff railways, planning, licensing, lettings and land charges.

40. The Council has stepped up the level of income it is receiving from property and is looking to diversify its income streams further through the housing company and from energy. The table below highlights some of the more recent acquisitions and initiatives that have either generated or saved money and will go a little way to meeting the massive funding reductions the Council is experiencing and thus helps to protect services.

Acquisitions/lettings	Est Income- 2018/19	MRP and Interest	Net Additional Income
	£	£	£
Muriel Matters	321,000		
MM Shops	41,000		
<b>Sub Total</b>	362,000	220,800	141,200
Muriel Matters - Council Chamber etc	23,000		23,000
Town Hall	97,000		97,000
BD Food Factory	40,000	91,488	(£51,488)
Sedlescombe Road North	465,067	294,613	170,454
Sea Front Kiosks	7,900		7,900
Bexhill rd retail park (TKMAx)	547,080	356,660	190,420
Sedlescombe Rd North (2)	89,000	50,000	39,000
Property Fund	85,000		85,000
<b>Totals</b>	1,716,047	1,013,561	702,486

41. The table above excludes the recent purchase of a site in Bexhill Rd which is currently being redeveloped, and also a site within the town centre which will meet regeneration and economic development priorities as well as providing the Council with enhanced income streams. These are included in future year projections (Appendix G).
42. Given the Council's need to generate significant levels of new income if services are to be protected, an income generation strategy was agreed in September 2017; this is subject to further review in early 2019/20. Revisions to projections will be included in future budget projections. The Council's income generation plans involve both capital and revenue expenditure.
43. The Council is able to borrow for capital expenditure but must determine its overall borrowing limits prior to the start of the financial year. It is able to vary them within the year, but such decisions can only be taken by full Council. The purpose of setting borrowing limits is to ensure that the borrowing costs are prudent and affordable when determining the budget. The proposed levels are contained within the Treasury Management Strategy which is considered by the Audit Committee and Cabinet before being determined by full Council.
44. The Council agreed at its Cabinet meeting on 11 September 2017 to spend £50m on Commercial Property, Housing and Energy initiatives over a 3 year period. These initiatives are intended to support key priorities within the

Corporate Plan e.g. economic, regeneration, housing and sustainability, enhance business rate income as well as also providing additional income streams wherever possible.

The table below highlights the split of Capital spend as detailed in the Strategy

	2017/18	2018/19	2019/20	2020/21
	£	£	£	£
<b>Commercial Property</b>	9,000,000	20,000,000		
<b>Housing</b>	1,500,000	5,000,000	5,000,000	3,500,000
<b>Energy</b>		2,000,000	2,000,000	2,000,000
<b>Total</b>	10,500,000	27,000,000	7,000,000	5,500,000

45. The table below shows the additional net income projections for the main initiatives – as at 11 September 2017. In addition £2m was invested with a Property Fund (CCLA) in April 2017.

	2017-18	2018-19	2019-20	2020-21	2021-22
<b>Additional Income Generation Projections</b>	<b>Revised Budget</b>	<b>Projection</b>	<b>Projection</b>	<b>Projection</b>	<b>Projection</b>
(Cabinet 11 September 2017)	£000's	£000's	£000's	£000's	£000's
Income Generation - Commercial Property	(92)	(373)	(570)	(576)	(576)
Income Generation - Housing Company	(20)	(60)	(147)	(200)	(200)
Income Generation - Energy		(280)	(540)	(540)	(540)
<b>Total</b>	<b>(112)</b>	<b>(713)</b>	<b>(1,257)</b>	<b>(1,316)</b>	<b>(1,316)</b>

46. The income projections were refined for the 2018/19 budget particularly around energy with £80,000 of net income being allowed for compared to the £280,000 in the Income generation strategy projection. This has been revised down to some £7,480 gross income in 2018/19 (£2,000 net).
47. The 2019/20 budget sees a further revision to the net income streams. These estimates will be revised further once the energy initiatives in particular are agreed. The Capital programme includes sums that are earmarked for Ground Mounted Solar installations for example which may proceed subject to a satisfactory business case receiving approval during 2019/20.

	2018-19	2018-19	2019-20	2020-21	2021-22	2022-23
Revised Income Projections (Net)	Original Budget £'000s	Revised Budget £'000s	Projection £'000s	Projection £'000s	Projection £'000s	Projection £'000s
Commercial Property	(373)	(400)	(460)	(614)	(625)	(625)
Housing Company	(60)	(30)	(150)	(250)	(250)	(250)
Energy	(80)	(2)	(10)	(10)	(50)	(50)
<b>Totals</b>	(513)	(432)	(620)	(874)	(925)	(925)

48. Given the funding gap that remains, the Council will need to consider its appetite for further risk involving income generation and its ability to identify further efficiencies or reductions in services.

## Fees and Charges

49. The Council has limited reserves and remains reliant upon income streams and investment returns to balance the budget. Rental streams from shops remain under considerable pressure e.g. Priory Meadow. Given that income streams remain a risk, fees and charges have been kept under careful review and are considered annually against the background of Council priorities, the local economy and its needs, and people's ability to pay.
50. With a number of exceptions, fees and charges have generally been increased in line with market fees, and as a minimum by the retail price index - except where set by statute. The majority of planning fees are determined nationally by government.
51. Car parking charges were last increased in February 2017 for a 12 month period (increases were applicable from 1 April 2017), and were frozen for 2018/19. The Council has experienced increases in business rates on some of its car parks following the 2017 national revaluation. Some of the car parks are regularly full and it remains important that those car parks situated near to the commercial hub are priced effectively to ensure that spaces are available for shoppers whilst not costing too much so as deter shoppers. The Council has conducted a condition survey of the Priory Street car park, and as a result has included repair and refurbishments within its Capital programme for 2019/20. The works will extend the useful life by at least 5 years, and provide sufficient time to determine whether the car park is substantially refurbished for an estimated cost of £2.5m or could be included within a much larger redevelopment scheme – as once intended.
52. The level of proposed increases varies between car parks and these are detailed in Appendix Q

## Investment and Borrowing

53. Base rates increased to 0.75% in August 2018 from their previous level of 0.5%. Given the restricted counterparties list and short investment periods, investment



returns of around 0.75% (excluding property funds) are predicted in 2019/20, with a further base rate increase predicted by treasury advisers in June 2019 to 1 %. Such a prediction is subject to great uncertainty at the time of writing given Brexit and the potential impact on inflation, unemployment, and exchange rates. The Treasury Management Strategy will continue to advocate a policy of keeping the respective levels of debt and investment under review.

54. The Council has had additional borrowing requirements in 2018/19 to finance the acquisition of housing and commercial properties and other capital schemes. This increases the borrowing costs as well as the amount required to be set aside each year to repay this debt (the Minimum Revenue Provision).

## **Inflation**

55. This had not been a major issue over the last couple of years. Inflation has however been increasing over the last few months and looks set to increase further. In October 2018 it was 3.3% (Retail Price Index) whilst the government's preferred measure CPI (Consumer Price Index) was 2.4%.
56. Inflation, according to the Bank of England inflation report (November 2018) is expected to be at or around the 2% target in the next two years (mid 2020) – subject to a satisfactory Brexit arrangement.
57. Based upon the above projections, general inflation is being allowed for at 2% overall for 2019/20 and beyond. However, only contract inflation is being allowed for in the budget i.e. a real cash freeze again for all other service expenditure areas. Any increases above this level would need to be contained within service budgets within the year. The final costs for the waste contract (commencing in late June 2019) are still dependent upon the negotiations between Kier and its workforce.

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

58. The figures in the Medium Term Financial Strategy assumed a 2% increase for 2019/20 and 2% beyond. In addition there are contractual increments (equivalent of around ½%).
59. The salaries budget together with national insurance and pension costs amounts to some £14m in 2019/20. The estimated costs have increased significantly as a result of taking on the Street Cleaning DSO in 2019/20.
60. The Council remains committed to paying the accredited living wage of £9 per hour (for over 18's), which is significantly higher than the national minimum wage for over 25s of £7.83. The last pay settlement caused pay scales to be amended reflecting the effects of the higher increases at lower pay scales.

## Universal Credit and Benefit Administration Grant

61. Universal Credit was originally expected to commence in October 2013 in respect of new claims with the transfer of existing claims being completed by 2018/19. The first new claims actually took place in April 2015 but had relatively little impact on the service until the 14 December 2016 when all new claims for those of working age and some change of circumstances transferred to Universal Credit.
62. The impact of the change is a reduction in new benefit claims, an increase in questions and support, and a significant reduction in the Housing Benefit Administration grant receivable in the years ahead.
63. The implications for staff and services is becoming better understood and necessitates changes to the Council Tax Support scheme if the Council is not to be engulfed in numerous change of circumstance requests. It should be noted that the final stage of converting existing working age Housing Benefit claims onto Universal Credit is still some years away – to be completed by 2022. However there appears to be no immediate plans for the transfer of pensioners or the more complex cases away from Housing Benefit – which could see the Council retaining some 40% of cases.
64. The Department for Work and Pensions (DWP) are providing additional funding to the Council. Some of this has been funding external support organisations for those providing debt advice, etc, which is paid on a per head basis; in 2019/20 the government are making arrangements with the Citizens Advice Bureau (CAB) to pay this direct. Some funding is payable to the Council to meet the additional burdens on dealing with DWP enquiries, complex cases and closing down existing claims. How much and for how long this funding remains is uncertain.
65. The Benefit Administration Grant for 2019/20 has been reduced to £389,046 (from £420,606) – a loss of £31,560 (7.5% reduction) (see Appendix 1). A revision to the methodology has been advised which will see the Council lose further grant (transitioned over 3 years).
66. The level of Council Tax Support Administration Grant receivable in 2019/20 has now been notified at £160,753 (£166,913 received in 2018/19). This represents a reduction of £6,160 (a 3.7% reduction).
67. It should also be noted that the Discretionary Housing Payments (DHP's) funding received from the government to assist those in severe financial hardship, is not only covering those with Housing Benefit claims, but also covers those in receipt of Universal credit. As such the number of referrals from Universal Credit recipients is increasing – and adding an extra layer of administrative complication.

## **Council Tax Reduction Scheme**

68. In 2013/14 the government paid an upfront grant in respect of Council Tax Support/Benefit, leaving the Council to fund any “in year” increase in demand. In 2014/15 the Council Tax Support Grant was rolled into the Settlement Funding Assessment and thus effectively decreases in line with the annual reductions in government grant funding. The Council determined that the Council Tax Support Scheme would remain the same for 2015/16, 2016/17, 2017/18 and 2018/19.
69. The other East Sussex Councils amended their schemes for 2016/17 given the ever increasing unaffordability of the scheme. The major change made by them being that all households of working age made a minimum 20% payment. At the time of writing options are again being explored by this Council for 2019/20 with a recommendation from cabinet to full Council for determination in February. If no amendments are made to the scheme the projections are that the cost of the scheme would increase from some £10.6m to some £11.1m. In practical terms a clear view needs to be taken in January in order that the Council tax base can be calculated.
70. For the purposes of drafting the budget it has been assumed that relatively small amendments to the scheme would take place in order that the overall costs of the scheme do not increase further.
71. The Council Tax Reduction Scheme continues to pose a significant financial risk for the Council. That risk being that should claimant numbers increase the additional costs now fall on the Council and its preceptors rather than the government. The Council will need to continue to retain adequate reserves for this purpose.
72. Given that overall levels of government funding continue to decline year on year, the Council will again need to review the affordability of the scheme during 2019/20, and will look to do so in conjunction with neighbouring authorities.

## **Council Tax - Empty Homes Premium**

73. From April 2013, billing authorities in England took on an additional power over certain Council Tax discounts. In England, billing authorities can currently charge up to 150% on properties which have been unoccupied and substantially unfurnished for over two years. This is the Council’s current practice.
74. The government is keen to encourage owners of empty homes to bring their properties back into use. To help achieve this the government has introduced new legislation, namely the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.
75. This Act, with effect from the 2019-20 financial year, includes additional provisions covering properties that have been empty for very long periods. These were introduced via a Government amendment at Third Reading in the Lords, following extensive discussions with other parties. The Act provides for maximum additional rates of:

- 100% extra (for properties empty for 2-5 years)
- 200% extra (for properties empty for 5-10 years) [commencing in 2020]
- 300% extra (for properties empty for 10+ years) [commencing in 2021]

In other words, council tax-payers may be required to pay 200% of the standard bill after two years; 300% of the standard bill after five; and 400% after ten. It remains up to the billing authority to decide what rate of empty homes premium to impose, within these limits. It is recommended that the Council sets the charges to the maximum permissible from 2019/20 onwards.

76. The County Council, Police and Fire Authority who are all experiencing funding pressures would also benefit. From 2020/21, an additional 200% of the current levels being charged (300% in total) for properties empty longer than 5 years could potentially be worth up to £95,000 p.a. of which Hastings BC would retain just under 14% (£13,300).
77. If the policy succeeds the level of income will naturally be less- although this would offset pressures elsewhere.

## **Pension Fund Contributions**

78. The Council's contributions to the pension fund managed by East Sussex County Council are determined every three years following an actuarial valuation. A new valuation was undertaken in 2016 with revised contribution rates becoming payable from April 2017.
79. The rates currently payable by the Council consist of the primary contribution rate plus 0.75% for future ill health retirements (these are percentages of salaries of staff in the pension scheme) plus a lump sum (secondary rate), namely:
- 2018/2019 -17.3% +0.75% + lump sum of £540,000 (6.5%)  
 2019/2020 -17.3% +0.75% + lump sum of £594,000 (6.5%)
80. The above lump sum figures represent growth of £54,000 in 2019/20. The rates are expected to be more stable in the years beyond 2020/21 and no increase has been allowed for above and beyond the percentage pay increases.

## **Staffing, Information Technology and Property**

81. In order to deliver its priorities the Council not only requires financial resources but also good quality staff, IT, and property. There is only a finite resource available to deliver priorities whether directly by the Council or in partnership with others. Service planning is important to ensure that there is sufficient capacity to deliver the corporate plan.
82. The Council's capacity to respond to change, and lead on new initiatives is dependent upon the strengths and abilities of the workforce. The Council has a clear strategy for workforce development and sufficient funding will be retained within the budget to fully finance the training and development programme.

83. A transformation team continues to programme manage the customer first programme, process and service reviews along with IT solutions to make long term efficiencies and improvements to the customer experience. One area of growth in the budget is the need to move to Windows 10 from Windows 7, the cost of doing so is estimated at some £86,000 p.a. and is viewed as an inescapable cost.
84. The transformation programme is seen as key to making further long term savings and to preserve as many services to the community as possible – albeit delivered in a different way.

## Grants

85. The Council receives a number of revenue grants each year e.g. New Homes Bonus, Flexible Homelessness Support, Discretionary Housing Payments but has also been very successful in attracting numerous “one off” type grants in the last few years e.g. Rogue Landlord funding, Coastal Revival funding, Future Cities, and Active Women Programme, Answers in the Local Economy (ACE), Hastings Fisheries Local Action Group (HFLAG).
86. Regional and European funding successes have been very significant for Hastings. The Council has made further grant applications for very substantial sums of money and will continue to look to attract such funding to Hastings in the years ahead. Recent bids which the Council is involved in include, for example:-
- (i) Climate Active Neighbourhoods (CAN) (£870,000 over 3 years),
  - (ii) Sustainable Housing Inclusive Neighbourhoods (SHINE) (£1.5m over 4 years),
  - (iii) Community Led Local Development (CLLD) (£3.3m),
  - (iv) Coastal Communities Fund 4 (Destination White Rock) – continuing the economic revival. Total project value (grant and match: £1,081,270)
87. Most of the bids made have been successful and the resultant regeneration work within Hastings remains significant.
88. Of significance is the monies paid to the Council from the Clinical Commissioning Group (CCG) for various joint initiatives which are included in the Council’s budget (some £1.7m in total over the next 3 years). It should be noted that this inflates the Council’s net expenditure figures (the funding is included in transfers from reserves).

## New Homes Bonus

89. This grant regime commenced in April 2011. This is a grant that rewards the building of new houses and for bringing long term empty properties back into use. The sum receivable in 2018/19 amounting to £649,559 (down from £1,008,963 in 2017/18).
90. The government announced in the November 2015 Autumn Statement that it would be consulting on changes to the New Homes Bonus - the money saved going to Social Care. The outcome as announced on the 15 December 2016

has been to reduce the period that it is payable for - from 6 years to 4 years with a transition year for 2017/18 whereby 5 years is payable. The government also decided to introduce a minimum growth baseline of 0.4% below which the bonus will not be paid; this they state reflects a percentage of housing that would have been built anyway. The payment of a small amount to reflect the increase in affordable properties does not appear to be affected by the threshold decision.

91. The Council Tax Base return (CTB 1 in October 2018) identifies that the number of new properties completed and the number of long term empty properties brought back into use (net) amounted to some 141 and did not meet the threshold of achieving more than 0.4% of the housing stock. However the number of affordable properties completed amounted to some 94 for which there is a payment of £350 per property; resulting in income amounting to some £26,320 for 2019/20.
92. The table below shows the New Homes Bonus receivable by the Council in 2019/20 and estimates for future years.
93. Table: New Homes Bonus

Year	2017/18	2018/19	2019/20	2020/21 (Est)	2021/22 (Est)	2022/23 (Est)
	£	£	£	£	£	£
Year 1						
Year 2						
Year 3	119,097					
Year 4	382,670					
Year 5	119,542	119,542				
Year 6	382,055	382,055	382,055			
Year 7	5,600	5,600	5,600	5,600		
Year 8		142,362	142,362	142,362	142,362	
Year 9			26,320	26,320	26,320	26,320
Year 10				100,000	100,000	100,000
Year 11					50,000	50,000
Year 12						100,000
<b>Total</b>	<b>1,008,964</b>	<b>649,559</b>	<b>556,337</b>	<b>274,282</b>	<b>318,682</b>	<b>276,320</b>

94. The reduction between 2018/19 and 2019/20 is a funding loss of £93,222 – a 14.3% reduction.
95. Councils are using the bonus in different ways, either to help balance budgets, strengthen reserves, or for one off activities that do not add to ongoing spending commitments. For Hastings, the money has been fully utilised to help balance the budgets in every year since its introduction.
96. **There remains a real risk that this grant regime could be ended as part of the “Fair Funding review” – with no grant payable in 2020/21.** The government have stated that they will explore how to incentivise housing growth most effectively, by for example using the housing delivery test results to reward delivery or incentivise plans that meet or exceed local need.



## Revised Budget 2018/19

97. The revised 2018/19 total service expenditure budget amounts to £13.6m, against an original budget of £12.8m (Appendix A). The deficit amounts to some £964,000.
98. The main variations are summarised in Appendix C. Of significance are:-
- (i) the additional costs of temporary accommodation,
  - (ii) the revisions to the income projections for energy, housing and commercial property, and the impact of the timing on borrowing costs and the MRP calculations
  - (iii) revenue and benefit costs – decreases in the level of housing benefit paid out (reducing from £40m in 2017/18 to some £35.5m), save for temporary accommodation where the costs are projected to increase by some 62% to £637,000 in 2018/19 from £392,000 in 2017/18.
99. Income streams have generally held up well, save for Land Charges income which is seeing a significant decrease. This trend looks set to continue into 2019/20.
100. Redundancy costs are being incurred in 2018/19 as a result of cuts being made. These are being minimised as far as possible and are less than originally budgeted for – this results in less of a drawdown on the redundancy reserve in 2018/19, but further costs are expected in 2019/20.

