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OVERVIEW AND SCRUTINY COMMITTEE

26 JANUARY 2023

Present: Councillors Patmore (Chair), Jobson (Vice-Chair), Carr, Foster, Hay, Pragnell, Sinden, Turner and Webb

Officers: Coral Harding, Jane Hartnell, Kit Wheeler, Stephen Dobson,

Members of Cabinet Present: Councillors Barnett, Cannon, Evans and Rogers

128. APOLOGIES FOR ABSENCE

Apologies received from Councillor Roberts

129. DECLARATIONS OF INTEREST

Councillor	Item	Interest
Cllr Webb	4	Personal – ESCC Councillor

130. MINUTES OF THE PREVIOUS OVERVIEW AND SCRUTINY COMMITTEE

RESOLVED - That the minutes of the meeting held on 19th December 2022 be approved as a true record.

131. DRAFT BUDGET AND CORPORATE PLAN UPDATE CONSULTATION 2023/24

The Transformation and Programmes manager introduced the Corporate Plan and Draft Budget to the committee. A number of questions had already been received from the Committee and would be addressed either at the meeting or as part of the formal consultation response, once this closed on February 3rd.

132. DRAFT BUDGET 2023/24

Councillors reviewed the draft budget proposals and asked a range of questions including:

- A. **Councillor Jobson asked a question regarding Disabled Facilities Grant Reserves?** The Leader of the Council explained a review is taking place and the findings will be made available. It is expected the review will address increased transparency on the process and allocations of grants.

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- B. Councillor Patmore welcomed Stuart Drew the Chair of 1066 Country Marketing to answer questions put by the committee regarding the budget proposal to withdrawal from the group and fund a Hastings-focussed tourism campaign instead. The committee asked questions including: consultation about the proposals, the impact of the proposed reduction, the level of staff employed by 1066, whether the Board had could/had seek sponsorship to replace the gap in funding, what the requirement to be a Board member is, who owns the intellectual property rights. Mr Drew stated that the position with the funding has been unclear for some time, that the withdrawal of Hastings would be significant however it is his belief was the other partners would wish to continue the arrangement. He explained the core staff are employed by HBC with some input from other councils/organisations and volunteers.
- C. **Councillor Patmore asked council officers how much had been spent on setting up and branding 1066 country campaign and what would be affected if we withdraw e.g. intellectual property rights etc.?**
The Managing Director replied that with any withdrawal from an activity or service detailed discussions would be required, and the council will meet all its legal and contractual commitments in doing so.
- D. **Councillor Patmore about the engagement with the White Rock Theatre as their contract is due to end in 2024.** The Managing Director answered that we have alerted them to the Council's financial position and result we cannot and explained that we cannot guarantee we can continue to fund it into the future and have invited discussions on future options.
- E. **Councillor Jobson asked about a communications officer post working on the Town Deal.** The Managing Director explained the post is currently vacant due to a member of staff leaving but the post is still active and funded by the Town Deal.
- F. **Councillor Patmore asked whether the budget from the closing of the tourist information centre would be sufficient to set up a Hastings marketing website?** The Managing Director answered that those detailed discussions would take place about our future offer if Full Council agreed to that proposal.
- G. **Councillor Patmore asked about a commitment to save £1 million over the three years on staff expenditure?** The Managing Director and the Chief Finance officer explained the savings would come from a mixture of staff and services reductions but may also come from increased income generation or external funding. The Council Leader also commented that while no compulsory redundancies would be made in 23/24 his wish was for the council to slim down in 24/25.

