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Hastings and St Leonards Local Strategic Partnership

Minutes 27 January 2020

Present:

Carole Dixon (Chair)
Sean Dennis, Chamber of Commerce
Sally-Ann Hart, MP for Hasting and Rye
Councillor Peter Chowney, Leader of Hastings Borough Council.
Pranesh Datta, Hastings Borough Council
Simon Hubbard, Hastings Borough Council
Steve Mainwaring, Hastings Voluntary Action
Councillor Rob Lee, Hastings Borough Council
Marc Turczanski Hastings Voluntary Action
Councillor Martin Clark, East Sussex County Council
Clive Galbraith, Chairman of Let's Do Business Group and Hastings Area Chamber of Commerce
Theresa Andrews, HARC Advice Centre
Richard Watson, NHS Clinical Commissioning Group
Andrew Harvey, Priory Meadow
Tracey Rose , Hastings Community Network

Apologies for absence were received from:

Catherine Orbach and Tracy Dighton (Citizens Advice 1066)

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| 90 | <u>DECLARATIONS OF INTEREST</u> There were no declarations of interest. | |
| 91 | <u>MINUTES AND MATTERS ARISING FROM 14TH OCTOBER 2019 (CHAIR)</u> It was noted that that on Page 2 Section A of the minutes that it is a national pot of funding and not a county-wide pot of funding. In reference to the last meeting, members asked if there was any further guidance from the about UK leaving the EU. The Director of Operational Services and Sean Dennis from the Chamber of Commerce have information regarding this and will circulate it to fellow panel members. | |
| 92 | <u>HBC DRAFT BUDGET AND CORPORATE PLAN</u> Councillor Peter Chowney, Leader of the Council and Finance and Property Portfolio Holder presented the Draft Budget and Corporate Plan, to inform panel members about the draft documentation and get their feedback as | |

part of the consultation process.

The Leader explained that this year had been a difficult year for the council. The council have identified savings of £1.9m but still have a deficit of £1.2m. The Leader ensured that the future deficit will get smaller because of the savings we are finding.

The Leader discussed the reserves, and how using these reserves doesn't address the problem long term. After next year there aren't many usable reserves because we find it necessary to keep the reserves above £6m, in case of exceptional circumstances with our statutory services.

The Leader discussed some of the additional costs which have put strain on the budget this year. These include:

- The reduction of income from local land charges
- Redundancy and pension strain costs as a result of shrinking council
- The Cliff Railway income has been lost due to ongoing maintenance, but this income will come back.
- Homelessness Temporary Accommodation Costs are the major issue. £2m was spent this year.

In reference to the increased spend on Temporary Accommodation, the Leader explained that the number of people hasn't increased much but the length of time that people are having to stay in Temporary Accommodation has increased substantially. This is because of a struggle to find suitable accommodation that they can afford. To alleviate this council are looking at buying housing across Hastings. Should the crisis diminish, the housing can be sold or used as permanent accommodation.

The Leader then went on to discuss the upcoming financial year and referred to the various factors that will be significant dents in the budget. Some of the challenges in the upcoming year will be cuts in grants, volatility in income and expenditure and increased pressure on council services. In regards to income generation, the main sources in the upcoming year will be fees and charges and commercial property charges.

The Leader also discussed the main examples of how the council plan on reducing spending. The main points that are proposed in the budget that the leader discussed were:

- The senior management restructure
- Land sales, and investing the money in property funds.
- Continued reduction of revenues and benefits staff due to the introduction of Universal Credit.
- Reduction in funding for the White Rock theatre.

- Ending the monitoring of the Hastings Borough Council CCTV system. The CCTV is proposed to just be monitored by Sussex Police in the future.
- Many more can be found in Appendix K2 of the budget.

The Leader then went on to discuss the capital programme and the opportunities to progress Hastings.

The Leader summarised his presentation by stating that he knows this year has been difficult for Hastings Borough Council. The council had hoped the savings this year would help us more than it has. Hopefully these savings will bring us to stability. A lot of the decisions in the near future depend on the results of the Government's funding reviews. All districts have quite severe problems with deficits, and Hastings is in a better position than some. We can achieve the savings we want but it's understood that many services will have to suffer from reduced funding in order to do so.

The floor was then opened for questions.

The Chair asked the Leader of the Council whether there is knowledge of how these savings will have an impact on the community/locally?

The Leader of the Council responded saying that previous cuts had been far more impactful on the local community, and this year the frontline is not as prominent when it comes to savings. The CCTV is probably the biggest thing but this means Hastings Borough Council will have the same service as any other council in East Sussex.

Panel members then asked about Community Partnership Funding (CPF), as if this is ceasing this will have a huge impact on the community.

The Leader explained that the CPF will not be ceasing this year, and the intention is to pass the funding on to the Foreshore Trust.

The board also had questions regarding Waste Collection.

The Leader explained that when the KIER contract came to an end, it was clear the council had been under-priced for the service. When the contract was retendered it came in much higher than expected. This is why the service was brought in house but this has had an impact on our budget.

Questions were asked in reference to the CCTV and whether this has already been negotiated with Sussex Police and also to explain further the impact on developmental control.

The Leader responded first to the question about developmental control. He explained that a complex restructure is happening but enforcement services will still be maintained. We trust that the officers know their workload and that work will continue to be as efficient with this restructure. Then, the Leader explained that the police are being consulted regarding the CCTV.

The panel members then asked questions regarding the staff savings, how the remaining staff would be supported.

The Leader responded saying things will get more difficult when there is fewer staff. It brings us down to around 300 staff. We're not cutting back to the bone but because we have additional burdens it is difficult. We have reduced from 600 to 300 staff in recent years. We will be putting in place any support we can. Part of the reason why the leader is now stepping down is due to the relentless cuts in services. he has had to oversee.

The board then asked to what extent the Towns Fund, if successful, contribute to the capital programme as this may allow flexibility or capital into revenue.

The Leader explained that as Hastings Borough Council have to put in a proposal so we can't guarantee where the money will be going. There needs to be a community consultation built into the development of the plans.

The panel members also brought forwards concerns about reducing the community cohesion at a sensitive time for the country, as Brexit is soon happening. Members wondered if a phased approach would be better in this case.

The Leader agreed.

Panel members also had questions about the reserves, and what the options are regarding using them. They also brought up the spending reviews mentioned in the presentation, and how this will impact decisions at HBC.

The Leader responded by explaining that in terms of going below £6 million in reserves, this would be at odds with the advice of the Council's Section 151 Finance officer. If we dipped below this threshold by spending an additional 1 or 2 million pounds this only postpones the problem. Our options are very narrow.

The panel asked whether the New Homes Bonus monies should assist with the council's budgetary challenges.

The Leader explained that the council is very limited in terms of New Homes Bonus potential than its larger, less urban neighbouring authorities. This means the New Homes bonus is a very difficult stream of revenue for the council to receive consistently.

The Chair also reminded members that the consultation doesn't finish until February 7th 2020, so if any further comments wanted to be made, they could be done so via the appropriate channels.

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None.



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