## Budget 2019/20

101. The Council's total service expenditure in 2019/20 is estimated at £13.5m. This compares to a revised estimate of £13.6m for 2018/19. However, the total expenditure for the Council increases to £16m from £15.3m in 2018/19 once net borrowing costs are taken into account.
102. The large funding reductions have continued with the loss of Revenue Support Grant/Business rate income and new homes bonus monies amounting to a reduction of some £647,000 in cash terms.
103. In addition to the reductions in central funding and New Homes Bonus there are a number of costs, that impact on 2019/20. These include :
- i) 2% Pay increase
  - ii) Pension increase
  - iii) Interest rates – Investments vs borrowing rates
  - iv) Rateable values and appeals

- v) Redundancy costs fall within the year that the decision is made. Additional costs are anticipated in 2019/20 beyond the £175,000 allowed in the base budget. A further £225,000 is therefore being funded from the Redundancy Reserve i.e. £400,000 in total for 2019/20.
104. Significant additional funding has been received in the last few years to help address the homelessness issues (Flexible Homelessness Support Grant - £451,597 (2017/18) and £519,586 (2018/19)). A sum of £745,258 has been allocated to the Council for 2019/20. Even with these sums the net cost of Housing to the Council has increased.
105. The estimated balance on the Collection Fund at 31 March 2019 in respect of Council Tax is a surplus of £144,914 (Hastings BC share). Furthermore there is estimated to be a small credit on the Collection Fund in respect of business rates, a first for the Council, of some £33,838 (£63,396 deficit in 2018/19). This is adjusted in the 2019/20 accounting period as a credit to the General Fund.
106. Significant savings of £1.396m have been identified through the PIER process, which are offset by some areas of growth (£347,000). Please see Appendices K and K2 for details. Some of the proposed savings in future years, such as reductions in Community Partnership Funding, will involve the Council seeking other funding sources.
107. There are a number of further service reviews in the pipeline which should identify savings throughout 2019/20 and reduce the deficit during the year. One of these potential further savings involves changes to the current recycling arrangements which has the capacity to save a six figure sum in the future. Further details are given below.

### **Potential Further Savings – Recycling arrangements**

108. The Assistant Director Environment and Place advises as follows:

“Under the terms of the next waste contract due to commence at the end of June 2019, it is possible for Hastings to negotiate changes to the recycling service in the areas that currently receive a weekly pink sack collection. The council can change these weekly recycling collections to fortnightly. No changes are being considered to the weekly black sack refuse collections.

Very few councils in surrounding areas now provide a weekly recycling collection for any of their residents, whereas about 37% of households in Hastings receive a weekly recycling collection. But typically they only generate about 20% of the total recycling collected across the whole borough. This is because despite numerous recycling campaigns, many of the residents currently getting a weekly recycling collection either don't present any recycling at all, or present very little. In some whole streets under half of households present any recycling sacks at all for weekly collection.

Refuse and recycling lorries operating in urban boroughs like Hastings are relatively inefficient as they spend a lot of time idling and therefore have poor

fuel consumption. They also cause traffic disruption that can lead to localised short term air quality issues during periods of peak traffic. So operating a weekly recycling round in areas of very low demand results in half empty freighters, which is a waste of money and also very bad for the environment.

Residents probably don't present much recycling for the current weekly collection because they don't have the space for a wheelie bin outside, and don't have the space inside their home to store bags of recycling in addition to their black sack refuse. The solution is to provide a fortnightly recycling service and some additional on-street communal recycling facilities in these areas - these facilities would not be located on the road and so would not affect on-street parking. This will make it easier and more convenient for these residents to recycle, and enable the move to a more environmentally sustainable fortnightly doorstep recycling collection. It is hoped that this will help to increase the recycling rate for Hastings, and it will reduce the carbon footprint of the service."

It is being recommended that the Director of Operational Services, or their nominee, in consultation with the lead member for Environment and Place, will consider, negotiate and agree amendments to the recycling arrangements within the new joint waste contract.

109. **Growth Proposals;** Of particular note is the continued move to electronic service delivery. This remains a priority and the need to have as many systems as possible on-line is critical if the Council is to achieve further efficiencies. The upgrade to Microsoft 10 is likewise viewed as critical. Additional staff are being sought to take forward the development of council owned land – thus meeting a number of the Council's priorities not least in providing new homes.
110. Discretionary Housing Payments – £381,729 was received in 2018/19. The figure for 2019/20 is awaited.
111. The use of Invest to Save monies is considered fundamental to assisting the Council in the transformation to a lower spending authority – a business case is required before such money can be used. In February 2018 it was agreed that the use of the monies be determined under delegated powers by the Chief Finance Officer in consultation with the leader of the Council. It is recommended that the use of these sums is again determined for 2019/20 and beyond under delegated powers by the Chief Finance Officer in consultation with the leader of the Council. Most of the reserve will be exhausted during 2019/20.
112. As a result of inflationary impacts the Council can expect the costs of external service provision and supplies to rise.
113. In February 2018 the budget report included  
  
"The Council will need to ensure it reviews specifications closely, as successfully achieved in the cleaning contracts, in order to ensure overall costs do not rise and this may also result in service reductions."

Given the challenging financial position the same vigour needs to be applied going forward – before contracts are let.

114. The Capital programme is detailed separately in the report. There are aspects of Capital schemes e.g. feasibility studies that cannot be capitalised. These aspects will in the main continue to be funded from revenue reserves. Likewise the Council can recover some costs of disposal (revenue costs) from capital receipts when assets are sold. However, given the pressure on revenue resources and reserves the Council will soon be unable to afford the upfront costs associated with new projects/disposals unless it is able to set a sustainable budget in the near future.
115. In summary there is an estimated deficit of £1,802,000 in 2019/20. The savings identified and additional income generated, mean that a balanced budget can only be achieved in 2019/20 by using all £1,060,000 of the remaining projected balance on the Transition Reserve, and all the remaining balances from both the Economic Development Reserve (£401,000) and the Community Safety Reserve (£250,000), as well as a further £91,228 from the Council's General Reserve. In practice the identification of in year savings may negate the need to draw on the General Reserve.
116. In view of the reduced resources available in 2019/20 and beyond the Council must continue to review the level of service it can provide and transform the way it delivers those services. Priority, at least in the short to medium term, needs to be directed towards making urgent savings, initiatives which include income generation and thus balancing the budget.

To achieve a balanced budget in 2019/20 (without using reserves) further savings of £1,802,000 would need to be identified, which at this stage of the budget process would be difficult given the notice periods required for staff redundancies.

## **Budget 2020/21 and beyond**

117. The results of the government's Spending Review (2019), the fair funding review and move to 75% business rate retention will undoubtedly alter the projections for 2020/21 and beyond. However based on current assumption of no new monies being available to Borough and District Councils overall, this section makes a best estimate of future budget shortfalls.
118. The table below shows deficits of £1.8m in 2019/20, £2.49m in 2020/21, £1.85m in 2021/22, and £1.95m in 2022/23 before the use of reserves. The above figures assume PIER savings and income generation projections, already identified, will be achieved in full or alternative savings to at least the same amount will be achieved.

	<b>2018/19</b> <b>(£000's)</b>	<b>2019/20</b> <b>(£000's)</b>	<b>2020/21</b> <b>(£000's)</b>	<b>2021/22</b> <b>(£000's)</b>	<b>2022/23</b> <b>(£000's)</b>
Net Expenditure	14,423	15,012	15,530	15,246	15,639
Funding	(13,459)	(13,210)	(13,045)	(13,400)	13,684
<b>Shortfall</b>	<b>964</b>	<b>1,802</b>	<b>2,485</b>	<b>1,846</b>	<b>1,955</b>
Use of Reserves	(964)	(1,802)	0	0	0
<b>Estimated Shortfall</b>	<b>0</b>	<b>0</b>	<b>2,485</b>	<b>1,846</b>	<b>1,955</b>

119. To achieve a balanced budget in 2020/21 (without using reserves) savings of £2,485,000 need to be identified. The Transition funds would be extinguished completely unless significant in-year savings are made during 2019/20.
120. To achieve a balanced budget in 2021/22 (without using reserves) savings of £1.85m need to be identified. By 2022/23 the figure increases to £1.95m.
121. The future projections are identified in Appendix G. These estimates assume savings and additional expenditure and will be refined as and when more information is available.
122. The Council needs to achieve a much higher level of Income generation and PIER savings than those currently identified in Appendix K in order to achieve a manageable deficit in 2020/21 and the years beyond. The further transformation of the ways that people deal with the Council and how it works (Digital by Design) remains crucial to achieving further savings. The achievement of these must remain a priority for the Council.
123. The reserves on their own are not sufficient to balance the budgets of the future years (based on current estimates and assumptions). In order to address the budgetary issues ahead whilst also looking to improve the customer experience, and join up the major initiatives across the Council, it is recommended that the Priority Income and Efficiency Review process (PIER) be continued.

## **Council Tax**

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

Year	Hastings BC Tax Increase	National Average Increase	Hastings BC Council Tax Band D (£)
2010/11	1.9%	1.8%	235.85
2011/12	0%	0%	235.85
2012/13	0%	0.3%	235.85
2013/14	0%	0.8%	235.85
2014/15	0%	0.9%	235.85
2015/16	1.9%	1.1%	240.33
2016/17	2.1% (£5)	3.1%	245.33
2017/18	2.0% (£5)	4.0%	250.33
2018/19	2.99%	5.1%	257.81

125. The tax base for 2019/20 is some 1.1% higher, as a result of additional properties and a reduction in the Council Tax Support being claimed. The effect is to increase the tax base from 25,582 to 25,865 (worth some £75,000 p.a. to HBC alone).
126. It is again open to the Council to increase Council Tax for 2019/20. One percent on the Council Tax will equate to around £68,000 of income for this Council.
127. The 2019/2020 budget projection assumes a further contribution of £144,914 from the Council's Collection Fund in respect of Council Tax due to a good collection record. In terms of business rates income there is an estimated surplus of £33,838 but this figure could be amended significantly before the year end, and particularly so given the absence of debt recovery staff at present.
128. For 2018/19 the government announced a shire district or borough Council could increase Council Tax by up to 3%, or up to and including £5, whichever is the higher. If higher then it will be required to hold a referendum. The financial consultation at the time of writing states that the government is minded to retain the same thresholds for 2019/20.
129. The figures in the appendices (Appendix M) show an indicative 2.982 % (2.99% rounded up) increase for Hastings BC and a 2.99% increase for ESCC, 2.96% for the Fire Authority and a £24 (14.5%) increase for the Police and Crime Commissioner.
130. Council Tax is at £257.81 p.a. (Band D – Hastings BC element) and a 2.99% increase in 2018/19 would take this to £265.50 p.a. (a £7.69 per annum increase for a Band D property – a 15p per week increase).

### **Asset Sales - Capital Receipts**

131. A number of revisions to the programme have been made to take account of changing circumstances. Appendix L provides the profile of programmed receipts. In addition to the sites listed, opportunities for other asset sales and disposals continue to be explored.



132. Given the income generation options that are to be brought forward, disposal of the major sites will not now be undertaken without first assessing whether they are of interest for development by the Council itself or a wholly owned Council company. Such a policy does have big implications for the Council in that more schemes within the Capital programme will need to be financed by borrowing if materially delayed – with the ongoing consequences for the revenue account.
133. As ever it remains imperative that the Council maximises its capital receipts. Failure to do so will necessitate curtailment of the already limited capital programme given the costs of borrowing. The additional costs of borrowing fall directly on the revenue account in terms of interest payments and annual contributions towards the repayment of the principal (i.e. Minimum Revenue Provision (MRP)). If there are invest to save efficiencies then these costs may be offset. Appendix E identifies the capital financing requirement over the life of the capital programme.
134. It should be noted that capital receipts can generally only be used for capital purposes. It is recommended that asset disposals be brought forward if market conditions make it sensible to do so.

## Capital Programme

135. The capital programme analysed by service is attached (Appendix P).
136. The proposed programme satisfies the requirement that schemes meet the following criteria:-
- Contribute towards achieving the Council's corporate priorities and one or more of the following:-
- a. be of a major social, physical or economic regeneration nature,
  - b. meet the objective of sustainable development,
  - c. lever in other sources of finance such as partnership/lottery funding or provide a financial return for the Council,
  - d. is an "invest to save" scheme and reduces ongoing revenue costs to assist the revenue budget.
137. There is a need to maintain the property portfolio in order to avoid higher maintenance costs and declining assets in future years. This is vital where the Council's commercial estate is involved if rental streams are to be maintained and industry is to be attracted to the area in a period of economic uncertainty - and also given the increase in competition for tenants. Likewise for the economic vitality of the town it is important that infrastructure remains well maintained. To this end the sum of £50,000 p.a. within the Capital programme is retained for public realm enhancements.
138. For 2018/19 there will be slippage on a number of schemes, including the Country Park Visitor Building, and York Buildings.

139. The purchase of a further commercial development site in Bexhill Road will help to regenerate the area, provide new jobs and also produce an income stream and business rate income. The scheme is expected to be completed in autumn 2019/20.
140. The level of Disabled Facility Grant (DFG) funding for 2018/19 was £1,679,000 with another £203,000 recently allocated. Figures have not yet been advised for 2019/20. The funding is from the Better Care Fund and paid to the Council from East Sussex County Council rather than directly by the government. The capital programme will be revised once figures for 2019/20 are received. On a national basis funding for DFG's is set to increase further in 2019/20. This is a capital grant and can be used for DFG purposes only. The budget is not currently being fully committed – the projected underspends are transferred to an earmarked reserve, with a risk that they may need to be repaid.
141. The Council approved in late 2016 the purchase of a parcel of industrial land on the Churchfields estate. Proposals for development are in the pipeline, but affordability is an issue. No allowance for this is made within the capital programme and as such will be the subject of a further report once funding options are fully explored.
142. The capital programme in summary (net of external funding) amounts to:-

	<b>Revised 2018/19 £'000s</b>	<b>2019/20 £'000s</b>	<b>2020/21 £'000s</b>	<b>2021/22 £'000s</b>
<b>Gross Capital Expenditure</b>	26,261	18,611	7,347	3,736
<b>Net Capital Expenditure</b>	22,405	16,016	5,808	2,236
<b>Financing from own resources</b>	953	780	208	120
<b>Borrowing Requirement</b>	21,452	15,236	5,600	2,116

143. In terms of net cost, the 2018/19 programme has been revised to £22,405,000 from £28,691,000. The 2019/20 programme amounts to £16,016,000 (£18,961,000 Gross).
144. The draft capital programme shows the status of the schemes
- c denotes schemes which are committed
  - n denotes schemes that are new
  - u denotes schemes which are in the programme but as yet uncommitted
145. It is proposed that schemes marked **with an asterisk** proceed without further reference to Cabinet or Council.
146. **Future Proposals:** Of significance are the potential schemes that will need funding in the long term e.g. new leisure centre at Bohemia if viable, and the development of the Council's own land whether it be through a joint venture (as proposed with the lower tier site on the Bexhill road) or whether the Council develops the various parcels of land itself through a contractor. The potential

sums involved are very significant and are identified within the Capital Strategy elsewhere on the agenda.

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

## **Capital Programme – Impact on Revenue Account**

148. In determining the affordability of new capital proposals the Council had been required to consider the incremental impact on the Council Tax for future years (this is no longer a reporting requirement). The Council does need to scrutinise business cases for capital proposals and carefully assess the potential future financial burden of such decisions.
149. Where the programme is financed by capital receipts, reserves, external grants and contributions with limited borrowing the impact on the revenue budget at a time of low interest rates is relatively small. In short the Council's capital programme remains affordable for 2019/20 – whilst interest rates remain at roughly their current levels.
150. The capital programme has significantly increased in the last few years, as economic and regeneration opportunities have been taken. In 2018/19 borrowing is set to increase to some £60m and approaching £75m by the end of 2019/20.

## **Investment in Council Assets**

151. In protecting the economic vitality of the town, it remains important to maintain the Council's commercial estate in order to maximise occupancy rate and to support the local economy as far as possible. In doing so the Council will be in a position to take advantage of any sustained upturn in the economy in the future.
152. The Council's Renewals and Repairs Fund is reviewed on a regular basis in order to ensure sufficient resources are available to fund necessary works. Planned maintenance is normally cheaper in the long term than reactive maintenance.
153. It should be noted that the expenditure on planned maintenance has been exceeding the annual provision made and will not be sustainable at current levels. The latest rounds of cliff works has all been funded from the reserve.

## **Minimum Revenue Provision (MRP)**

154. Local authorities are required each year to set aside some of their revenues as provision for debt repayment. Unlike depreciation which is reversed out of the accounts, this provision has a direct impact on the Council Tax requirement. The

provision is in respect of capital expenditure that is financed by borrowing or credit arrangements e.g. leases. For example, an asset that cost £100,000 and has a 10 year life, and that was financed by borrowing, would necessitate putting aside £10,000 in each year (£100,000 divided by 10) to repay the debt.

155. The Council is required to make a “Prudent Provision” which basically ensures that revenue monies are set aside to repay the debt over the useful life of the asset acquired. Should the existing financing assumptions alter, and additional borrowing is required, there will be a direct and additional pressure on the revenue budget.
156. The MRP is set to increase substantially in 2019/20 and beyond as a result of additional borrowing, particularly in respect of economic and regeneration initiatives. The MRP for 2019/20 is estimated at £1,183,000 (excluding any notional figures for leasing arrangements). The Council’s MRP policy is determined by full Council as part of the Treasury Management Strategy in February for the forthcoming year.
157. There is an adjustment to the MRP in 2018/19, following an over provision in 2017/18 for an annuity debt repayment. This amounts to an MRP reduction of £181,875 for 2018/19 only.
158. The table below identifies the estimated Capital Financing Requirement (CFR) for each of the next four years and the Minimum Revenue Provisions (MRP).

CFR	2018/19 (Adj. Est)	2019/20 (Est)	2020/21 (Est)	2021/22 (Est)	2022/23 (Est)
	£	£	£	£	£
CFR-Opening	39,493,000	60,150,000	74,234,000	78,215,000	78,565,000
Less MRP	-795,000	-1,183,000	-1,619,000	-1,766,000	-1,866,000
Plus, New Borrowing	21,452,000	15,267,000	5,600,000	2,116,000	0
CFR Closing	60,150,000	74,234,000	78,215,000	78,565,000	76,699,000

159. These figures are very much dependent upon the level and timing of capital acquisitions, the level of capital receipts received and the useful life of the assets acquired or constructed. The figures will continue to be reviewed throughout 2019/20 and regularly thereafter, based on the proposed Capital programme, and subsequent changes and timing thereof.

## Reserves

160. The Local Government Act 2003 (Part 2) requires the Chief Finance Officer to report on the adequacy of the proposed financial reserves, and determine the minimum level required when setting the annual budget. There is no statutory minimum requirement, but reserves must be set at a prudent level given the activities of individual councils and potential liabilities that they face or may face in the future i.e. a risk based approach.

161. The strategic reasons for holding reserves are:-

- a. A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing.
- b. A contingency to cushion the impact of unexpected events or emergencies
- c. A means of building up funds to meet known or potential liabilities (provisions are used for liabilities with uncertain timings or amounts). Such reserves are referred to as Earmarked reserves.
- d. To assist in the transition to a lower spending Council
- e. To provide the Council with some resources in future years to meet corporate objectives particularly in the areas of economic development and community safety.

162. The Council maintains a working balance in accordance with (a) above in the sum of £500,000. In respect of (c) above there is a need to maintain assets to avoid higher maintenance costs and declining assets. This is vital where the Council's commercial estate is involved if rental streams are to be maintained and industry is to be attracted to the area. The full renewals and repairs programme is attached in Appendix J.

For the strategy reserves at 31 March 2019 are estimated to consist of:-

<b>General Reserves</b>	<b>Estimated Balance at 31.3.2019 £'000s</b>
Revenue Reserves	7,895
Capital Reserve (Revenue monies)	150
<b>Total</b>	<b>8,045</b>

<b>Earmarked Reserves</b>	<b>Estimated Balance at 31.3.2019 £'000s</b>
Renewals and Repairs Reserve	1,330
Insurance & Risk Management Reserve	315
IT Reserve	55
S106 Reserve	507
Government Grant Reserve	588
Revenue Hardship Fund	80
Monuments in Perpetuity	42
Ore Valley	250
Invest to Save and Efficiency Reserve	271
Resilience and Stability Reserve	600
Transition Reserve	1,060
Redundancy Reserve	573
Community Safety Reserve	250
Economic Development Reserve	401
Disabled Facilities Reserve	925
Clinical Commissioning Group	586
Selective Licensing	165
Housing Licensing Reserve	158
Other reserves	105
<b>Total</b>	<b>£8,260</b>

163. The protection of key services has remained of crucial importance to the Council and the Transition Reserve, Economic Development Reserve and Community Safety Reserve has provided the Council with the opportunity to protect some key services and activities until now e.g. the ability to continue regeneration and attract grant funding to the town remains a key priority. The strategy continues to identify the use of these reserves in 2019/20, but thereafter they are exhausted.
164. At 31 March 2019 General and Capital Reserves will amount to an estimated £8.05m, of which some is already committed e.g. empty homes strategy (£150k).