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- H. **Councillor Pragnell asked regarding savings being made in Emergency Planning?** The Managing Director explained that the satellite phones have not been used for many years so are not needed
- I. **Councillor Carr asked if reducing staff further is a good idea when all staff are at capacity?** The Managing Director explained the budget must be balanced. It is for the Councillors to agree the budget. The Leader of the Council answered that there are no compulsory redundancies within this budget but there may have to be going forward.
- J. **Councillor Carr asked if there is a list of what is to be sold?** The Leader of the Council answered the Asset Management review has not yet been completed, however there is an appendix F which sets out the disposals programme.
- K. **Councillor Pragnell asked regarding people having ID for the next general election?** The Managing Director explained the government will give the Council an allowance to cover some of these extra costs, but she was concerned about the impact of this on staff capacity. Other Councils who have elections this May will be monitored to find best practice.
- L. **Councillor Hay asked regarding land and property disposal program and how have we come up with a figure regarding sale of ex-council houses?** The Chief Finance officer explained the appendix F will be revised that there are several properties that have been identified.
- M. **Councillor Patmore asked regarding the differences between the level of general reserves between November 2021 and the current budget.**
The Chief Finance officer explained that the forecasts back in 2021 were cautious as we were still in the pandemic, and it was not clear at that time what the impact would be on our income/expenditure and what funding the government would provide local councils.
The Chief Finance officer explained that his recommendation remains that £6m is the minimum level of General Reserves the council should hold. However, due to the housing crisis we are experiencing and its impact on the budget, he is comfortable that the plans put in place to address the deficit will enable the council to balance its budget in future years and rebuild its reserves
- N. **Councillor Patmore asked how the estimated low point figure of £3.4m of general reserves was justified.**
The Chief Finance officer explained the recommendation is still to have the 6m recommended level, but the reality is based on the forecast it will go below that. The target will be to make savings to enable the council to rebuild reserves back to the recommended level.

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- O. **Councillor Webb asked about auditing of the accounts and the external auditor's performance?** The Chief Finance officer explained the external auditors are looking to have the 2020/21 audit complete by March.
- P. **Councillor Foster asked if there are all the Covid funds provided by government have been used?** The Chief Finance Officer explained there is nothing else to draw on.
- Q. **Councillor Carr asked regarding treatment of the Ore Valley Reserve – which is an earmarked reserve** The Council Leader explained the all the reserves will be left as they are until there has been a review.
- R. **Councillor Turner asked if there has been any saving from staff working from home?** The Managing director answered explained that a floor in Muriel Matters House had now been rented out.
- S. **Councillor Jobson what savings were identified but not pursued?** The Leader of the Council explained there had been a proposal considered to stop council funding to festivals. This has been postponed for a year whilst there is a review and discussion with organisers about how festivals are funded and can be sustainable.
- T. **Councillor Patmore asked which saving would have the biggest effect on the community?** The Managing Director explained that in her opinion any cuts that reduce staffing will affect our ability to meet the service requests from the public.
- U. **Councillor Carr asked regarding the cost of the Cornwallis St Hotel and if the flooding has affected this?** The Leader of the Council explained the construction costs for the hotel is out to tender now. The design work may need to be revisited to ensure the impact of flooding that was seen in South Terrace had been sufficiently considered.
- V. **Councillor Patmore asked about an £80k budget for CCTV?** The Managing Director explained the budget is used for licenses and maintenance to enable the police to use the cameras to monitor incidents.
- W. **Councillor Foster asked what the concerns are going forward?** The Chief Finance Officer explained risks look better now than they did, but that there are challenges to achieve the savings set out. The Leader of the Council explained his view is that the Housing Crisis and the Climate emergency are the council's highest priorities and must be tackled collectively

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- X. **Councillor Jobson asked regarding the bus shelters in the Borough?** The Leader of the Council explained that 50% of the bus shelter are owned by the Council and there is no extra funding available than already set out in the budget.

133. DRAFT CORPORATE UPDATE

The committee reviewed the draft corporate plan update and asked a number of questions including:

- A. **Councillor Patmore began by asking if the draft Budget and Corporate plan that is out for consultation and on the Council's website is the one which will be published for Cabinet tomorrow?** The Managing Director confirmed that is correct and because of the need to publish an agenda before the end of the consultation period, the corporate plan and budget are still subject to change.
- C. The committee welcomed point 26 of the plan which highlighted the target to actively call on government to provide funding for local government to help communities made changes to reduce carbon emissions.
- D. **Councillor Foster asked if the flooding last week will impact on the Corporate Plan?** The Leader of the Council explained a review will be taking place and agrees there should be a section in the Corporate Plan regarding the Councils responsibility to respond to emergencies. It was asked if the town deal funding will be affected by the flooding. The Leader explained it is too early to assign blame to anyone at this moment and that the investigations need to be completed before we understand all of the causes and impacts. Councillor Carr asked if there is any costings for the effects of the flooding. The Chief Finance Officer explained the costs have not been fully understood at this time.

Resolved (Unanimously)

1. That the comments of the Budget Overview and Scrutiny Committee on the draft budget and corporate plan update be referred to Budget Cabinet on the 6th February 2023

Reasons

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

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(The Chair declared the meeting closed at. 19:40)