

Hastings Borough Council - Productivity in Local Government Response

1. How you have transformed the way you design and deliver services to make better use of resources.

Hastings Borough Council undertook a major transformation programme of services and service delivery between to make major financial and efficiency gains in the light of significant reduction in the financial settlement received.

The council's vigorous performance monitoring on quarterly basis against the deliverable set out in the corporate plan are extensively scrutinised to inform the councils direction of travel.

However, due largely to the increasing pressures of the housing crisis this has in effect wiped out any financial and efficiency gains made by this transformation and monitoring programme and the core focus of attention has now had to switch to addressing this crisis to avoid issuing a Section 114 notice, which thanks to the efforts of the whole council this has been avoided at this time.

2. How you plan to take advantage of technology and make better use of data to improve decision making, service design, and better use of resources.

From being at the forefront of using technology, cutbacks have significantly curtailed or stopped any further transformation and diminished capacity for continuous improvement in this area. The increasing cyber security threats that local government face mean that most of our technical resource is now focused on addressing this area leaving little capacity for further technological innovation.

Data is crucial to our planning and decision making, service design and better use of resource. However, even with excellent data sets across all our service areas, due to the housing crisis we still only have the resources to provide minimum service delivery to meet our statutory requirements.

3. Your plans to reduce wasteful spend within your organisation and systems.

Due to the avoidance of issuing a Section 114 notice we are now in the process of realigning the councils' priorities with the newly elected Cabinet. This will focus on a) meeting our statutory requirements at the minimum level with the minimum resources available b) continuing to tackle the housing crisis and reducing the costs of temporary accommodation to the private sector through our acquisition programme c) identifying opportunities for shared systems and services with neighbouring authorities d) meeting non-government funded but statutory requirements for health and safety and public protection.

4. The barriers preventing progress that the Government help to reduce or remove.

Hastings Borough Council has and will continue to provide services to one of the most deprived communities in the Southeast (IMD 2 Decile) but has faced and is facing these clear set of barriers to serving its residents and businesses to the highest level in the 21st Century.

Financial barriers

A. Housing and Homelessness

Several national housing policy issues are contributing to the Council's very significant financial challenges and ability to use the resources we have to best effect. As stated above one of the most damaging financial barriers for Hastings is meeting the costs of temporary accommodation. The main barriers here are:

- The cap for housing benefit subsidy rate for local authority homelessness placements is a major factor in the council having to make up the shortfall.
- The disconnect between Local Housing Allowance and private rents in East Sussex, as it is a serious obstacle to preventing homelessness and reducing use of temporary accommodation.
- The balance between burden on private landlords both financially and regulatory and the fullest welfare protection concerns for tenants in private rented accommodation. This means that private landlords are abandoning the private rented sector market and the rise in eviction notices putting the burden onto local authorities.
- Funding for Discretionary Housing Payments and a top-up to the Homelessness Prevention Grant are currently too low.
- The lack of long-term funding rather than potential one off levelling up grants to fund council property acquisitions to increase the supply of social housing to create a genuine levelling up within the market.

B. Financial settlement arrangements and government funding

- Single year financial settlements limit our ability to plan and use resources most effectively – we need longer term settlements, including certainty on Council Tax referendum limits.
- Multiple ringfenced grants, with restrictive criteria and reporting requirements – we need greater freedom to allow local decision making on the best use of funding.

- Bidding processes, multiple funding pots and time-limited funding/pilots – these create additional work, a lack of flexibility to meet local needs and wasted time and resource in standing up/winding down provision or developing unsuccessful bids.
- A lack of early information on the funding available to meet new duties, and the specific obligations involved, to enable councils to plan effectively.
- No funding is available to Hastings to meet statutory duties where no recompense is received from central government, for example the cost of maintaining and repairing reservoirs.
- No funding is available to support incurring costs in responding to emergency events related to climate change with no access to shared resources or central government direction.
- Funding is not aligned to need – the funding formula on which local authority allocations are based requires fundamental reform to ensure it properly reflects the cost of providing services in different areas. There is currently over-reliance on raising income through Council Tax which is unrelated to need and is particularly difficult in areas like Hastings where need for services, especially Temporary Accommodation where the costs to HBC has increased tenfold in the last five years, is high but residents' ability to contribute more is very limited.

National policy and legislative barriers

There are a significant number of requirements placed on us by national policy and legislation which reduce or remove our ability to target services most effectively and/or use our resources most effectively. Key areas in need of national reform or review include:

- Migration – a joined up, place-based approach from Government is required to address inconsistencies and a lack of co-ordination across multiple national schemes which play out locally in ways that create additional issues and work.
- Virtual (formal) meetings – legislative change to provide for local choice over which meetings may be held virtually in order to make best use of time, maximise accessibility and minimise travel costs and associated carbon emissions.

Barriers to taking a more preventative approach.

Providing early, upstream support can lead to better outcomes for people and reduce the higher intensity demand placed on a range of public sector organisations. **We need Government to recognise the evidence-based case for prevention**, including:

- Greater investment in local economic growth and skills development, with increased local flexibility to meet local needs, which would increase independence and reduce need for support through access to good jobs.
- Housing – a strategic approach to addressing rising homelessness and the systemic and structural problems in the housing market, particularly in high-cost areas such as the South East, which have a knock-on effect on demand for public services.
- Provide sufficient resources to manage historical assets that we have statutory duty to maintain such as sites of historical or national value, reservoirs and waterways but with no additional statutory funding available.
- Provide preventative and emergency support to deal with the ongoing impacts of climate change particularly in relation to landslides and land instability issues, which affects housing and therefore adds to the housing crisis.

Capacity barriers

Hastings needs Government recognition and support in the following areas:

- Workforce – we continue to face challenges in recruiting and retaining the essential staff we need. This is particularly the case in skilled areas such as planning, financial services, legal services, and property services, and in areas where pay levels compare less favourably to other sectors. Hastings cannot compete against salaries and benefits that some of its more affluent neighbouring authorities can afford which results in an imbalance of resources that would or could benefit the whole area.
- Ability to invest in technology – the significant financial pressures we face limit our capacity to invest in new technology and developing or recruiting staff with the specialist skills required.
- Capacity to further develop/improve services – the steps taken over many years to manage with reduced resources means that our managers and staff are stretched fulfilling their core roles. This means there is very limited capacity to implement significant change programmes. This is particularly the case in support services which have been reduced more significantly in order to prioritise funding for frontline services.