The estimated reserves position, as at 31 March 2019, is shown in Appendix H. As an absolute minimum, the General Reserve should be £6m i.e. the non-earmarked reserves. This level, the same as for 2018/19 reflects the more difficult funding regime, as well as the experience of recent years which has seen financial claims being made against the Council e.g. pier claim and the mandatory rate relief claim in respect of NHS properties (both of which continue). This level is required to be maintained to cover unexpected expenditure, e.g. emergencies, potential over runs of gross expenditure and down turns in income sources, and was arrived at as follows:-



- (i) 10% downturn in income (sales, fees, rents, etc) - £2m (Projection)
- (ii) 5% over run in expenditure (including capital) - £2m
- (iii) Unforeseen events/losses - £2m

165. In addition, given the economic environment and all the uncertainties described elsewhere, it is prudent to maintain the reserves at a figure above the absolute minimum and wherever possible increase the level of reserves. Any under spends in the year must be considered as opportunities to strengthen the reserves and improve services for the future – given the funding uncertainties.
166. The Council’s earmarked reserves are reviewed at least twice a year for adequacy. If at any time the adequacy is in doubt the Chief Financial Officer is required to report on the reasons, and the action, if any, which he considers appropriate.
167. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to report to members on the robustness of the estimates and the adequacy of the reserves when considering the budget and Council Tax. It is the view of the Assistant Director - Financial Services & Revenues (Chief Finance Officer) that the processes followed and the information systems used are sound and that the regular reporting and involvement of senior managers in managing budgets provides sufficient assurance that the resultant estimates are as robust as present economic circumstances and resources allow and that the reserves are currently adequate – but no more than adequate given the uncertainties surrounding future funding streams.

## Consultation

168. The draft Corporate Plan and Budget being the subject of consultation (from Friday 11 January 2019). The closing date for comments (Friday 8 February 2018) being after the dispatch of the Cabinet agenda and therefore any comments received are reported verbally to Budget Cabinet on 11 February. Comments received from the business community, voluntary and community sector organisations and the Overview and Scrutiny Committee meeting being included within the Corporate Plan report elsewhere on the agenda.
169. The full Council meets to set the budget on 20 February 2019.

## Equalities and Community Cohesiveness

170. The equalities implications of the proposals included in the draft budget and corporate plan are set out in Appendix K2. Members are reminded that they are under a duty to give due regard to considerations of equality when making decisions regarding the Budget and Corporate Plan, (Equality Act 2010). As with the consultation feedback set out above, if any information is submitted as part of the consultation which requires a revision of this assessment, this too will be made available to Members at the Budget Cabinet meeting.

## Risk Management

171. Numerous risks are highlighted in this report, and further comment is made below. The risks include reduced government funding, enhanced demand for Council services, delays in asset disposals. There are continuing risks surrounding the funding and employment of staff delivering housing benefits over the next few years. The Council must further prioritise its objectives and identify where it will need to make savings to balance the budget in 2020/21 and beyond.
172. Given uncertainty in the economic outlook and the continuing reductions in government funding the Council needs to preserve and enhance where possible the existing level of reserves – this report makes strong recommendations for doing so based on future funding projections. The Council also needs to ensure that it continues to invest in its people, its IT services and its commercial assets.
173. The Council must seek to identify further opportunities for contract savings, plus identify, investigate and implement efficiencies, identify income generation opportunities and ensure that potential savings are monitored and achieved. Where services are overspending, rapid action must be taken in year to ensure that costs are contained within overall budgets. The luxury of having reserves available to cover such costs has substantially reduced.
174. The Council maintains risk registers for corporate risks and for individual services. These must be updated and reviewed on a more regular basis and steps taken to mitigate the risks wherever possible and practical. The transition to a lower spending Council poses additional risks.

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

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

External funding in terms of the government's Spending Review 2019 (SR19), the retention of more business rates in 2020/21, and the Fair Funding Review (with new grant funding regime in place from 2020/21).

The move to 75% retention (from the current 50%) in 2020/21 passes on the additional risks of volatility to councils – the implications will be very much in the detail, which is awaited.

Business rates in the meantime continue to present real uncertainties. Volatility in income streams arising from both local and national economic pressures, the level of successful rating appeals, and the collection rates achieved. The appeals provision within the Council's accounts amounted to some £3.217m at 31 March 2018 of which HBC's share is some £1.287m.

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

The Council has been seeking to grow its income streams considerably. New initiatives need proper and effective governance arrangements and business

cases need to be robust. Due diligence needs to be thoroughly undertaken, often under restricted timescales, along with financial and taxation implications.

The employment of the Income Generation Manager is helping the Council to identify and progress viable schemes – thus helping to reduce the risk of unbalanced budgets in future years. There remains considerable pressure on existing staff and prioritisation of work is required.

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

It also remains of critical importance that budget managers retain sufficient capacity to manage their services and the budgets delegated to them when new initiatives are being implemented. Careful monitoring and regular review of existing initiatives is also required e.g. selective licensing, social lettings agency.

(iii) **Joint working/ shared services/ contracts.**

Re-letting of the Waste and Street Cleaning Contracts – The costs to the Council are estimated to increase by some £1.4m in a full year (including the loss of recycling credits). The establishment of a Street Cleaning Direct Service organisation (DSO) brings its own set of risks and opportunities.

There are still opportunities for joint working, shared services and joint procurement that have proven to be successful in reducing costs in the past e.g. Grounds Maintenance contract, Building Control service, shared finance systems. A number of contract areas will be coming up for renewal which will allow for detailed scrutiny of the specification and how these could be delivered differently in the future – whether in-house or externally.

The Council does rely on external service providers, it is particularly reliant on IT and software companies. Due diligence on the award of any contracts remains critical to the effective provision of services.

(iv) **Staffing / Knowledge Management.** The loss of key staff through early retirement or redundancy, and in the short term – through illness.

(v) **Welfare Reform (Universal Credit and Council Tax Support).** There is a significant financial risk of increased Council Tax support payments being made in the year should the economy falter– the financing risk falling on the Council. The scheme approved is for a further period of one year to March 2019. The Council will consider a new scheme for 2019/20 with all the implications this has on the local community and the Council in devising the scheme. Universal Credit arrangements continue to change with more cases, and particularly the more complex cases falling on the shoulders of the Council. According to the DWP timetable the transfer of existing working age claimants to Universal Credit is still expected to be completed by 2022.

- (vi) **Restructuring Costs.** In order to make savings of the magnitude required in the future, the Council will need to further reconsider what services it can provide and to what level. The continued transformation and digitalisation of services continues and further restructuring seems inevitable. Voluntary and/or compulsory redundancies have large financial consequences for the authority, both in terms of direct payments but also generally on the Pension Fund - in addition to the effect on the capacity of the organisation and knowledge management implications. The Council established a Redundancy Reserve as part of the budget setting process in 2011/12 which has been added to when possible (balance at 31 March 2017 was £648,000). The intention will be to meet any additional redundancy costs from either the existing 2018/19 provision or the redundancy reserve. The reserve assists in transforming the Council to a lower spending organisation in the years ahead.
- (vii) **PIER savings.** The identification of new, and realisation of already identified, savings will be critical for the Council to achieve a sustainable budget in the future.
- (viii) **Treasury Management** – borrowing costs, investment security and level of returns. The management of the Council’s debt portfolio and its assets becomes increasingly important – especially in a rising interest rate environment.
- (ix) **Potential Liabilities**
- (i) The Council continues to rebut a backdated claim for mandatory rate relief in respect of NHS properties amounting to some £4.3m for a period of 6 years. If the claim were ever to be accepted the ongoing loss of revenue would amount to an estimated £350,000 p.a. (Hastings Share). The Council’s share of the £4.3m would amount to some £1.9m (44%). This claim would now be higher given the period that has now elapsed since receiving the claim. The Local Government Association are coordinating support i.e. providing Counsel’s advice on behalf of the hundred plus local authorities potentially affected. In the meantime the minimum level of Reserves that the Council has needs to be maintained.
- (ii) Cliffs –A further £100,000 was allocated from the renewal and repairs reserve for additional works in 2018/19. Further costs are expected to arise once further clearance and repair work is undertaken and an additional £50,000 is included in the budget for 2019/20.
- (x) **The Economy.** The economic and financial uncertainty surrounding Brexit will be a major risk for some years. The Council relies upon its income streams to provide services. Inflationary pressures have real implications for the Council given the continued reductions in funding.
- (xi) **New Legislation** – changes in the Housing Act, changes in the waste directive on recycling targets for example are all likely to impact on the Council’s activities over the next four years.
- (xii) **Pension Fund** – The performance of the fund and the actuarial revaluation – new rates will apply from 2020/21. The period between reviews may also change.

## **Economic/ Financial Implications**

175. The report supports the alignment of corporate priorities with available resources, produces a robust and balanced budget for 2019/20 (albeit with significant use of reserves). There are a number of projects forthcoming within the capital programme to assist the continuation of the regeneration of Hastings.
176. The financial implications in 2019/20 and beyond are detailed in the report. However, significant further action by the Council will be required to produce a sustainable budget beyond 2019/20 and this may result in more post losses.
177. The economic regeneration of the town remains a key priority for the Council. The ability to work with partners to help stimulate the local economy continues but will be seriously reduced in the future with the reductions in our funding. However in the short term the Council established some limited reserves for economic development and for community safety as a means of ensuring the Council can continue to make a contribution to the regeneration of the town over the next few years. These are being used to support the budget in 2018/19 and 2019/20.

## **Organisational Consequences**

178. The Council has limited available reserves and has an ambitious corporate plan. To stand a chance of achieving a sustainable budget in the future, priorities must be reassessed and staff must be directed, at least temporarily towards those areas that will generate significant income or significantly reduce costs. There will inevitably be consequences from time to time as this process continues given the substantial savings the Council is required to make. The Council seeks to minimise the impact wherever possible through redeployment and voluntary severance.

## **Anti-Poverty**

179. The Council considers the Council Tax Support scheme at the Cabinet meeting on 7 January 2019 and at full Council on 13 February 2019. The draft scheme continues to provide 100% support for those claimants most in need and hence helps to protect some of the more vulnerable households in the community. The overall costs to the scheme are estimated to be broadly comparable to those of 2018/19. If the scheme is not approved there would be budgetary implications.

## **Equalities and Community Cohesiveness**

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

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## Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

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## Policy Implications

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

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

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## Additional Information

The Appendices and supporting documents are also available from the Council's website under the heading of Hastings Borough Council budget  
[http://www.hastings.gov.uk/decisions\\_democracy/transparency/budgets\\_finance/](http://www.hastings.gov.uk/decisions_democracy/transparency/budgets_finance/)

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# Appendices to Budget Report

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## **REVENUE BUDGET SUMMARY**

## **Appendix A**

	<b>2018-2019 Original Budget £</b>	<b>2018-2019 Revised Budget £</b>	<b>2019-2020 Estimate Budget £</b>
<b>Directorates</b>			
Corporate Resources	1,244,970	<b>1,695,600</b>	<b>1,362,540</b>
Operational Services	11,055,900	<b>11,834,300</b>	<b>11,859,580</b>
<b>Direct Service Expenditure</b>	<b>12,300,870</b>	<b>13,529,900</b>	<b>13,222,120</b>
Contingency Provision (incl. R&R Reserve)	500,000	<b>46,790</b>	<b>300,000</b>
<b>Total Service Expenditure</b>	<b>12,800,870</b>	<b>13,576,690</b>	<b>13,522,120</b>
Provision for the Repayment of Principal (MRP)	1,116,000	<b>795,000</b>	<b>1,183,000</b>
Net Interest (Earnings) / Payments	1,189,955	<b>884,204</b>	<b>1,334,533</b>
<b>Total Expenditure</b>	<b>15,106,825</b>	<b>15,255,894</b>	<b>16,039,653</b>
<b>Amount to be met from Grant and Collection Fund</b>			
Government Grant - Revenue Support Grant	(1,542,094)	<b>(1,542,094)</b>	<b>0</b>
New Homes Bonus	(649,559)	<b>(649,559)</b>	<b>(556,337)</b>
New Homes Bonus Return Funding	(8,670)	<b>(8,670)</b>	<b>0</b>
NNDR (Surplus) / Deficit	63,396	<b>63,396</b>	<b>(33,838)</b>
Council Tax (Surplus) / Deficit	(125,899)	<b>(125,899)</b>	<b>(144,914)</b>
Housing Benefit Administration Grant	(420,606)	<b>(420,606)</b>	<b>(389,046)</b>
Council Tax Support Admin Grant	(166,913)	<b>(166,913)</b>	<b>(160,753)</b>
Business Rates	(2,756,880)	<b>(2,887,737)</b>	<b>(3,934,978)</b>
Business Rates - Pooling	(57,589)	<b>(85,598)</b>	<b>(46,590)</b>
Business Rates - Section 31 Grant	(1,113,725)	<b>(1,040,192)</b>	<b>(1,076,402)</b>
Council Tax	(6,595,295)	<b>(6,595,295)</b>	<b>(6,867,158)</b>
Total Funding	(13,373,834)	<b>(13,459,167)</b>	<b>(13,210,015)</b>
Funding deficit / (surplus)	1,732,991	<b>1,796,726</b>	<b>2,829,638</b>
<b>Reserve movements</b>			
Contributions to Capital from Grant and Revenue (Appendix B)	0	<b>0</b>	<b>0</b>
Contributions to Reserves (e.g. R&R)	1,071,784	<b>1,038,810</b>	<b>744,440</b>
Use of Earmarked Reserves (see Appendix H)	(1,766,012)	<b>(1,871,726)</b>	<b>(1,771,850)</b>
Net Contribution to/(from) Reserves	(694,228)	<b>(832,916)</b>	<b>(1,027,410)</b>
<b>Use of Reserves to fund Deficit</b>			
Transfer from Transition Reserve	(838,763)	<b>(763,810)</b>	<b>(1,060,000)</b>
Transfer from General Reserve	0	<b>0</b>	<b>(91,228)</b>
Transfer to/(from) Specific Reserve	(200,000)	<b>(200,000)</b>	<b>(651,000)</b>
Total	(1,038,763)	<b>(963,810)</b>	<b>(1,802,228)</b>
<b>General Fund Movement</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Council Expenditure	14,412,597	<b>14,422,978</b>	<b>15,012,243</b>

**Appendix A (continued)**

**COUNCIL TAX**

<b><u>2018-2019</u></b>			<b><u>2019-2020</u></b>		
Total	Band D		Total	Band D	Increase
£	£		£	£	%
13,373,834		Budget requirement	13,210,015		
(1,542,094)		Revenue Support Grant	0		
(166,913)		Council Tax Administration Support Grant	(160,753)		
(649,559)		New Homes Bonus	(556,337)		
(62,503)		Collection Fund (Surplus) / Deficit	(178,752)		
(1,600,590)		Other non-ring fenced grants	(1,512,038)		
(2,756,880)		Retained Business Rates	(3,934,978)		
<b>6,595,295</b>	<b>257.81</b>	<b>Borough Council Tax</b>	<b>6,867,158</b>	<b>265.50</b>	2.98%
35,638,540	1,393.11	County Council Precept	37,110,171	1,434.76	2.99%
2,327,962	91.00	Fire Authority Precept	2,423,292	93.69	2.96%
4,244,310	165.91	Police and Crime Commissioner Precept	4,912,022	189.91	14.47%
<b>48,806,107</b>	<b>1,907.83</b>	<b>Total Council Tax</b>	<b>51,312,642</b>	<b>1,983.86</b>	3.99%
	<b>25,582</b>	<b>Council Taxbase at Band D</b>		<b>25,865</b>	

TABLE OF COUNCIL TAX BANDS AND AMOUNTS :

<b><u>2018-2019</u></b>		<b><i>Relationship</i></b>	<b><i>East Sussex</i></b>	<b><i>Police and Crime Commissioner</i></b>	<b><i>East Sussex Fire Authority</i></b>	<b><i>Hastings B.C.</i></b>	<b><i>2019-2020</i></b>
<b><i>Amount</i></b>	<b><i>Band and Value *</i></b>	<b><i>to Band D</i></b>	<b><i>C.C.</i></b>	<b><i>Commissioner</i></b>	<b><i>Fire Authority</i></b>	<b><i>B.C.</i></b>	<b><i>Total Amount</i></b>
£1,271.89	A - up to £40,000	6 / 9	£956.51	£126.61	£62.46	£177.00	£ 1,322.58
£1,483.87	B - £40,001 up to £52,000	7 / 9	£1,115.93	£147.71	£72.87	£206.50	£ 1,543.01
£1,695.85	C - £52,001 up to £68,000	8 / 9	£1,275.35	£168.81	£83.28	£236.00	£ 1,763.44
£1,907.83	D - £68,001 up to £88,000	-	£1,434.76	£189.91	£93.69	£265.50	£ 1,983.86
£2,331.79	E - £88,001 up to £120,000	11 / 9	£1,753.60	£232.11	£114.51	£324.50	£ 2,424.72
£2,755.75	F - £120,001 up to £160,000	13 / 9	£2,072.44	£274.31	£135.33	£383.50	£ 2,865.58
£3,179.72	G - £160,001 up to £320,000	15 / 9	£2,391.27	£316.52	£156.15	£442.50	£ 3,306.44
£3,815.66	H - over £320,000	18 / 9	£2,869.53	£379.82	£187.38	£531.00	£ 3,967.73
43,384	Number of properties on Council Tax Banding List						43,525
£25,582	Each £1 of Council Tax at Band D will raise					£	25,865

**Appendix A (continued)**

**1. BUSINESS RATES BASELINE**

	Budget 2018-19 Amount £	Revised Budget 2018-19 Amount £	Budget 2019-20 Amount £
<b>NNDR Income</b>			
Gross rateable value	62,697,362	62,972,809	62,755,809
Small business multiplier	48.0	48.0	49.1
Gross rates receivable	30,094,734	30,226,948	30,813,102
Reliefs and allowances for bad debt and appeals	(9,030,653)	(8,818,969)	(8,976,386)
Net rates less losses	21,064,081	21,407,979	21,836,716
Cost of Collection allowance	(131,620)	(131,620)	(132,166)
<b>NNDR Income</b>	<b>20,932,461</b>	<b>21,276,359</b>	<b>21,704,550</b>
<b>Hastings BC Share (40% / 44%)</b>	<b>8,372,984</b>	<b>8,510,544</b>	<b>9,550,002</b>
<b>Tariff Calculation</b>			
Business Rates Baseline for HBC	9,175,012	9,175,012	10,268,310
DCLG calculation of baseline funding level	3,674,085	3,674,085	4,746,465
Adjustment for Revised budget	0	(49,315)	0
<b>Tariff</b>	<b>5,500,927</b>	<b>5,451,612</b>	<b>5,521,844</b>
<b>Levy calculation</b>			
Total income	8,372,984	8,510,544	9,550,002
Add proportion of small business relief	882,205	887,897	1,014,070
Add reliefs attracting Section 31 grant	150,176	69,646	76,959
Adjusted income	9,405,365	9,468,087	10,641,031
Less Tariff	(5,500,927)	(5,451,612)	(5,521,844)
	3,904,438	4,016,475	5,119,187
Baseline funding level	(3,674,085)	(3,674,085)	(4,746,465)
Growth	230,353	342,390	372,721
<b>Levy payable (50% / 25% of growth)</b>	<b>115,177</b>	<b>171,195</b>	<b>93,180</b>
<b>Pooling income (50% of levy)</b>	<b>(57,589)</b>	<b>(85,598)</b>	<b>(46,590)</b>
<b>Safety Net calculation</b>			
Baseline funding level	3,674,085	3,674,085	4,746,465
Threshold (92.5% / 95% of baseline funding level)	3,398,529	3,398,529	4,390,481
Adjusted income less Tariff	3,904,438	4,016,475	5,119,187
Difference	505,909	617,946	728,706
<b>Safety Net receivable</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Business Rates Collection</b>			
Business Rates precept	8,372,984	8,510,544	9,550,002
Tariff	(5,500,927)	(5,451,612)	(5,521,844)
Levy	(115,177)	(171,195)	(93,180)
Safety Net	0	0	0
<b>Net Business Rates collection</b>	<b>2,756,880</b>	<b>2,887,737</b>	<b>3,934,978</b>

**2. COLLECTION FUND**

	2018-19 Original Budget £	2018-19 Revised Budget £	2019-20 Estimate Budget £
Council Tax (Surplus) / Deficit	(125,899)	(125,899)	(144,914)
Non Domestic Rates (Surplus) / Deficit	63,396	63,396	(33,838)
<b>Total Collection Fund (Surplus) / Deficit</b>	<b>(62,503)</b>	<b>(62,503)</b>	<b>(178,752)</b>

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

**Appendix B**

	2018-19 Original Budget £000's	2018-19 Revised Budget £000's	2019-20 Estimated Outturn £000's
Net Interest Payments	1,190	884	1,335
Contributions to Reserves	1,072	1,039	744
Minimum Revenue Provision (Statutory provision for principal repayment arising from borrowing requirement)	1,116	795	1,183
<b>Total</b>	<b>3,378</b>	<b>2,718</b>	<b>3,262</b>
<b>Interest</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Gross Interest Payable	1,655	1,310	1,950
Gross Interest Received	(395)	(366)	(553)
Income and expenditure in relation to investment properties	(70)	(70)	(72)
Fees	0	10	10
	<b>1,190</b>	<b>884</b>	<b>1,335</b>
<b>Contributions to / from Capital / Reserves</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Disabled Facilities Grant	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Contributions to Reserves</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
IT Reserve	214	214	214
Government Grant Reserve	109	0	0
Transfer to Specific Reserve re: Selective Licensing	130	165	3
Transfer to Specific Reserve re: Housing Licensing	110	152	19
R&R General	420	420	420
R&R White Rock Theatre	80	80	80
R&R re: New Vehicles	8	8	8
	<b>1,072</b>	<b>1,039</b>	<b>744</b>
<b>Transfers to/ between Reserves</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Transfer from General Reserve to IT Reserve	0	0	0
Transfer to Transition Reserve from Capital Reserve	0	0	0
Transfer to Transition Reserve from General Reserve	0	0	0
Transfer between General Reserve to Community Housing Reserve	0	0	0
General Reserve	0	0	0
Invest to Save and Efficiency Reserve	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Income and Transfers</b>	<b>1,072</b>	<b>1,039</b>	<b>744</b>

es		0		568
<b><u>Variations</u></b>				
Credits	(116)		149	
ment Control	0		0	
rges - Searches carried out by other providers	39		39	
ousing Support Grant	(71)		(80)	
Licensing	0		155	
ettlement Scheme (External Funding)	109		105	
ommunities Fund	46		15	
icensing Scheme	(2)		125	
ax	132		131	
come	415		(146)	
Charges	4		(423)	
		556		69

<b><u>Reductions</u></b>				
Savings	(162)		(4)	
Policy	0		(63)	
	0		(11)	
	(5)		(5)	
elopment	(4)		(23)	
ment Control Agency Budget	(55)		(59)	
Licensing Agency Budget	(38)		(39)	
Control - contract outsourcing	(17)		(12)	
n 2019-20	8		(100)	
Benefit Costs	(268)		(268)	
ings (appendix K)	(3)		(958)	
		(544)		(1,543)

<b><u>Commitments</u></b>				
taffing	0		74	
le Energy Sololutions	162		143	
y Accomodation	174		176	
ontract / DSO	87		846	
ees and Advice	40		0	
rating System Licenses	0		87	
harges Payable	56		56	
sts	100		0	
osts	0		54	
wth (Appendix K)	2		80	
Document Scanning	120		0	
	25		17	
		767		1,533

years unspent budgets carried forward into 2018/19		311		0
or Changes		109		(39)
recharges		0		0
save funded items		(150)		(32)
erve funded items		253		227
e Reserve		(132)		0
de Stewardship Reserve (GGR)		0		10
e Trust Recharges		(42)		79
oors Reserve		15		(11)
mes Reserve		9		0
s Services Reserve (GGR)		76		60



## CAPITAL PROGRAMME SUMMARY

	Original 2018/19	Revised 2018/19	2019/20	2020/21	2021/22	Subseq. Years	Total over Prog Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Net cost by Service</b>							
Corporate Resources	20,907	15,710	5,492	0	0	0	21,202
Operational Services	7,784	6,695	10,524	5,808	2,236	85	25,348
	<b>28,691</b>	<b>22,405</b>	<b>16,016</b>	<b>5,808</b>	<b>2,236</b>	<b>85</b>	<b>46,550</b>

**Net cost by Status**

Committed Schemes	c	28,691	21,765	13,137	3,673	85	85	38,745
Uncommitted Schemes	u	0	0	84	2,100	2,116	0	4,300
New Schemes	n	0	640	2,795	35	35	0	3,505
		<b>28,691</b>	<b>22,405</b>	<b>16,016</b>	<b>5,808</b>	<b>2,236</b>	<b>85</b>	<b>46,550</b>

**Gross cost of schemes analysed by service**

Corporate Resources	20,952	15,847	5,492	0	0	0	21,339
Operational Services	11,986	10,414	13,119	7,347	3,736	1,585	36,201
	<b>32,938</b>	<b>26,261</b>	<b>18,611</b>	<b>7,347</b>	<b>3,736</b>	<b>1,585</b>	<b>57,540</b>

## CAPITAL PROGRAMME FINANCING STATEMENT

## Appendix E

	2018/19 Original £'000	2018/19 Revised £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total over life of Programme £'000
<b><u>Spending</u></b>						
<b><u>Capital Spending</u></b>						
Total Gross Spend	32,938	26,261	18,611	7,347	3,736	55,955
Capital Grants and Contributions Received	(4,199)	(3,856)	(2,595)	(1,539)	(1,500)	(9,490)
<b>Capital Requirement</b>	<b>28,739</b>	<b>22,405</b>	<b>16,016</b>	<b>5,808</b>	<b>2,236</b>	<b>46,465</b>
<b><u>Financing available</u></b>						
New Capital receipts in year	4,965	1,012	185	185	185	1,567
Bfwd Capital Receipts	0	352	411	0	0	763
Total	4,965	1,364	596	185	185	2,331
<b><u>Finance Used</u></b>						
Capital Reserve / Revenue/R&R reserve	324	0	184	23	0	207
Capital Receipts used from asset sales	1,255	953	185	185	120	1,443
Capital receipts from prior years	0	0	411	0	0	411
<b>Total Financing available from internal resources</b>	<b>1,579</b>	<b>953</b>	<b>780</b>	<b>208</b>	<b>120</b>	<b>2,061</b>
<b><u>Remaining Financing Requirement</u></b>	<b>27,160</b>	<b>21,452</b>	<b>15,236</b>	<b>5,600</b>	<b>2,116</b>	<b>44,404</b>

## Government Grant Reserves

## Appendix F

Cost Centre New/Old Code	Description	Holding Account New / Old Code	Balance b/f 1 April 2018 £ 000's	Income & Transfers £ 000's	Expenditure & Transfers £ 000's	Balance c/f 31 March 2019 £ 000's	Income & Transfers £ 000's	Expenditure & Transfers £ 000's	Balance c/f 31 March 2020 £ 000's
20110 / 1055	DCE-Revenues Division	Q1028 / X394	(513)	0	76	(437)	0	60	(377)
42474 / 8931	New Burdens	Q1019 / X896	(10)	0	0	(10)	0	0	(10)
00000 / 1985	Coastal Change Pathfinders	Q2354 / X396	(25)	0	0	(25)	0	0	(25)
20216 / 1988	FLAG	Q1011 / X407	(16)	0	0	(16)	0	0	(16)
20264 / 6657	Active Hastings	S1001 / X094	(24)	0	0	(24)	0	24	0
20266 / 6666	PCT play grant	Q1022 / X376	(3)	0	0	(3)	0	0	(3)
20262 / 6651	Street Games	Q1032 / X065	(26)	0	9	(17)	0	0	(17)
20263 / 6675	Sports for All	Q1030 / X550	(5)	0	3	(2)	0	0	(2)
20314 / 6508	Countryside Stewardship	Q1007 / X321	(36)	0	0	(36)	0	10	(26)
20271 / 6640	Opening Doors - Sport England	Q1021 / X551	(45)	0	26	(19)	0	0	(19)
<b>Total</b>			<b>(702)</b>	<b>0</b>	<b>114</b>	<b>(588)</b>	<b>0</b>	<b>94</b>	<b>(494)</b>

# Revenue Budget Forward Plan

# Appendix G

Ref	Revenue Budget Forward Plan	2018-19 Revised Budget £000's	2019-20 Budget £000's	2020-21 Projection £000's	2021-22 Projection £000's	2022-23 Projection £000's
1	<b>Net Service Expenditure</b>	<b>13,530</b>	<b>13,222</b>	<b>13,587</b>	<b>13,958</b>	<b>14,337</b>
2	<b>Funding Commitments:-</b>					
3	Pension Fund - Employers increase			0	0	0
4	Election Costs (bi-annually)			120	0	120
5	Waste Contract - Recycling			156	156	156
6	Street Cleaning Contract			112	112	112
7	Revenues & Benefits - 2019/20 bad debt provision.			189	189	189
8	<b>Savings/Additional Income Identified</b>					
9	PIER income - Energy Gross (shown net in Apx K)			(117)	(256)	(259)
10	PIER income Commercial Property (Gross)			(422)	(433)	(433)
11	PIER other (Apx K)			(273)	(614)	(614)
12	PIER removal of temporary growth (Apx K)			0	0	(80)
13	Fees and Charges			(60)	(120)	(180)
14	Contingency Provision	47	300	300	300	300
15	Interest (net of Fees ) & other Adjustments	884	1,335	1,355	1,223	1,160
16	Minimum Revenue Provision (excl. Inc Gen Adj)	795	1,183	1,611	1,758	1,858
17	Contribution to Reserves	1,039	744	744	744	744
18	Net Use of Earmarked Reserves	(1,872)	(1,772)	(1,772)	(1,772)	(1,772)
19	<b>Net Council Expenditure</b>	<b>14,423</b>	<b>15,012</b>	<b>15,530</b>	<b>15,246</b>	<b>15,639</b>
20	Taxbase	25,582	25,865	26,124	26,385	26,649
21	Council Tax	257.81	265.50	273.44	281.61	290.03
22	<b>Funding</b>					
23	From Collection Fund - Council Tax	(6,595)	(6,867)	(7,143)	(7,430)	(7,729)
24	From Collection Fund - Business Rates	(2,888)	(3,935)	(3,974)	(4,014)	(4,054)
25	Revenue Support Grant	(1,542)	0	0	0	0
26	New Homes Bonus	(650)	(556)	(274)	(319)	(276)
27	New Homes Bonus return funding	(9)	0	0	0	0
28	Council Tax Support Admin Grant	(167)	(161)	(149)	(138)	(127)
29	Housing Benefit Admin Grant	(421)	(389)	(360)	(333)	(308)
30	NNDR (Surplus) / Deficit	63	(34)	0	0	0
31	NNDR Pooling	(86)	(47)	(47)	(47)	(47)
32	Business Rates Section 31 Grant	(1,040)	(1,076)	(1,098)	(1,120)	(1,142)
33	Council Tax Surplus	(126)	(145)	0	0	0
34	<b>Contribution To General Fund</b>	<b>(13,459)</b>	<b>(13,210)</b>	<b>(13,045)</b>	<b>(13,400)</b>	<b>(13,684)</b>
35	<b>Funding Shortfall / (Surplus)</b>	<b>964</b>	<b>1,802</b>	<b>2,485</b>	<b>1,846</b>	<b>1,955</b>
36	<b>Use of General Reserve</b>	0	(91)	0	0	0
37	<b>Use of Transition Reserve</b>	(764)	(1,060)	0	0	0
38	<b>Use of Resilience and Stability Reserve</b>	0	0	0	0	0
39	<b>Use of Community Safety Reserve</b>	(100)	(250)	0	0	0
40	<b>Use of Economic Development Reserve</b>	(100)	(401)	0	0	0
41	<b>Net Funding Shortfall / (Surplus)</b>	<b>0</b>	<b>0</b>	<b>2,485</b>	<b>1,846</b>	<b>1,955</b>

**RESERVES**

Appendix H

	2018 / 19			2019 / 20			
	Balance at 1 April 2018 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2019 £'000	Income & Transfers £'000	Expenditure & Transfers £'000	Balance at 31 Mar 2020 £'000
General Reserve	(7,668)	(252)	25	<b>(7,895)</b>	0	91	<b>(7,804)</b>
Capital Reserve	(150)	0	0	<b>(150)</b>	0	100	<b>(50)</b>
<b><u>Earmarked Reserves</u></b>							
Renewal and Repairs Reserve	(1,628)	(508)	806	<b>(1,330)</b>	(508)	874	<b>(963)</b>
Risk Management Reserve	(330)	0	15	<b>(315)</b>	0	15	<b>(300)</b>
Information Technology Reserve	(152)	(214)	311	<b>(55)</b>	(214)	239	<b>(31)</b>
On-Street Car Parking Surplus Reserve	(40)	0	40	<b>0</b>	0	0	<b>0</b>
Section 106 Revenue Reserve	(507)	0	0	<b>(507)</b>	0	17	<b>(490)</b>
VAT Reserve	(252)	0	252	<b>0</b>	0	0	<b>0</b>
Government Grant Reserve	(702)	0	114	<b>(588)</b>	0	94	<b>(494)</b>
Monuments in Perpetuity	(47)	0	5	<b>(42)</b>	0	5	<b>(37)</b>
Ore Valley Reserve	(250)	0	0	<b>(250)</b>	0	0	<b>(250)</b>
Resilience and Stability Reserve	(600)	0	0	<b>(600)</b>	0	0	<b>(600)</b>
Transition Reserve	(1,824)	0	764	<b>(1,060)</b>	0	1,060	<b>0</b>
Redundancy Reserve	(648)	0	75	<b>(573)</b>	0	225	<b>(348)</b>
Community Safety Reserve	(350)	0	100	<b>(250)</b>	0	250	<b>0</b>
Economic Development Reserve	(501)	0	100	<b>(401)</b>	0	401	<b>0</b>
Registration of Electors - IER Grant	(19)	0	19	<b>0</b>	0	0	<b>0</b>
Safer Hastings Partnership	(72)	0	0	<b>(72)</b>	0	0	<b>(72)</b>
Disabled Facilities Grant	(925)	(1,882)	1,882	<b>(925)</b>	(1,680)	1,500	<b>(1,105)</b>
First World War Project	(12)	0	0	<b>(12)</b>	0	0	<b>(12)</b>
Invest to Save and Efficiency Reserve	(420)	0	149	<b>(271)</b>	0	250	<b>(21)</b>
Clinical Commissioning Group	(586)	0	0	<b>(586)</b>	0	0	<b>(586)</b>
Carry-forward Reserve	(159)	0	159	<b>0</b>	0	0	<b>0</b>
Selective Licensing Reserve	0	(165)	0	<b>(165)</b>	(3)	0	<b>(168)</b>
Revenue Hardship Fund	(80)	0	0	<b>(80)</b>	0	0	<b>(80)</b>
Syrian Refugee Resettlement Programme	(21)	0	0	<b>(21)</b>	0	0	<b>(21)</b>
Housing Licensing Reserve	(6)	(152)	0	<b>(158)</b>	(19)	0	<b>(177)</b>
Community Housing Fund	(94)	0	94	<b>0</b>	0	0	<b>0</b>
	<b>(18,042)</b>	<b>(3,173)</b>	<b>4,910</b>	<b>(16,305)</b>	<b>(2,424)</b>	<b>5,121</b>	<b>(13,608)</b>

**EXPENDITURE FUNDED BY USE OF RESERVES**

(expenditure &amp; transfers) / Income &amp; transfers

	Cost Centre / Account	2018-19 Original £	2018-19 Revised £	2019-20 Estimate £
<b>General Reserve</b>				
General reserve Saving to/(Use of)	Q1012	0	(25,000)	(91,228)
Total		0	(25,000)	(91,228)
<b>Transfers between Reserves</b>				
VAT Reserve to General Reserve		0	(252,000)	0
Bathing Water Reserve Transfer to General Reserve		0	0	0
Coastal Communities Grant Reserve to General Reserve		0	0	0
General Reserve to Community Housing Fund		0	0	0
Government Grant Reserve to General Reserve		0	0	0
		0	(252,000)	0
<b>Carry forward Reserve</b>				
Carried forward	Q1004	0	(158,624)	0
		0	(158,624)	0
<b>Capital Reserve</b>				
2016 - 950th Anniversary (£330k in total over 3 years)	Q1017	0	0	0
Various Capital Expenditure to be Financed				
CPO - Empty Homes Strategy -capital		(60,000)	0	(100,000)
		(70,000)	0	(100,000)
<b>Disabled Facilities Grant</b>				
Disabled Facilities Grant - Salaries	Q1008	(60,000)	(60,000)	(60,000)
Disabled Facilities Grant - Capital		(1,440,000)	(1,822,291)	(1,440,000)
		(1,500,000)	(1,882,291)	(1,500,000)
<b>VAT reserve</b>				
	Q1035	(207,000)	0	0
		(207,000)	0	0
<b>Economic Development Reserve</b>				
General Fund	Q1009	(100,000)	(100,000)	(401,000)
		(100,000)	(100,000)	(401,000)
<b>Community Safety Reserve</b>				
General Fund	Q1006	(100,000)	(100,000)	(250,000)
		(100,000)	(100,000)	(250,000)
<b>Renewal &amp; Repairs Reserve</b>				
(per programme of works - Appendix J)	Q1026	(626,500)	(757,470)	(774,100)
Capital		(45,280)	0	0
Vehicles		0	0	0
Contingency		(200,000)	(49,000)	(100,000)
		(871,780)	(806,470)	(874,100)
<b>Transition Reserve</b>				
Transfer to General Fund	Q1034	(838,763)	(763,810)	(1,060,000)
<b>Resilience and Stability Reserve</b>				
	Q1031	0	0	0
<b>Information Technology Reserve</b>				
(per programme of works - Appendix I)	Q1013	(310,750)	(310,750)	(238,750)
		(310,750)	(310,750)	(238,750)
<b>Invest to Save &amp; Efficiency Reserve</b>				
Transfer to General Fund	Q1015	(173,662)	(149,282)	(250,000)
Transfer to Capital Reserve		0	0	0
		(173,662)	(149,282)	(250,000)
<b>Redundancy Reserve</b>				
Transfer to General Fund	Q1024	(225,000)	(75,000)	(225,000)
		(225,000)	(75,000)	(225,000)



<b><u>Earmarked Reserves</u></b>	<b>Cost Centre</b>	<b>2018-19 Original</b>	<b>2018-19 Revised</b>	<b>2019-20 Estimate</b>
		<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Government Grant Reserve</u></b>	Various			
capital (further details - Appendix F)		(61,000)	(114,000)	(94,000)
		<u>(61,000)</u>	<u>(114,000)</u>	<u>(94,000)</u>
<b><u>Monuments in Perpetuity</u></b>	Q1023			
capital				
Revenue	20303	(5,000)	(5,000)	(5,000)
		<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>
<b><u>S106 Reserve</u></b>	Q1029			
Capital		(48,000)	0	(7,000)
Revenue	Various	(44,100)	0	(10,000)
		<u>(92,100)</u>	<u>0</u>	<u>(17,000)</u>
<b><u>On-Street Car Parking Surplus Reserve</u></b>	Q1003			
Bus Shelter improvements	20148	0		0
Havelock Road Crossing	20292	(40,000)	(40,000)	0
		<u>(40,000)</u>	<u>(40,000)</u>	<u>0</u>
<b><u>Risk Management Reserve</u></b>	Q1014			
Risk Management Schemes	20135	(20,000)	(15,000)	(15,000)
		<u>(20,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>
<b><u>Registration of Electors</u></b>	Q1025			
IER Grant		0	(18,600)	0
		<u>0</u>	<u>(18,600)</u>	<u>0</u>
<b><u>Clinical Commissioning Group</u></b>	Q1020			
Housing NHS CCG		0	0	0
Lets Get Moving		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<b><u>Selective Licensing</u></b>	Q9999			
Selective Licensing surplus / deficit	20195	0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<b><u>First World War Reserve</u></b>	Q1010			
		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<b><u>Syrian Refugee Resettlement Programme</u></b>				
		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
<b><u>Community Housing Fund</u></b>	Q1037			
Housing Administration		0	(94,000)	0
		<u>0</u>	<u>(94,000)</u>	<u>0</u>
<b>Total use of earmarked and capital reserves *</b>	A	<u>(4,615,055)</u>	<u>(4,657,827)</u>	<u>(5,029,850)</u>
Revenue use of earmarked reserves		(1,776,012)	(1,871,726)	(1,771,850)
Transfers between Reserves		0	252,000	0
Capital use of earmarked reserves		(1,800,280)	(1,822,291)	(1,547,000)
Transition Reserve and Com / Econ Reserve		(1,038,763)	(963,810)	(1,711,000)
Total Expenditure & Transfers (Excl General Reserve Use)	B	<u>(4,615,055)</u>	<u>(4,405,827)</u>	<u>(5,029,850)</u>

**INFORMATION TECHNOLOGY RESERVE**

Appendix I

	2018-19	2018-19	2019-20	2020-21	2021-22
	Original	Revised	ESTIMATE	ESTIMATE	ESTIMATE
	£'000	£'000	£'000	£'000	£'000
<b>OPENING BALANCE :</b>					
BALANCE B/FWD. AT 1 APRIL	(152)	(152)	(55)	(31)	(31)
<b>EXPENDITURE :</b>					
GOVCONNECT	9	9	9	9	9
MICROSOFT LICENSING FOR TEST ENVIRONMENT	15	15	0	0	0
RESILIENCE IMPROVMENTS	10	10	10	10	10
ANTI VIRUS	0	0	25	0	0
SCANNING AND ARCHIVING PHASE 2	20	20	0	0	0
EMAIL ARCHIVING	20	20	0	0	0
SERVICE REVIEW EFFICIENCY PROJECTS	80	80	80	80	80
PC HARDWARE AND SOFTWARE	115	98	115	115	115
TERMINAL SERVER FARM REFRESH	15	15	0	0	0
EXCHANGE SERVER REFRESH	15	15	0	0	0
TWO FACTOR AUTHENTICATION REFRESH	12	12	0	0	0
TABLETS FOR COUNCILLORS	0	17	0	0	0
	<b>311</b>	<b>311</b>	<b>239</b>	<b>214</b>	<b>214</b>
<b>INCOME :</b>					
CONTRIBUTIONS TO RESERVE - FROM GENERAL FUND	(214)	(214)	(214)	(214)	(214)
ADDITIONAL CONTRIBUTIONS TO RESERVE - FROM GENERAL FUND	0	0	0	0	0
<b>CLOSING BALANCE :</b>					
BALANCE IN-HAND C/FWD. AT 31 MARCH	(55)	(55)	(31)	(31)	(31)

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

2017-18		2018-19 ORIGINAL BUDGET £	2018-19 REVISED BUDGET £	2019-20 ESTIMATED BUDGET £
Actual £				
<b><u>OPENING BALANCE:</u></b>				
1,748,438	BALANCE BROUGHT FORWARD	1,491,958	1,627,865	1,329,395
<b><u>INCOME:</u></b>				
508,000	CONTRIBUTIONS TO RESERVE - GENERAL	508,000	508,000	508,000
508,000		508,000	508,000	508,000
<b><u>EXPENDITURE:</u></b>				
628,573	PROGRAMMED REPAIRS AND REDECORATIONS	213,500	211,670	265,500
	OTHER REPAIRS & RENEWALS	413,000	545,800	508,600
628,573	SUB TOTAL	626,500	757,470	774,100
0	CAPITAL EXPENDITURE FUNDED FROM RESERVES	45,280	0	0
0	VEHICLES	0	0	0
0	PROVISION FOR UNEXPECTED ITEMS	200,000	49,000	100,000
628,573		871,780	806,470	874,100
<b><u>CLOSING BALANCE:</u></b>				
1,627,865	BALANCE CARRIED FORWARD	1,128,178	1,329,395	963,295

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

**Appendix J (con't)**

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2018-2019 ORIGINAL BUDGET PLUS C/F	2018-2019 REVISED BUDGET	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £
20116	PR001	TOWN HALL	Isolated internal / external redecs & repairs. MEWP high level stonework H&S inspection	30,000	10,670	20,000	30,000	30,000
20118	PR047 (OR216)	ALL BUILDINGS - ASBESTOS	Asbestos surveys and re-inspections	2,000	2,000	2,000	2,000	2,000
20118	PR048	ALL BUILDINGS - ASBESTOS	Works arising out of asbestos inspections	1,000	1,000	1,000	1,000	1,000
20118	PR049 (OR217)	ALL BUILDINGS - FIRE RISK	Fire risk assessments & works arising	12,000	12,000	6,000	6,000	6,000
20118	PR051 (OR238)	ALL BUILDINGS - AIR CONDITIONING	AC energy efficiency certification (every 3 years)	4,000	4,000	4,000	4,000	4,000
20118	PR52 (OR239)	ALL BUILDINGS - ENERGY CERTIFICATION	Annual Display Energy Certs for major bldgs	1,000	1,000	1,000	1,000	1,000
20118	PR54 (OR240)	ALL BUILDINGS - LEGIONELLA RISK	Automated checks & monitoring inc hygiene assess	25,000	25,000	30,000	40,000	40,000
20118	PR55 (OR225)	ALL BUILDINGS - ELECTRICAL TESTING	routine cyclical testing & works arising	13,000	13,000	6,000	6,000	6,000
20118	PR57 (OR241)	ALL BUILDINGS - SAFETY ANCHORS	Annual testing of access safety anchors	2,500	2,500	2,000	2,000	2,000
20118	PR58 (OR242)	ALL BUILDINGS - AUTOMATIC DOORS	Annual maintenance routine	500	500	500	500	500
20132	PR008	BANK BUILDINGS	External redecs to rear elevation	2,000	2,000	0	0	0
20131	PR009	MICRO UNIT FACTORIES	External redecs	0	0	0	5,000	5,000
20131	PR037	FACTORY UNITS	External redecs/roof repairs to empty units	30,000	30,000	30,000	30,000	30,000
20132	PR036	FAIRLIGHT PLACE FARM COTTAGES	External redecs.	8,000	8,000	0	0	0
20132	PR041	OTHER BUILDINGS (ESTATES MISC.)	Essential upgrades/repairs.	10,000	10,000	10,000	10,000	10,000
20245	PR023	WEST HILL CLIFF RAILWAYS	Redecorations & repairs	5,000	5,000	5,000	5,000	5,000
20245	PR024	EAST HILL CLIFF RAILWAYS	Redecorations & repairs	5,000	5,000	5,000	5,000	5,000
20258	PR034	FALAISE FITNESS CENTRE	External redecorations.	0	0	0	25,000	0
20303	PR013	CREMATORIUM	Internal / External redecorations. Main GF offices	5,000	5,000	0	5,000	0
20303	PR014	CREMATORIUM - CREMATOR FT2	Rehearthng & rebricking of cremator FT2	10,000	0	46,000	0	7,000

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

**Appendix J (con't)**

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2018-2019 ORIGINAL BUDGET PLUS C/F	2018-2019 REVISED BUDGET	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £
20303	PR014	CREMATORIUM - CREMATOR FT3	Rebricking / rehearthng of cremator FT3	0	0	47,000	0	8,000
20303	PR52	CEMETERY	Path health & safety repairs	8,000	8,000	7,000	8,000	8,000
20310	PR52	PARKS	Path health & safety repairs	12,000	12,000	10,000	12,000	12,000
20250	OR210	FRONT LINE	Concrete health & safety inspection & testing	6,000	6,000	6,000	6,000	6,000
20250	OR255	FRONT LINE	Concrete health & safety repair works	5,000	13,000	5,000	5,000	5,000
20250	PR025	FRONT LINE	Alcoves, seating, bottle alley - repairs/redecs	9,000	9,000	9,000	900	900
20252	PR029	FISHERMENS MUSEUM	External redecs/stonework pointing	0	0	0	2,000	0
20259	PR033	SUMMERFIELDS SPORTS CENTRE	External redecs	0	0	0	6,000	6,000
20310	PR026	SPORTS PAVILIONS	Int/ext redecs.	8,000	8,000	8,000	10,000	10,000
20310	PR044	ALEXANDRA PARK RAILINGS	Phased railing redecorations	5,000	5,000	5,000	5,000	5,000
20310	PR046	ST. LEONARDS GARDENS	Lodge - re-decorations	10,000	10,000	0	0	0
20313	PR027	HASTINGS COUNTRY PARK - OPERATIONAL BUILDINGS	Int/ext redecs.	2,000	2,000	0	0	0
20313	PR028	HASTINGS C P - VISITOR CENTRE	Int/ext redecs.	0	0	0	4,000	0
20306	PR030	HASTINGS STATION - FISHING BOAT FEATURE	Repairs / redecs	2,000	2,000	0	2,000	0
20306	PR031	TOWN CENTRE UNDERPASS	Decoration	0	0	0	2,000	0
		<b>Total of Programmed work</b>		<b>233,000</b>	<b>211,670</b>	<b>265,500</b>	<b>240,400</b>	<b>215,400</b>

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

**Appendix J (continued)**

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2018-2019 ORIGINAL BUDGET PLUS C/F £	2018-2019 REVISED BUDGET £	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £
20287	OR307	CARLISLE CP	Redecorations	67,000	76,000	0	0	0
20131	OR304	THEAKLEN DRIVE ROOFS	Single ply over-roofing of existing worn out membrane	0	0	70,000	0	0
20245	OR247	EAST HILL LIFT LOWER STATION	Roof replacement	0	0	0	0	30,000
20249	OR250	WHITE ROCK THEATRE	General repair contributions	20,000	20,000	15,000	20,000	20,000
20249	OR251	WHITE ROCK THEATRE	Contribution to large plant / boiler replacement	0	0	0	0	100,000
20310	OR231	CLIFF REPAIR SURVEY	Biennial or Sexennial survey	8,000	6,900	0	8,000	0
20313	OR211	HASTINGS COUNTRY PARK - TACKLEWAY WALL	Health & safety repairs and repointing	0	0	0	1,000	1,000
20310	OR320	RECREATIONAL GROUNDS	Emergency lighting upgrade	0	0	11,000	0	0
20259	OR326	INDOOR BOWLS CENTRE	DDA works	50,000	25,000	25,000	0	0
20150	OR328	STREET LIGHTS	White Rock Promenade Improvements	14,500	14,500	0	0	0
20259	OR331	SUMMERFIELDS LEISURE CENTRE	Landlord obligation - progressive replacement of existing swimming pool filtration plant	3,000	3,000	0	0	0
20259	OR332	SUMMERFIELDS LEISURE CENTRE	Installation of UV water hygiene treatment, if req'd and justified by FL due to alterations to regulations.	0	0	0	5,000	0
20258	OR333	FALAISE FITNESS CENTRE	Improvements to ventilation of gymnasium	30,000	30,000	0	0	0
20251	OR334	JOHNS PLACE MUSEUM	Essential stoneworks repairs to interior of window openings	3,900	3,900	0	10,000	0
20132	OR336	3 PLACE FARM COTTAGES, FAIRLIGHT	Repointing external walls (Energy efficiency measures no longer needed.	8,000	8,000	3,000	0	0
20259	OR337	INDOOR BOWLS CENTRE	External Works (Ramp and Entrance Lobby)	5,000	0	0	0	0
20310	OR339	CLIFFS	Cliff Repairs arising from engineer's inspections	125,000	125,000	20,000	50,000	50,000
20117	OR340	MURIEL MATTERS HOUSE REPLACEMENT RISING MAIN	Replacement of existing rising main in rear of building to avoid further flooding issues	20,000	0	20,000	0	0
20117	OR342	MURIEL MATTERS HOUSE - PASSENGER LIFTS	Heavy duty door closing mechanisms	0	0	0	5,000	0
20245	OR344	WEST HILL LIFT - RETAINING WALL REPAIRS	Repairs to bulging brickwork retaining wall to east of rails	7,000	20,000	0	0	0



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

**Appendix J (continued)**

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2018-2019 ORIGINAL BUDGET PLUS C/F £	2018-2019 REVISED BUDGET £	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £
20245	OR345	WEST HILL LIFT OLD MOTOR ROOM - STRUCTURAL REPAIRS	Provision of permanent support works to café floor and external area.	2,000	2,000	18,000	0	0
20245	OR347	WEST HILL LIFT - ATTENDANT'S & STORE AREAS	Works to patio waterproofing to prevent water ingress	0	0	18,000	0	0
20250	OR348	PROMENADE SURFACING	Further tarmac repairs to worst areas	20,000	20,000	20,000	50,000	50,000
20310	OR352	ALEX PARK BUCKSHOLE RESERVOIR	channel sides. Impact of dam breaching and other study.	25,000	43,000	0	0	0
20310	OR354	PRICILLA McBEAN SANDSTONE WALLING	Repoint walling	3,000	3,000	0	0	0
20310	OR358	SANDHURST RECREATION GROUND	Replace roadside fencing	8,000	8,000	0	0	0
20310	OR360	ALEX PARK HARMERS RESERVOIR OUTFALL	Remove or cap disused outfall tower, fill tunnel and wing walls to make safe.	25,000	25,000	0	0	0
20313	OR362	HCP PLACE FARM FARM YARD	Roadway resurfacing of farmyard	0	0	10,000	0	0
20310	OR364	BEXHILL REC WEST	Internal redecoration	0	0	0	10,000	0
20117	OR365	MURIEL MATTERS HOUSE	Lightning Protection	25,000	50,000	0	0	0
20251	OR370	JOHNS PLACE MUSEUM	Interior works to extension roof light	4,000	2,000	0	0	0
20310	OR366	ST LEONARDS GARDENS	Possible remedial works to sewer / drain	7,500	7,500	0	0	0
20132	OR367	ESTATES - EPC UPGRADES	Town Hall Offices, Old Town Hall and Ore Valley Adventure Playground	13,000	13,000	0	0	0
20251	OR370	HASTINGS MUSEUM - PUBLIC LIFTS	Replace lift hydraulic ram	8,000	8,000	0	0	0
20251	OR371	HASTINGS MUSEUM - LIGHTING	Provide LED lighting	0	0	0	40,000	0
20116	OR372	TOWN HALL LED LIGHTING	Provide new LED lighting	0	0	0	0	30,000
20245	OR373	WEST HILL LIFT - WEST HILL ARCADE GDN	Brickworks repairs	12,000	12,000	0	0	0
20245	OR374	WEST HILL LIFT - ENTRANCE ROOF	Replace railings with galv. steel railings	0	0	0	5,000	0
20132	OR376	ESTATES - EPC UPGRADES	Alex Park Depot work shop, office	0	0	15,000	0	0
20250	OR378	FORESHORE - FORMER LIFEGUARD STORE	Concrete repairs to prom slab	0	0	20,000	0	0

## OTHER REPAIRS AND REDECORATIONS FINANCED BY THE RENEWAL AND REPAIRS RESERVE

Appendix J (continued)

Cost Centre	Reference	PROPERTY	DESCRIPTION OF WORK	2018-2019 ORIGINAL BUDGET PLUS C/F £	2018-2019 REVISED BUDGET £	2019-2020 ESTIMATE £	2020-2021 ESTIMATE £	2021-2022 ESTIMATE £
20132	OR379	ESTATES - INDUSTRIAL ESTATE SIGNAGE	Renew road and welcome signs	0	0	5,000	0	0
20287	OR380	PRIORY STREET MSCP	Structural Survey / Concrete Testing	20,000	20,000	0	0	0
20303	OR381	CEMETERY	Clear Trees for burial spaces	0	0	20,000	0	0
20310	OR384	ALEXANDRA PARK	Harmers Knee rail H&S	0	0	2,000	0	0
20310	OR385	ALEXANDRA PARK	Information Shelter lower decoration	0	0	0	2,000	0
20313	OR386	HASTINGS COUNTRY PARK	Farm Yard - levels phase 2	0	0	7,000	0	0
20313	OR389	HASTINGS COUNTRY PARK	Gloucester Cottage Wall	0	0	0	0	0
20310	OR390	OLD ROAR GILL	Bridge 2 repairs , replace, dredge/de-silt	0	0	4,000	0	0
20310	OR391	OLD ROAR GILL	Re fence , edge by ROW	0	0	4,000	0	0
20310	OR392	ALEXANDRA PARK	Lower Stream Culvert Wall	0	0	0	4,000	0
20310	OR393	ST CLEMENTS CHURCH	Churchyard Wall	0	0	0	0	0
20310	OR394	SUMMERFIELDS WOODS	Folly Protection	0	0	3,600	0	0
20310	OR395	WHITE ROCK GARDENS	Demolition of old toilet block	0	0	0	8,000	0
20132	OR399	PELHAM ARCADE	Replace lead guttering with zinc	0	0	25,000	0	0
20132	OR400	OLD TOWN HALL	Replace lead guttering with zinc	0	0	30,000	0	0
20132	OR401	OLD TOWN HALL	Heating upgrade to improve EPC rating	0	0	10,000	0	0
20131	OR402	30/31 CASTLEHAM ROAD CAR PARK		0	0	0	100,000	0
20131	OR403	CBCW MAIN ROOF	Over-roofing of profiled metal roof	0	0	0	0	150,000
20245	OR405	EAST HILL CLIFF RAILWAY - UPPER STATION	Pedestrian paths resurfacing - deterioration of existing patched up surface creating trip hazards	0	0	0	10,000	0
20250	OR406	WHITE ROCK PROMENADE	Removal of remaining vestigial cycle lane markings opposite Robertson Street.	0	0	1,000	0	0

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

**Appendix J (continued)**

<b>Cost Centre</b>	<b>Reference</b>	<b>PROPERTY</b>	<b>DESCRIPTION OF WORK</b>	<b>2018-2019 ORIGINAL BUDGET PLUS C/F £</b>	<b>2018-2019 REVISED BUDGET £</b>	<b>2019-2020 ESTIMATE £</b>	<b>2020-2021 ESTIMATE £</b>	<b>2021-2022 ESTIMATE £</b>
20303	OR409	CEMETERY OFFICE	New wireless fire alarm system	0	0	7,000	0	0
20303	OR410	CEMETERY CHAPEL	Front window and stone reveal repairs	0	0	0	20,000	0
20313	OR411	HASTINGS COUNTRY PARK	Surface dressing to Coastguard Lane tarmac/asphalt path surfacing	0	0	0	25,000	0
20246	OR412	HASTINGS CASTLE	Curtain wall consolidation following emergency stabilisation works	0	0	25,000	0	0
20251	OR413	HASTINGS MUSEUM & ART GALLERY	Works to improve security following report	0	0	20,000	0	0
20148	OR414	BUS SHELTERS	New annual survey, maintenance & replacement programme	0	0	0	10,000	10,000
20245	OR415	WEST HILL CLIFF RAILWAY	Brick repairs following tunnel survey.	0	0	10,000	0	0
20259	OR416	SUMMERFIELDS LEISURE CENTRE	Re-tiling of edge of pool	0	0	70,000	0	0
		<b>Total of Other Work</b>		<b>533,900</b>	<b>545,800</b>	<b>508,600</b>	<b>383,000</b>	<b>441,000</b>

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

	Cost centre	Revised			
		2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
<b>Income Strategy</b>					
Housing Company (net contribution)	Various	0	(80)	(191)	(263)
Commercial Property (Net of borrowing Costs)	Various	0	(60)	(214)	(225)
Energy (Net of borrowing Costs)	Various	0	(8)	(8)	(48)
<b>Total Income Strategy</b>	<b>Sub-total</b>	<b>0</b>	<b>(148)</b>	<b>(413)</b>	<b>(536)</b>
<b>Other</b>					
Council Tax - Empty Homes premium (200%)	Collection Fund	0	(10)	(10)	(10)
Increased Investment Interest	Various	0	(60)	(60)	(60)
Contingency budget	20164	0	(100)	(100)	(100)
Street cleansing service	20295	0	(131)	(143)	(143)
Planning Policy - combination of AAP with LPR	20211	(46)	(63)	0	0
CCTV - Reduction in monitoring hours	20290	0	(30)	(30)	(30)
Parking Services - Administration and virtual permits	20287 / 20288	0	(13)	(13)	(13)
Environmental Health - Efficiencies from back office system	20169	0	(3)	(4)	(4)
Environmental Protection - Removal of contingency budget	20279	0	(7)	(7)	(7)
Parks and Open Spaces - Grounds maintenance	20310	0	(95)	(102)	(102)
Ranger Services - Staff and vehicles	20310	0	(40)	(40)	(40)
Community Safety - Stop funding to bar/shop watch	20299	0	(6)	(6)	(6)
HR Payroll - System/software	20120 / 20121	0	(22)	(22)	(22)
Business Support - Staff saving from rollout of hybrid mail	20120 / 20121	0	(9)	(9)	(9)
Business Support - Increased usage of e-learning suite	20111	0	(10)	(15)	(15)
Business Support - Publications	20111	0	(6)	(6)	(6)
Estates - Maintenance expenditure (St Mary in the Castle)	20104	0	(10)	(10)	(10)
Consultation – Use digital approach	20146	0	(9)	(9)	(9)
Community Contact Centre - Channel shift	20113	0	(23)	(46)	(69)
Legal Services - Admin post	20106	0	(24)	(24)	(24)
Elections - New ways of working	20103	0	(6)	(6)	(6)
Revenues and Benefits - Staff savings	Various	0	(101)	(251)	(291)
Town Centre Management - Cease BID work	20166	0	(9)	(9)	(9)
Regeneration and Economic Development - Staff saving	20208	0	(40)	(40)	(40)
Regeneration - Supplies and services savings	20177	0	(6)	(6)	(6)
Community Cohesion - Grant funding	20215	0	(5)	(5)	(5)
Community Cohesion - Reduce Compliance Officer post	20215	0	0	(15)	(15)
Community Partnership Fund - Cease from 2021/22	20219	0	(12)	(20)	(176)
Resorts Services - Resort Admin Officer post	20176	0	(22)	(22)	(22)
Seafront - Reduce premises spend	20250	0	(3)	(3)	(3)
Sports Management - Reduce supplies expenditure	20257	0	(1)	(1)	(1)
Cliff Railway - Staff reduction (change in shifts/rota)	20245	0	(20)	(20)	(20)
Cliff Railway - Equipment and materials savings	20245	0	(2)	(2)	(2)
Leisure - Grants awarded	20175	0	(4)	(4)	(4)
William Parker Sports Track - Contribution ceased	20260	0	(5)	(5)	(5)
Play Development - Cease play days in Alexandra Park	20265	0	(20)	(20)	(20)
Culture - Cultural Regeneration Manager post	20212	0	(64)	(64)	(64)
Cultural Activities - Stade Saturdays	20212	0	(10)	(15)	(25)
Cultural Activities saving	20212	0	(10)	(10)	(10)
Cultural Activities - Music City funding	20212	0	(5)	(5)	(5)
Tourism / Marketing - Salary saving	Various	0	(15)	(15)	(15)
Tourism / Marketing - Fish fairs co-ordinators reduced hours	Various	0	(4)	(4)	(4)
Tourism / Marketing - Cease Herring fair	Various	0	(17)	(17)	(17)
Tourism / Marketing - Civic & Ceremonial transport costs	Various	0	(3)	(3)	(3)
Tourism / Marketing - Twinning / Sierra Leone cease	Various	0	(3)	(3)	(3)
Planning - Empty Homes Officer post	20180	0	(35)	(35)	(35)
Planning Enforcement - review/restructure	20180	0	0	(17)	(17)
Housing Options - Staff saving	20172	0	(35)	(35)	(35)
Housing Options - Letstart supplies and services	20172	0	(4)	(4)	(4)
Theatre - Reduced Contribution	20249	0	(116)	(216)	(316)
<b>Other Savings Savings/Income</b>	<b>Sub-total</b>	<b>(46)</b>	<b>(1,248)</b>	<b>(1,528)</b>	<b>(1,857)</b>
<b>Total PIER Savings</b>		<b>(46)</b>	<b>(1,396)</b>	<b>(1,941)</b>	<b>(2,393)</b>
<b>Growth Items</b>					
Digital by Design - Moving services on-line	20115	0	80	80	0
Corporate IT - Microsoft 10 Windows licencing	20121	0	87	87	87
Bohemia – Staff and specialist work	20208 / 20209	0	66	66	66
Housing Development Officer post (to be capitalised)	20172	0	35	35	35
Legal Services salaries growth	20106	33	79	79	79
<b>Total Growth</b>	<b>Sub-total</b>	<b>33</b>	<b>347</b>	<b>347</b>	<b>267</b>
<b>Net Overall Savings</b>	<b>Total</b>	<b>(13)</b>	<b>(1,049)</b>	<b>(1,594)</b>	<b>(2,126)</b>

## Hastings Borough Council Efficiencies, Income, and Savings Proposals for 2019/20 onwards and Equality Impact Assessment

	Efficiency, Income or Savings Proposals & Changes	Savings (£)			Equalities Impact Assessment - Likelihood of negative impact on equalities/protected characteristics Low-Medium-High
		2019/20	2020/21	2021/22	
Contingency budget	Reduction of contingency budget by £100k – contingencies will need to be covered by in-year savings <b>Staffing implications:</b> N/A	100,000	100,000	100,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Street cleansing service	<ul style="list-style-type: none"> <li>Reduction in assumptions about fuel costs</li> <li>Re-charging accurate costs to FT for beach cleaning</li> <li>Cost of year 1 process mapping and systems support met from prioritising existing resources</li> </ul> <b>Staffing implications:</b> N/A	131,000	143,000	143,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Planning Policy	1 off saving from Combining the Hastings Town Centre & Bohemia Area Action Plan (AAP) with the Local Plan Review (LPR) <b>Staffing implications:</b> N/A	63,000	0	0	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Investment Interest	Additional £2m investment to achieve additional income <b>Staffing implications:</b> N/A	60,000	60,000	60,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
CCTV Reduction	Reduce monitoring hours <b>Staffing implications:</b> Reduce by 1.0 FTE	30,000	30,000	30,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Parking Services	Streamline administration arrangements and introduction of virtual permits <b>Staffing implications:</b> Reduce by 0.5 FTE (post vacant)	13,000	13,000	13,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Environmental Health	Efficiencies from back office system <b>Staffing implications:</b> N/A	3,000	4,000	4,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
Environmental Protection	Removal of contingency budget <b>Staffing implications:</b> N/A	7,000	7,000	7,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
Parks and Open Spaces	Reduce grounds maintenance costs by: prioritising key areas: Alexandra Park, St Leonards Gardens (green flags) and lower part of Warrior Square and Seafront. Reduce non-core expenditure by £50k – thereby reducing ad hoc works. £17k from miscellaneous supplies and services codes <b>Staffing implications:</b> N/A	95,000	102,000	102,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
Ranger Services	Reduce the Ranger service from 3 to 2 and dispose of some of the Ranger vehicles <b>Staffing implications:</b> Reduce by 1.0 FTE	40,000	40,000	40,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.

## Hastings Borough Council Efficiencies, Income, and Savings Proposals for 2019/20 onwards and Equality Impact Assessment

	Efficiency, Income or Savings Proposals & Changes	Savings (£)			Equalities Impact Assessment - Likelihood of negative impact on equalities/protected characteristics Low-Medium-High
		2019/20	2020/21	2021/22	
Community Safety	Stop funding to bar/shop watch <b>Staffing implications:</b> N/A	6,000	6,000	6,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
HR Payroll	System savings from move to new ERP system <b>Staffing implications:</b> N/A	22,000	22,000	22,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Business Support	Staff saving following rollout of hybrid mail <b>Staffing implications:</b> Reduce by 0.5 FTE	9,000	9,000	9,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Business Support	Reduction to training budget due to increased usage of e-learning suite of training packages <b>Staffing implications:</b> N/A	10,000	15,000	15,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Business Support	Reduce budget for publication resources <b>Staffing implications:</b> N/A	6,000	6,000	6,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
Estates	Maintenance expenditure - St Mary in the Castle liabilities <b>Staffing implications:</b> N/A	10,000	10,000	10,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
Consultation	Remove corporate consultation budget – use digital approach <b>Staffing implications:</b> N/A	9,000	9,000	9,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups – this budget was primarily used for large scale surveys. For corporate consultations (e.g. Corporate Plan) we will continue to use our digital approach, supplemented by hard copies in CCC and via voluntary and community groups.
Community Contact Centre	Channel shift to on-line contact channels <b>Staffing implications:</b> Reduce by 1.0 FTE each year. 2019/20 saving from vacant post	23,000	46,000	69,000	<b>Low</b> unlikely to impact disproportionately on any equality groups as support will remain and be targeted at most vulnerable residents.
Legal Services	Loss of 1 admin post in 19/20 - Saving used to partly offset growth of £79k in 18/19. <b>Staffing implications:</b> Reduce by 1.0 FTE	24,000	24,000	24,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Elections	Efficiency savings from systems and new ways of working <b>Staffing implications:</b> N/A	6000	6,000	6,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Revenues and Benefits	Staff reductions in line with transition to Universal Credit and implementation of new technology enabling self-service for more customers (Admin establishment is 2.5FTE, 0.5FTE is currently vacant) <b>Staffing implications:</b> 2019/20 = 1.5 FTE admin posts and 1 FTE assessor post. 2020/21 = 1 FTE manager's post and 2 assessors.	101,000	251,000	291,000	<b>Low</b> unlikely to impact disproportionately on any equality groups as support remains for those who cannot access on-line without assistance

## Hastings Borough Council Efficiencies, Income, and Savings Proposals for 2019/20 onwards and Equality Impact Assessment

	Efficiency, Income or Savings Proposals & Changes	Savings (£)			Equalities Impact Assessment - Likelihood of negative impact on equalities/protected characteristics Low-Medium-High
		2019/20	2020/21	2021/22	
Town Centre Management	Cease Business Improvement District work <b>Staffing implications:</b> N/A	9,000	9,000	9,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
Regeneration and Economic Development	Reduce Economic Development Officer by 10 hours p.w (stopping BID and Town Team support work) Delete Regeneration Officer post (post-holder on fixed term contract to 31.3.19) <b>Staffing implications:</b> Reduce by 1.1 FTE	40,000	40,000	40,000	<b>Low</b> unlikely to impact disproportionately on any equality groups.
Regeneration	Supplies and services savings <b>Staffing implications:</b> N/A	6,000	6,000	6,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Community Cohesion	Cease grant to St Leonards town centre (NB does not affect St Leonards Festival) <b>Staffing implications:</b> N/A	5,000	5,000	5,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Community Cohesion	Reduce Compliance Officer post – in line with changes to CPF funding <b>Staffing implications:</b> Reduce by 0.5 FTE in 2020/21	0	15,000	15,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Community Partnership Fund	Cease from 2021/22 – will be exploring other sources of funding <b>Staffing implications:</b> N/A	12,000	20,000	176,000	<b>High</b> – The Council will however explore options for alternative funding sources together with other key funders.
Resorts Services	Cease Resort Admin Officer post following move of processes on-line <b>Staffing implications:</b> Reduce by 0.8 FTE	22,000	22,000	22,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Seafront	Reduce premises spend <b>Staffing implications:</b> N/A	3,000	3,000	3,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Sports Management	Reduce supplies expenditure <b>Staffing implications:</b> N/A	1,000	1,000	1,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Cliff Railway	Staff reduction – change in shifts/rota <b>Staffing implications:</b> Reduce by 1.4 FTE	20,000	20,000	20,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Cliff Railway	Equipment and materials savings <b>Staffing implications:</b> N/A	2,000	2,000	2,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Leisure	Grants administration <b>Staffing implications:</b> N/A	4,000	4,000	4,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
William Parker Sports Track	William Parker Sports Track contribution ceased <b>Staffing implications:</b> N/A	5,000	5,000	5,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.



## Hastings Borough Council Efficiencies, Income, and Savings Proposals for 2019/20 onwards and Equality Impact Assessment

	Efficiency, Income or Savings Proposals & Changes	Savings (£)			Equalities Impact Assessment - Likelihood of negative impact on equalities/protected characteristics Low-Medium-High
		2019/20	2020/21	2021/22	
Play Development	Reduced number of play days  <b>Staffing implications:</b> N/A	20,000	20,000	20,000	<b>High</b> – this will directly impact on children and families in Hastings as the two events will no longer be held. However our future play activity will be targeted more closely at deprived communities where our very limited resources may be applied more effectively.
Culture	Cultural Regeneration Manager post <b>Staffing implications:</b> Reduce by 1.0 FTE (post vacant)	64,000	64,000	64,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Cultural Activities	Reduce Stade Saturdays <b>Staffing implications:</b> N/A	10,000	15,000	25,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Cultural Activities	Reduced expenditure <b>Staffing implications:</b> N/A	10,000	10,000	10,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Cultural Activities	Music City funding <b>Staffing implications:</b> N/A	5,000	5,000	5,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Tourism / Marketing	Communications & Marketing – Following changes to our marketing approach reduce marketing post. Remaining 0.4 work undertaken by officer returning from maternity leave <b>Staffing implications:</b> Reduce by 0.6 FTE	15,000	15,000	15,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Tourism / Marketing	Fish fairs co-ordinators post hours reduction 0.7 FTE to 0.5 FTE = (ceasing Herring Fair) <b>Staffing implications:</b> Reduce by 0.2 FTE	4,000	4,000	4,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Tourism / Marketing	Cease Herring fair <b>Staffing implications:</b> N/A	17,000	17,000	17,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Tourism / Marketing	Civic & Ceremonial Expenses - Transport saving <b>Staffing implications:</b> N/A	3,000	3,000	3,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Tourism / Marketing	Twinning / Sierra Leone - cease <b>Staffing implications:</b> N/A	3,000	3,000	3,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Planning	Empty Homes Officer post <b>Staffing implications:</b> Reduce by 1.0 FTE (post vacant)	35,000	35,000	35,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Planning	Planning Enforcement review/restructure – anticipated savings 0.5FTE from 2020/21 <b>Staffing implications:</b> Reduce by 0.5 FTE in 2020/21	0	17,000	17,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Housing Options	Housing Options Management Restructure <b>Staffing implications:</b> Reduce by 1.0 FTE (post vacant)	35,000	35,000	35,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups. Service has been restructured and roles re-aligned.

## Hastings Borough Council Efficiencies, Income, and Savings Proposals for 2019/20 onwards and Equality Impact Assessment

	Efficiency, Income or Savings Proposals & Changes	Savings (£)			Equalities Impact Assessment - Likelihood of negative impact on equalities/protected characteristics Low-Medium-High
		2019/20	2020/21	2021/22	
Housing Options	Housing Options Letstart supplies and services <b>Staffing implications:</b> N/A	4,000	4,000	4,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
Council Tax	Empty homes premium (100% increase, is now 200%) <b>Staffing implications:</b> N/A	10,000	10,000	10,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups (TBC).
White Rock Theatre	Reduced contribution following Cabinet decision to negotiate terms for the extension of the current contract with HQ Theatres & Hospitality for a period of 5 years <b>Staffing implications:</b> N/A	116,000	216,000	316,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups.
<b>Total savings/income</b>		<b>1,248,000</b>	<b>1,528,000</b>	<b>1,857,000</b>	

Reduction in level of service. Reduced number of play days and use of contracted play development casuals

## Growth items

Service	Description	Growth (£)			Equalities Impact Assessment - Likelihood of negative impact on equalities/protected characteristics Low-Medium-High
		2019/20	2020/21	2021/22	
Digital by Design – Moving services on-line	Resources required to move remainder of 66 processes on-line within two-years to facilitate further efficiencies <b>Staffing implications:</b> Increased by 2.0 FTE	80,000	80,000	0	<b>Medium</b> – the transfer of service on-line is understood to need to be managed to ensure that service users who are digitally excluded have alternative means of access. The council is clear that these alternatives will exist via its Community Contact Centre (CCC). There is also a strong argument that for many groups in our community (who are able to access services on-line) this can save time, money and avoid physical access issues as they can avoid calling or visiting the CCC
Corporate IT	Microsoft 10 Windows licencing <b>Staffing implications:</b> N/A	87,000	87,000	87,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Bohemia – Staff	New staff required to work on programmes <b>Staffing implications:</b> Increased by 1.0 FTE	66,000	66,000	66,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups
Housing	Housing Development Officer post <b>Staffing implications:</b> Increased by 1.0 FTE	35,000	35,000	35,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups as restructure has taken place.
Legal Services	Growth of £79k from 18/19 offset in part by loss of 1 admin post in 19/20 (24k) above <b>Staffing implications:</b> Increased by 1.0 FTE	79,000	79,000	79,000	<b>Low</b> – unlikely to impact disproportionately on any equality groups

**Land and Property Disposal Programme****Estimated  
Receipts  
£****2018/19**Upper Wilting Farm Shop  
Other  
Less cost of disposal  
Sale of Ex Council Houses

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**1,012,300****2019/20**Sale of Ex Council Houses  
Other

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**185,000****2020/21**Sale of Ex Council Houses  
Other

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**185,000****2021/22**Sale of Ex Council Houses  
Other

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**185,000**

## Council Tax – Overall

## The Council is recommended to resolve as follows:

- 1 It be noted that the Council has calculated the Council Tax Base 2019/20 for the whole Council area as 25,865 [Item T in the formula is Section 31B of the Local Government Finance Act 1992, as amended (the “Act”)]
- 2 Calculate that the Council Tax requirement for the Council’s own purposes for 2019/20 is £6,867,158
- 3 That the following amounts be calculated for the year 2019/20 in accordance with Sections 31 to 36 of the Act:
  - (a) TBC Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils
  - (b) TBC Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
  - (c) 6,867,158 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act)
  - (d) 265.50 Being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year
  - (e) £0 Being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act
  - (f) 265.50 Being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates

## Appendix M (cont)

4. To note that the County Council, the Police and Crime Commissioner and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2019/20 for each part of its area and for each of the categories of dwellings.

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Hastings Borough Council	177.00	206.50	236.00	265.50	324.50	383.50	442.50	531.00
East Sussex County Council (Including Adult Social Care +3%)	956.51	1,115.93	1,275.35	1,434.76	1,753.60	2,072.44	2,391.27	2,869.53
East Sussex Fire Authority	62.46	72.87	83.28	93.69	114.51	135.33	156.15	187.38
Police and Crime Commissioner	126.61	147.71	168.81	189.91	232.11	274.31	316.52	379.82
Aggregate of Council Tax Requirements	1,322.58	1,543.01	1,763.44	1,983.86	2,424.72	2,865.58	3,306.44	3,967.73

6. The Council's basic amount of Council Tax for 2019/20 is not excessive as determined in accordance with principles approved under Section 52ZB Local Government Finance Act 1992. To be deemed excessive the Borough's Council Tax would need to be increased by 3%, or more than 3%, and also more than £5 in 2019/20.

## CORPORATE SERVICES AND GOVERNANCE

Appendix O

Reference NO.	2017-18 ACTUAL	SERVICE	2018-19	2018-19	2019-20
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	<b>SUMMARY OF REVENUE ESTIMATES</b>	£	£	£
CR1	167,712	20101 (1023) - Director of Corporate Services and Governance	174,880	176,110	<b>179,380</b>
CR2	323,511	20102 (1024) - Corp. Policy, Partnerships and Performance	340,150	329,820	<b>349,060</b>
CR3	200,414	20103 (1031) - Electoral Services	208,030	210,850	<b>218,000</b>
CR4	347,576	20104 (1022) - Estates Services	354,380	364,450	<b>377,220</b>
CR5	203,601	20105 (1029) - Building Surveyors	212,260	217,360	<b>219,680</b>
CR6	422,437	20106 (1032) - Legal Services	376,230	415,120	<b>458,360</b>
CR7	206,912	20107 / 20108 (1051 / 1058) - Audit and Investigations Services	219,990	222,500	<b>224,130</b>
CR8	833,348	20109 (1052) - Accountancy Services	945,870	970,780	<b>982,720</b>
CR9	2,394,586	20110 (1055) - Revenues Services	2,576,590	2,541,780	<b>2,560,010</b>
CR10	591,351	20111 (1020) - People, Customer and Business Support	618,330	646,370	<b>619,330</b>
CR11	165,659	20112 (1090) - Corporate Personnel Expenses	203,210	240,070	<b>187,980</b>
CR12	837,747	20113 (5712) - Contact Centre	893,630	859,550	<b>927,930</b>
CR13	266,989	20115 (1085) - Transformation Team	258,030	248,850	<b>314,370</b>
CR14	58,789	20116 (1151) - Admin Buildings - Town Hall	51,430	41,090	<b>51,420</b>
CR15	456,728	20117 (1157) - Admin Buildings - Murial Matters House	466,420	517,910	<b>488,940</b>
CR16	76,903	20118 (1160) - Admin Buildings - General Expenses	77,960	87,360	<b>75,870</b>
		20119 (1169) - Admin Buildings - Corporate Archive / DSO			
CR17	46,369	Operational Building	48,110	52,500	<b>63,200</b>
CR18	1,162,982	20120 (1080) - Corporate Expenses	1,261,460	1,310,740	<b>1,393,170</b>
CR19	705,854	20121 (1034) - IT	752,600	749,330	<b>783,040</b>
CR20	342,680	20122 (5228) - IT Reserve / Hardware	407,580	424,500	<b>411,670</b>
CR21	40,178	20123 (5227) - Land & Property Systems-GIS	41,530	43,200	<b>44,170</b>
	(9,852,321)	Less recharges to other services	(10,488,670)	(10,670,240)	<b>(10,929,650)</b>
	0	Unallocated Balance	0	0	<b>0</b>
CR22	2,206,476	20124 (5510) - Corporate Management Expenses	773,800	887,600	<b>776,880</b>
CR23	662,056	20125 (5511) - Non Distributed Costs	713,280	713,330	<b>767,350</b>
CR24	612,024	20126 / 20127 / 20128 (4200 / 4250 / 5900) - Benefit Payments	1,569,200	1,278,320	<b>1,291,040</b>
CR25	638,749	20129 (5950) - Council Tax and Business Rates Collection	557,820	678,180	<b>684,610</b>
CR26	(340,926)	20130 (2101) - Employment Areas	(347,480)	(350,940)	<b>(349,480)</b>
CR27	(1,289,975)	20131 (2201) - Factory Units	(1,263,690)	(1,205,430)	<b>(1,175,630)</b>
CR28	(1,874,503)	20132 (2404) - Farms and Other Properties	(2,718,380)	(2,224,130)	<b>(2,737,000)</b>
CR29	10,743	20133 (2602) - St Mary in the Castle	26,740	26,860	<b>16,920</b>
CR30	358,575	20135 (5299) - Other Expenditure	614,220	276,000	<b>576,000</b>
CR31	201,606	20136 / 20137 (1200 / 1205) - Registration of Electors	205,330	210,280	<b>211,750</b>
CR32	825,112	20138 (5501) - Cost of Democracy	871,350	861,770	<b>893,300</b>
CR33	128,339	20139 / 20140 (5503 / 5505) - Election Expenses	221,360	230,840	<b>126,970</b>
CR34	25,331	20144 (5224) - Local Strategic Partnership	26,630	25,820	<b>27,330</b>
CR35	34,875	20145 (3405) - Sustainable Energy & Development	(126,570)	22,780	<b>23,970</b>
CR36	8,444	20146 (5513) - Public Consultation	8,880	8,610	<b>9,110</b>
CR37	113,248	20147 (5004) - Pier Closure Costs	0	0	<b>0</b>
CR38	20,307	20148 (1501) - Shelters and Seats	19,100	22,830	<b>19,250</b>
CR39	5,290	20149 (1502) - Street Naming and Numbering	8,210	8,210	<b>8,210</b>
CR40	90,540	20150 (5236) - Decorative Lighting	64,990	95,550	<b>80,570</b>
CR41	4,927	20318 (5514) - Corporate Systems ERP	20,000	20,000	<b>0</b>
CR42	334	20151 / 20152 / 20155-61 (1983 / 1989 / 5289-96 / 6668) - Fore:	180	0	<b>0</b>
CR43	0	20324 - Communications and Design	0	109,120	<b>111,390</b>
	2,441,571		1,244,970	1,695,600	<b>1,362,540</b>

Reference NO.	2017-18 ACTUAL	SERVICE	2018-19	2018-19	2019-20
			ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
	£	<b>SUMMARY OF REVENUE ESTIMATES</b>	£	£	£
OS1	622,835	20169 (1009) - Environmental Services Management & Administration	642,520	1,007,540	1,047,060
OS2	403,398	20170 (1071) - Amenities Administration	420,950	426,740	438,800
OS3	884,014	20171 (1074) - Waste and Parking Team	511,590	0	0
OS4	0	20316 - Waste Service - Management and Admin	236,700	544,610	462,690
OS5	0	20317 - Parking Service - Management and Admin	190,090	821,940	933,490
OS6	993,259	20172 (1072) - Administration - Housing	918,620	986,210	893,200
OS7	125,324	20173 (1005) - Local Land Planning Management & Admin	134,840	134,560	143,550
OS8	178,770	20174 (1015) - Director of Operational Services	184,400	183,000	186,430
OS9	242,419	20175 (1070) - Leisure Administration	253,850	266,800	263,530
OS10	157,280	20176 (1075) - Resort Services Management and Administration	169,900	176,650	156,290
OS11	319,692	20177 (1021) - Regeneration Administration Division	333,940	359,080	341,880
OS12	443,100	20178 (1025) - Communications & Marketing	467,020	361,050	365,970
	(4,370,092)	Less recharges to other services	(4,464,420)	(5,268,180)	(5,232,890)
	0	Unallocated Balance	0	0	0
OS13	53,977	20179 (1008) - Building Control	54,520	62,280	67,170
OS14	887,672	20180 (1600) - Development Control & Conservation	941,320	1,027,450	944,630
OS15	(187,645)	20181 (5211) - Local Land Charges Register	(212,950)	(177,720)	(107,770)
OS16	608,618	20182 (4000) - Homelessness	604,000	906,660	940,530
OS17	192,653	20183 (4001) - Homelessness Prevention	213,880	77,640	(30,620)
OS18	22,264	20207 (4002) - Rough Sleeper Prevention	0	37,790	0
OS19	15,061	20206 (4004) - Syrian Resettlement Programme	(108,884)	(4,210)	(160)
OS20	(36,144)	20184 (4025) - Social Lettings	(2,320)	3,580	(10,610)
OS21	147,737	20185 (4050) - Homelessness Strategy	161,320	150,030	150,250
OS22	77,534	20186 (4120) - Housing Register	72,260	79,400	73,400
OS23	23,200	20187 (4051) - Deposits funded by ESCC	23,200	23,200	23,200
OS24	21,551	20188 (4055) - Youth Homelessness	26,820	21,990	22,220
OS25	0	20189 (4057) - Anti Poverty	0	0	0
OS26	0	20190 (4060) - POAL Officer	0	0	0
OS27	415,438	20191 (4140) - Housing Renewal	423,520	438,600	427,860
OS28	25	20193 (4143) - Rogue landlords	0	104,800	0
OS29	(76,687)	20195 (4158) - Selective licensing	(126,870)	(159,300)	(3,890)
OS30	(6,291)	20196 (4160) - Housing Licensing	(150,270)	(151,810)	(19,440)
OS31	(557,495)	20197 (4130) - Housing Solution Services	29,400	64,630	33,900
OS32	12,791	20199 (4300) - Coastal Space Enforcement Activities	11,820	12,910	11,650
OS33	1,202	20200 (5001) - Dangerous Structures	2,500	2,500	2,500
OS34	0	20201 (1953) - Coastal Local economic Partnership (LEP)	4,650	0	0
OS35	674,703	20202 (4045) - Housing - NHS Clinical Commissioning Group CCG	0	0	(180)
OS36	28,300	20204 (4183) - Sustainable Housing in Inclusive Neighbourhoods	33,300	36,030	32,650
OS37	24,016	20205 (4185) - Climate Active Neighbourhoods	13,630	12,810	13,380
	2,342,480	<b>Housing and Built Environment</b>	2,014,846	2,569,260	2,570,670



Reference NO.	ACTUAL	SERVICE	ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
OS38	469,129	20208 / 20209 (1900) / (1904) Regeneration Activity	436,830	448,670	<b>436,190</b>
OS39	361,764	20211 (1603) - Planning Policy	393,420	365,570	<b>349,560</b>
OS40	130,962	20212 (1922) - Cultural Activities	143,640	151,990	<b>147,030</b>
OS41	83,372	20213 (1945) - Cultural Development	95,180	64,650	<b>0</b>
OS42	88,945	20214 (1934) - External Funding Initiatives	90,770	85,260	<b>91,910</b>
OS43	53,671	20215 (1980) - Community Cohesion	54,600	48,720	<b>45,830</b>
OS44	(8,881)	20216 (1988) - Fisheries Local Action Group (FLAG)	(9,210)	(10,450)	<b>(8,430)</b>
OS45	(68,069)	20217 (1998) - Coastal Communities Fund	(15,000)	31,120	<b>0</b>
OS46	0	20218 (1999) - Employability	0	0	<b>0</b>
OS47	0	(2020) - Talent Match	0	0	<b>0</b>
OS48	0	(2030) - Sea Escapes - CCF III Coastal Communities Fund Revenue	0	0	<b>0</b>
OS49	(15,800)	20269 (2040) - CHART CLLD - Connecting Hastings and Rother Together Community Led Local Development	(15,800)	(15,800)	<b>(15,800)</b>
OS50	247,825	20219 (5120) - Community Partnership	249,240	249,480	<b>238,080</b>
OS51	2,265	20220 (5121) - Older and Younger People	0	1,890	<b>0</b>
OS52	5,230	20221 (6006) - Youth Activities (Young Persons Council)	5,000	5,000	<b>5,000</b>
OS53	0	20270 (5116) - 1066 Community Grants	0	0	<b>0</b>
OS54	9,330	20166 (5118) - Town Centre Management (BID)	9,300	9,300	<b>0</b>
OS55	5,000	20167 (5119) - Community Development Activity	5,000	5,000	<b>5,000</b>
OS56	0	(1995) - Image Raising Campaign Project	0	0	<b>0</b>
OS57	117,110	20222 (5701) - 1066 Country Campaign	130,470	127,310	<b>123,930</b>
OS58	102,654	20223 / 20224 (5702 / 5703) - Tourism Marketing	112,990	98,840	<b>80,980</b>
OS59	109,732	20225 (5714) - Tourist Information Centre	122,860	130,750	<b>131,960</b>
OS60	50,880	20226 (5705) - Community Awareness	54,640	36,370	<b>36,790</b>
OS61	10,976	20227 (5720) - Twinning / Sierra Leone	11,410	6,500	<b>6,590</b>
OS62	149,020	20228, 20229, 20230-20133, 20234-20235, 20236, 20237, 20238 (1962), (5719), (5721-5725), (5727-5728), (5730), (5780, 5781) Raising the Profile of Hastings	114,320	103,310	<b>85,250</b>
OS63	0	(5731) - Norman Castles Interreg Project	0	0	<b>0</b>
OS64	1,824	20239 (5237) - Meteorological Expenses	1,240	1,240	<b>1,240</b>
OS65	56,301	20240 (5507) - Civic & Ceremonial Expenses	57,400	50,570	<b>46,930</b>
OS66	(10,417)	20241 (5740) - Filming	(4,000)	(4,000)	<b>(4,000)</b>
OS67	16,837	20242 (1400) - Coastal Protection	21,900	18,540	<b>16,650</b>
OS68	4,738	20243 (1410) - Navigational Aids	5,010	5,260	<b>4,820</b>
OS69	17,262	20244 (1608) - Env. Schemes Net Shops	13,760	13,850	<b>13,680</b>
OS70	(111,887)	20245 (2502) - Cliff Railways	(133,510)	(112,090)	<b>(143,010)</b>
OS71	10,039	20246 / 20247 (2510 / 2512) - Castle and Caves	(32,350)	(6,630)	<b>(32,300)</b>
OS72	(147,109)	20248 (2514) - Chalets and Beach Huts	(210,570)	(209,530)	<b>(257,530)</b>
OS73	646,342	20249 (2601) - White Rock Theatre	683,610	684,310	<b>562,000</b>
OS74	122,108	20250 (5241) - Seafront	139,044	126,180	<b>121,290</b>
OS75	435,394	20251-20255 (6000) / (6005) / (6008) / (6009) / (6016) - Museums	412,970	419,020	<b>431,650</b>
OS76	5,358	20256 (6015) - First World War Project	0	0	<b>0</b>
OS77	4,135	20257 (6150) - Sports Management	16,770	17,210	<b>11,960</b>
OS78	21,789	20258 (2640) - Falaise Fitness Centre	52,000	52,550	<b>22,410</b>
OS79	37,517	20259 (6100) - Sports Centres	68,120	63,250	<b>129,980</b>
OS80	8,460	20260 (6409) - William Parker Athletic Track	8,660	5,000	<b>3,820</b>
OS81	17,144	20271 (6640) - Opening Doors	11,040	25,760	<b>0</b>
OS82	85,827	20261 (6650) - Sports Development	86,050	93,510	<b>92,810</b>
OS83	6,944	20262 (6651) - Street Games	0	9,420	<b>0</b>
OS84	11,567	20263 (6675) - Sports for All	0	2,450	<b>0</b>
OS85	69,190	20264 (6657) - Active Hastings	62,110	46,490	<b>79,110</b>
OS86	139,663	20265 (6660) - Play Development	141,870	158,180	<b>76,910</b>

Reference NO.	ACTUAL	SERVICE	ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
OS87	0	20266 (6666) - Primary Care Trust Play Grant	0	1,250	0
OS88	41,305	20267 (6667) - Play Pathfinder	43,350	44,060	43,870
OS89	(2,836)	20268 (6670) - Playground Projects	0	0	0
OS90	4,000	20272 (6641) - Lets get Moving (CCG)	0	0	0
OS91	0	20321 - Renewable Energy Solutions	(147,670)	90,280	66,090
OS92	0	20273 (1937) - British BID DCLG - Loan Fund (Business Improvement District)	5,250	0	0
	----- 3,396,609	<b><u>Regeneration and Culture</u></b>	----- 3,291,714	----- 3,539,610	----- <b>3,048,250</b>
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Reference NO.	ACTUAL	SERVICE	ORIGINAL BUDGET	REVISED BUDGET	ESTIMATED OUTTURN
OS93	294,379	20276 (3401) - Food Safety	309,390	313,990	327,220
OS94	119,235	20277 / 20278 (3402) / (3404) - Health and Safety	125,090	134,790	137,210
OS95	309,923	20279 (3403) - Environmental Protection	340,130	343,620	340,220
OS96	48,373	20280 (3407) - Pest Control	54,620	54,950	46,660
OS97	(85,969)	20281 (5100) - Local Licensing	(55,990)	47,300	58,820
OS98	(384)	20283 (5105) - Liquor Licensing	(2,790)	(62,850)	(63,030)
OS99	10,109	20284 (5106) - Gambling Licensing	14,560	(23,150)	(22,970)
OS100	46,290	20285 (5125) - Stray Dog Contract	46,380	48,650	48,960
OS101	57,324	20286 (5223) - Emergency Planning	59,910	61,600	61,700
OS102	(654,113)	20287 / 20288 (1300) / (1350) - Parking	(581,420)	(487,550)	(669,200)
OS103	232,157	20290 (1370) - Closed Circuit Television	239,760	249,590	233,450
OS104	(6,166)	20291 (1506) - ESCC Highway Tree Maintenance	(3,000)	(500)	(3,000)
OS105	632	20292 (1504) - Public Realm	40,000	40,000	0
OS106	1,014,810	20293 (3303) - Waste Collection	1,117,820	1,235,230	1,450,570
OS107	225,950	20294 (3410) - Recycling	245,910	(68,650)	735,760
OS108	1,270,121	20295 (3313) - Street Cleansing	1,310,550	1,383,340	350,710
OS109	0	20323 - Waste and Street Cleansing (DSO)	0	103,940	1,179,140
OS110	(46,915)	20296 (3411) - Greenwaste	(49,740)	25,880	(47,340)
OS111	392,987	20297 (3412) - Waste and Environmental Enforcement Team	441,750	329,950	302,240
OS112	38,549	20298 (5205) - Together Action	34,260	23,040	22,780
OS113	115,566	20299 (5214) - Safer Hastings Partnership	133,510	133,340	128,920
OS114	(28,431)	20300 (5219) - Safer Hastings Partnership (Ext)	0	0	0
OS115	0	20301 (5226) - CS Domestic Violence (CCG)	0	0	0
OS116	29,061	20302 (1420) - Watercourses	33,070	36,470	33,710
OS117	(470,891)	20303 / 20304 (3102) / (3103) - Cemetery and Crematorium	(545,230)	(535,730)	(449,670)
OS118	21,917	20305 (5140) - Travellers Costs	22,120	22,540	23,030
OS119	48,450	20306 (5257) - Town Centre	51,090	51,480	50,380
OS120	14,913	20307 (5280) - Allotments	7,870	7,660	7,190
OS121	45,970	20308 (5281) - Ecology	53,300	53,870	55,030
OS122	167,624	20309 (6200) - Arboriculture	142,300	142,390	143,680
OS123	1,773,940	20310 (6301) - Parks and Gardens	1,648,730	1,685,130	1,369,540
OS124	82,000	20312 / 20313 (1355) / (6503) - Hastings Country Park	85,350	85,750	102,560
OS125	14,562	20314 (6508) - Countryside Stewardship	16,000	16,000	26,000
OS126	283,656	20315 (3033) - Public Conveniences	266,370	273,360	260,390
	5,365,629	<b><u>Environment and Place</u></b>	5,601,670	5,725,430	6,240,660
	<b>11,104,718</b>	<b>Operational Services Directorate Total</b>	<b>10,908,230</b>	<b>11,834,300</b>	<b>11,859,580</b>

## CAPITAL PROGRAMME SUMMARY

	Original 2018/19	Revised 2018/19	2019/20	2020/21	2021/22	Subseq. Years	Total over Prog Period
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Net cost by Service</b>							
Corporate Resources	20,907	15,710	5,492	0	0	0	21,202
Operational Services	7,784	6,695	10,524	5,808	2,236	85	25,348
	<b>28,691</b>	<b>22,405</b>	<b>16,016</b>	<b>5,808</b>	<b>2,236</b>	<b>85</b>	<b>46,550</b>

**Net cost by Status**

Committed Schemes	c	28,691	21,765	13,137	3,673	85	85	38,745
Uncommitted Schemes	u	0	0	84	2,100	2,116	0	4,300
New Schemes	n	0	640	2,795	35	35	0	3,505
		<b>28,691</b>	<b>22,405</b>	<b>16,016</b>	<b>5,808</b>	<b>2,236</b>	<b>85</b>	<b>46,550</b>

**Gross cost of schemes analysed by service**

Corporate Resources	20,952	15,847	5,492	0	0	0	21,339
Operational Services	11,986	10,414	13,119	7,347	3,736	1,585	36,201
	<b>32,938</b>	<b>26,261</b>	<b>18,611</b>	<b>7,347</b>	<b>3,736</b>	<b>1,585</b>	<b>57,540</b>

## CORPORATE RESOURCES - CAPITAL PROGRAMME

Appendix P (continued)

## Profile of Council Net Cost

Scheme Ref.	Scheme	Class	Total Gross Cost	Total Net Cost	Before 31.3.18	2018/19	Revised 2018/19	2019/20	2020/21	2021/22	Subsequent Years
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
CR-06	Sandrock Park - Land Purchase	* C	23	23	0	0	0	23	0	0	0
CR-09	New Factory unit	* C	1,495	1,495	1,495	0	0	0	0	0	0
CR-12	Kiosk above Bottle Alley	* C	72	72	72	0	0	0	0	0	0
CR-16	New ERP system	* C	930	465	424	25	41	0	0	0	0
CR-19	Bexhill Road Retail Park	* C	8,841	8,841	8,841	0	0	0	0	0	0
CR-20	Conversion of 12/13 York Buildings	* C	682	682	25	657	55	602	0	0	0
CR-22	Priory Meadow Contribution to Capital Works	* C	250	250	0	65	124	126	0	0	0
CR-23	Commercial Property Investments	* C	8,022	8,022	0	12,763	8,022	0	0	0	0
CR-23	Commercial Property Investments	* C	9,751	9,751	0	5,010	5,010	4,741	0	0	0
CR-23	Commercial Property Investments	* C	2,387	2,387	0	2,387	2,387	0	0	0	0
CR-24	Harold Place Redevelopment	* C	71	71	0	0	71	0	0	0	0
	Schemes Already Committed	C	32,524	32,059	10,857	20,907	15,710	5,492	0	0	0
	Schemes Uncommitted	U	0	0	0	0	0	0	0	0	0
	New Schemes	N	0	0	0	0	0	0	0	0	0
	No further approval required	*									
Total Capital Expenditure			32,524	32,059	10,857	20,907	15,710	5,492	0	0	0

	Total Cost £'000	Before 31.3.18 £'000	18/19 £'000	Revised 18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	Subsequent Years £'000
<b>CR-06 Sandrock Park - Land Purchase</b>								
71215 (9594)								
The purchase of land at Sandrock Park								
<u>Funding Source</u>								
Council	23	0	0	0	23	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CR-09 New Factory unit</b>								<b>0</b>
71217 (9800)								
Construction of additional factory unit in Castleham road to be financed by loan								
<u>Funding Source</u>								
Council	1,495	1,495	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>1,495</b>	<b>1,495</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CR-12 Kiosk above Bottle Alley</b>								
71221 (9741)								
Construction of circular kiosk in line with the HBC Seafront Strategy								
<u>Funding Source</u>								
Council	72	72	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>72</b>	<b>72</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CR-16 New ERP system</b>								
71224 (9450)								
Purchase and development of new Enterprise Resource Planning system Total HBC budget £500K of which £35K revenue								
<u>Funding Source</u>								
Council	465	424	25	41	0	0	0	0
Other	465	328	45	137	0	0	0	0
<b>Total Funding</b>	<b>930</b>	<b>752</b>	<b>70</b>	<b>178</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CR-19 Bexhill Road Retail Park</b>								
9132								
Purchase of new property for income								
<u>Funding Source</u>								
Council	8,841	8,841	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>8,841</b>	<b>8,841</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CR-20 Conversion of 12/13 York Buildings</b>								
71253 (9802)								
<u>Funding Source</u>								
Council	682	25	657	55	602	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>682</b>	<b>25</b>	<b>657</b>	<b>55</b>	<b>602</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CR-22 Priory Meadow Contribution to Capital Works</b>								
71259 (9981)								
Contribution to ensure continuing rental income								
<u>Funding Source</u>								
Council	250	0	65	124	126	0	0	0
Other	0	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>250</b>	<b>0</b>	<b>65</b>	<b>124</b>	<b>126</b>	<b>0</b>	<b>0</b>	<b>0</b>

	Total Cost £'000	Before 31.3.18 £'000	18/19 £'000	Revised 18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	Subsequent Years £'000
<b>CR-23 Commercial Property Investments</b>								
71260 (9992)								
Acquisition of Commercial Property								
<u>Funding Source</u>								
Council	8,022	0	12,763	8,022	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	8,022	0	12,763	8,022	0	0	0	0
<b>CR-23 Commercial Property Investments</b>								
71261								
Acquisition of Commercial Property - 311-323 Bexhill Road								
<u>Funding Source</u>								
Council	9,751	0	5,010	5,010	4,741	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	9,751	0	5,010	5,010	4,741	0	0	0
<b>CR-23 Commercial Property Investments</b>								
71225								
Acquisition of Commercial Property - 591 Seddlescombe Road North								
<u>Funding Source</u>								
Council	2,387	0	2,387	2,387	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	2,387	0	2,387	2,387	0	0	0	0
<b>CR-24 Harold Place Redevelopment</b>								
71264								
Demolition of Public Convenience - Harold Place								
<u>Funding Source</u>								
Council	71	0	0	71	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	71	0	0	71	0	0	0	0



Profile of Council Net Cost

Scheme Ref.	Scheme	Class	Total Gross Cost	Total Net Cost	Before 31.3.18	2018/19	Revised 2018/19	2019/20	2020/21	2021/22	Subsequent Years
			£'000	£'000	£'000	£'000	£'000	£'000	£,000	£,000	£'000
H07	Private Sector Renewal Support	* c	147	0	0	0	0	0	0	0	0
H08	Disabled Facilities Grant	* c	7,882	0	0	0	0	0	0	0	0
H15	Empty Homes Strategy - CPO	* c	250	250	100	70	0	100	50	0	0
OS-05	Purchase of Temporary Homelessness Accommodation	* n	2,500	2,500	0	0	640	1,860	0	0	0
RP04	Restoration of Pelham Crescent/ Pelham Arcade	* c	756	359	256	103	25	78	0	0	0
RP16	Road at Pelham Arcade	* c	125	75	11	44	0	64	0	0	0
RP14	Coastal Space Regeneration Project - Phase 2	* c	758	758	758	0	0	0	0	0	0
CR14	Coastal Space - Phase 3	* c	1,376	609	609	0	0	0	0	0	0
RP11	Groyne Refurbishment	* c	180	180	0	35	0	75	35	35	35
ES35	Work on Harbour Arm and New Groynes	* c	2,995	30	0	20	30	0	0	0	0
ES36	Further Sea Defence works	* c	150	0	0	0	0	0	0	0	0
RP09	Public Realm	* c	416	325	75	50	50	50	50	50	50
ES32	Country Park - Interpretive Centre	* c	662	266	0	140	0	266	0	0	0
ES37	Playgrounds Upgrade Programme	* c	302	283	92	45	58	95	38	0	0
ES38	Playgrounds Carnoustie & Kensington Close	* c	60	0	0	0	0	0	0	0	0
OS 28	Hastings Housing Company	* c	15,000	15,000	790	5,000	5,710	5,000	3,500	0	0
ES28	Castle Access/ Interpretation	* c	256	256	50	206	0	0	0	0	0
OS 26	DSO - Waste and Cleansing service - Vehicles	* n	780	780	0	0	0	780	0	0	0
OS 27	DSO Waste and Cleansing service - Depot Works & Equip	* c	328	328	0	0	72	256	0	0	0
OS06	Energy - Solar Panels	* c	1,700	1,700	0	2,000	39	1,661	0	0	0
OS10	Energy - Ground Mounted Solar	u	2,184	2,184	0	0	0	84	2,100	0	0
OS07	Energy Generation - Unallocated	u	2,116	2,116	0	0	0	0	0	2,116	0
OS3	Coastal Communities scheme 4	* c	414	0	0	0	0	0	0	0	0
OS4	Buckshole and Shornden Reservoirs	* c	71	71	0	71	71	0	0	0	0
OS12	Priory Street Multi Storey Car Park	* n	120	120	0	0	0	120	0	0	0
OS13	Lower Bexhill Road	* n	105	105	0	0	0	35	35	35	0
	Schemes Already Committed	c	33,828	20,490	2,741	7,784	6,055	7,645	3,673	85	85
	Schemes Uncommitted	u	4,300	4,300	0	0	0	84	2,100	2,116	0
	New Schemes	n	3,505	3,505	0	0	640	2,795	35	35	0
	No further approval required	*									
Total Capital Expenditure			41,633	28,295	2,741	7,784	6,695	10,524	5,808	2,236	85

OPERATIONAL SERVICES - CAPITAL PROGRAMME

Appendix P (continued)

	Total Cost £'000	Before 31.3.18 £'000	18/19 £'000	Revised 18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	Subsequent Years £'000
<b>H07 Private Sector Renewal Support</b>								
71227 (9314) Property grants to bring conditions up to minimum standards.								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Regional Housing Board Grant+ LEP funding of £46K	147	20	50	50	50	27	0	0
<u>Total Funding</u>	147	20	50	50	50	27	0	0
<b>H08 Disabled Facilities Grant</b>								
71228 (9308) Property Grants for disabled facilities Grant of £1,679K plus an additional £202.5k (before £60K salaries) for 2018/19								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Government Grant including additional £202.5K	7,882	0	1,500	1,882	1,500	1,500	1,500	1,500
<u>Total Funding</u>	7,882	0	1,500	1,882	1,500	1,500	1,500	1,500
<b>H15 Empty Homes Strategy - CPO</b>								
71229 (9590) Rolling programme of purchases and disposals								
<u>Funding Source</u>								
Council	250	100	70	0	100	50	0	0
Government Grant	0	0	0	0	0	0	0	0
<u>Total Funding</u>	250	100	70	0	100	50	0	0
<b>OS-05 Purchase of Temporary Homelessness Accommodation</b>								
71266 Purchase 9 units of 2 bed units in 2019/20								
<u>Funding Source</u>								
Council	2,500	0	0	640	1,860	0	0	0
Government Grant	0	0	0	0	0	0	0	0
<u>Total Funding</u>	2,500	0	0	640	1,860	0	0	0
<b>RP04 Restoration of Pelham Crescent/ Pelham Arcade</b>								
71231 (9558) Feasibility study and grants for restoration works, plus additional phase 2 works / grants to adjoining property								
<u>Funding Source</u>								
Council	359	256	103	25	78	0	0	0
Historic England(English Heritage) £280K Council reserves £117K	397	293	104	0	104	0	0	0
<u>Total Funding</u>	756	549	207	25	182	0	0	0
<b>RP16 Road at Pelham Arcade</b>								
71232 (9554) Road above Pelham Arcade								
<u>Funding Source</u>								
Council	75	11	44	0	64	0	0	0
Other- Freeholder Contributions	50	0	50	0	50	0	0	0
<u>Total Funding</u>	125	11	94	0	114	0	0	0



OPERATIONAL SERVICES - CAPITAL PROGRAMME

Appendix P (continued)

	Total Cost £'000	Before 31.3.18 £'000	18/19 £'000	Revised 18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	Subsequent Years £'000
<b>ES32 Country Park - Interpretive Centre</b>								
71248 (9603)								
Provision of a new Interpretive Centre. Council funding being provided by sale proceeds of Warren Cottage.								
<u>Funding Source</u>								
Council	266	0	140	0	266	0	0	0
Other - European Funding 60%	396	0	258	0	396	0	0	0
<u>Total Funding</u>	662	0	398	0	662	0	0	0
<b>ES37 Playgrounds Upgrade Programme</b>								
71249 (9750)								
Hare Way, Mare Bay, Highwater View, Bexhill Road and other								
<u>Funding Source</u>								
Council	283	92	45	58	95	38	0	0
Other S106	19	0	48	0	7	12	0	0
<u>Total Funding</u>	302	92	93	58	102	50	0	0
<b>ES38 Playgrounds Carnoustie &amp; Kensington Close</b>								
71250 (9751)								
Carnoustie Close & Kensington Close Play spaces contribution to upgrades								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Other S106	60	60	0	0	0	0	0	0
<u>Total Funding</u>	60	60	0	0	0	0	0	0
<b>OS 28 Hastings Housing Company</b>								
71254 (9996)								
<u>Funding Source</u>								
Council	15,000	790	5,000	5,710	5,000	3,500	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	15,000	790	5,000	5,710	5,000	3,500	0	0
<b>ES28 Castle Access/ Interpretation</b>								
71237 (9588)								
Improvements to the Castle for the 950th anniversary and £100k for additional works								
<u>Funding Source</u>								
Council	256	50	206	0	0	0	0	0
Heritage Lottery Fund	0	0	0	0	0	0	0	0
<u>Total Funding</u>	256	50	206	0	0	0	0	0
<b>OS 26 DSO - Waste and Cleansing service - Vehicles</b>								
71255								
<u>Funding Source</u>								
Council	780	0	0	0	780	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	780	0	0	0	780	0	0	0
<b>OS 27 DSO Waste and Cleansing service - Depot Works &amp; Equip</b>								
71268								
<u>Funding Source</u>								
Council (£122k IT & equip, £206k Castleham works)	328	0	0	72	256	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	328	0	0	72	256	0	0	0

OPERATIONAL SERVICES - CAPITAL PROGRAMME

Appendix P (continued)

	Total Cost £'000	Before 31.3.18 £'000	18/19 £'000	Revised 18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	Subsequent Years £'000
<b>OS06 Energy - Solar Panels</b> 71256 (9995)								
<u>Funding Source</u>								
Council	1,700	0	2,000	39	1,661	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	1,700	0	2,000	39	1,661	0	0	0
<b>OS10 Energy - Ground Mounted Solar</b> 71269								
Feasibility Report - £84k to be approved Jan 2019								
<u>Funding Source</u>								
Council	2,184	0	0	0	84	2,100	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	2,184	0	0	0	84	2,100	0	0
<b>OS07 Energy Generation - Unallocated</b> 71267								
<u>Funding Source</u>								
Council	2,116	0	0	0	0	0	2,116	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	2,116	0	0	0	0	0	2,116	0
<b>OS3 Coastal Communities scheme 4</b> <b>Promenade fountain Wi-Fi Rock House &amp; Source</b> 71257 (9545)								
<u>Funding Source</u>								
Council	0	0	0	0	0	0	0	0
Other CCF £222+ 142 FST £50)	414	272	142	142	0	0	0	0
<u>Total Funding</u>	414	272	142	142	0	0	0	0
<b>OS4 Buckshole and Shornden Reservoirs</b> <b>Statutory Protection Works</b> 71258 (9571)								
<u>Funding Source</u>								
Council	71	0	71	71	0	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	71	0	71	71	0	0	0	0
<b>OS12 Priory Street Multi Storey Car Park</b> 71265								
Car Park Improvements								
<u>Funding Source</u>								
Council	120	0	0	0	120	0	0	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	120	0	0	0	120	0	0	0
<b>OS13 Lower Bexhill Road</b>								
Housing Development								
<u>Funding Source</u>								
Council	105	0	0	0	35	35	35	0
Other	0	0	0	0	0	0	0	0
<u>Total Funding</u>	105	0	0	0	35	35	35	0

**Off Street Pay & Display Parking Charges – 2019 / 2020**

**Appendix Q**

Parking Place	Current Charges				Parking Place	Proposed Charges	
	1 Nov. - 31-Mar		1 April – 31-Oct			1 April – 31 March	
Castle Hill Road Pelham Place Charging Hours 07:00 to 21:00	1	£1.50	1	£1.70	Castle Hill Road Pelham Place Charging Hours 07:00 to 21:00	1	£1.80
	2	£3.00	2	£3.20		2	£3.30
	3	£4.10	3	£4.30		3	£4.40
	5	£6.30	5	£6.50		5	£6.60
	10	£7.40	10	£7.70		10	£7.80
	24	£8.40	24	£9.00		24	£9.00
Rock a Nore Road Charging Hours 07:00 to 21:00	1	£1.10	1	£1.70	Rock a Nore Road Charging Hours 07:00 to 21:00	1	£1.80
	2	£2.10	2	£3.20		2	£3.30
	3	£3.20	3	£4.30		3	£4.40
	5	£3.20	5	£6.50		5	£6.60
	10	£3.20	10	£7.70		10	£7.80
	24	£3.20	24	£9.00		24	£9.00
Marina Charging Hours 07:00 to 21:00	1	£1.10	1	£1.20	Marina Charging Hours 07:00 to 21:00	1	£1.30
	2	£1.60	2	£1.70		2	£1.80
	3	£2.40	3	£2.50		3	£2.60
	5	£3.20	5	£3.30		5	£3.40
	10	£4.80	10	£5.20		10	£5.30
	24	£5.80	24	£6.00		24	£6.00
Priory Street m/s Carlisle Parade Charging Hours 07:00 to 21:00 Sunday £1.00 All Day	1	£1.20	1	£1.30	Priory Street m/s Carlisle Parade Charging Hours 07:00 to 21:00 Sunday £1.00 All Day	1	£1.40
	2	£1.90	2	£2.00		2	£2.10
	3	£2.50	3	£2.70		3	£2.80
	5	£3.70	5	£3.90		5	£4.00
	10	£6.50	10	£6.70		10	£6.80
	24	£7.40	24	£8.00		24	£8.00
Cornwallis Street Charging Hours 07:00 to 21:00	1	£1.30	1	£1.30	Cornwallis Street Charging Hours 07:00 to 21:00	1	£1.40
	2	£2.00	2	£2.00		2	£2.10
	3	£2.60	3	£2.60		3	£2.70
	4	£3.80	4	£3.80		4	£4.00
Pier Underground St Margaret's Rd Charging Hours 07:00 to 21:00	1	£0.70	1	£0.80	Pier Underground St Margaret's Rd Charging Hours 07:00 to 21:00	1	£1.40
	2	£0.90	2	£1.00		2	£2.10
	3	£1.20	3	£1.30		3	£2.80
	5	£1.60	5	£1.70		5	£4.00
	10	£2.20	10	£2.40		10	£6.80
	24	£2.60	24	£3.00		24	£8.00
Crystal Square	1	£0.70	1	£0.70	Crystal Square	1	£0.80
	2	£1.20	2	£1.20		2	£1.30
	3	£1.70	3	£1.70		3	£1.80
	4	£2.20	4	£2.20		4	£2.30
Falaise Road Falaise Hall Summerfields Charging Hours 08:00 to 21:00	1	£0.30	1	£0.30	Falaise Road Falaise Hall Summerfields Charging Hours 08:00 to 21:00	1	£0.50
	2	£0.50	2	£0.50		2	£1.00
	3	£0.60	3	£0.60		3	£1.50
	4	£1.00	4	£1.00		4	£2.00
The Bourne Charging Hours 07:00 to 21:00	1	£1.50	1	£1.70	The Bourne Charging Hours 07:00 to 21:00	1	£1.80
	2	£3.00	2	£3.20		2	£3.30
	3	£4.10	3	£4.30		3	£4.40
	5	£6.30	5	£6.50		5	£6.60
	10	£7.40	10	£7.70		10	£7.80
	24	£8.40	24	£9.00		24	£9.00
Hastings Country Park (8am - 4pm)	2	£2.00	2	£2.00	Hastings Country Park (8am - 4pm)	2	£2.50
	8	£3.00	8	£3.00		8	£3.50

## Appendix Q (Continued)

### Off Street Parking Season Permit Charges 2019/20

Hastings Borough Council Season Permits

<b>Type</b>	<b>Current Charge</b>	<b>Proposed Charge</b>
Annual Season	£710.00	<b>£730.00</b>
Quarterly Season	£205.00	<b>£205.00</b>
Monthly Season	£75.00	<b>£80.00</b>
Weekly Season	£30.00	<b>£30.00</b>
Reserved Space Annual Only	£900.00	<b>£900.00</b>
Russell Street Reserved Spaces Annual Only	£675.00	<b>£675.00</b>
Restricted Zone Annual	£470.00	<b>£500.00</b>
Restricted Zone Quarterly	£145.00	<b>£160.00</b>
Restricted Zone Monthly	£50.00	<b>£55.00</b>
Bourne, High Street and Grand Parade Residents Annual	£380.00	<b>£500.00</b>
Bourne, High Street and Grand Parade Residents Quarterly	£115.00	<b>£150.00</b>
Grand Parade Motorcycle Permit	50% of car permit rate	<b>50% of car permit rate</b>
Priory Street Restricted Zone Motorcycle Permit	25% of car permit rate	<b>25% of car permit rate</b>
Hastings Country Park Annual	£35.00	<b>£50.00</b>