



**Brighton & Hove
City Council**

BUDGET COUNCIL ADDENDUM

4.30PM, THURSDAY, 22 FEBRUARY 2024

COUNCIL CHAMBER, HOVE TOWN HALL

ADDENDUM

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The following Group amendments have been submitted:

- (1) Green Group amendments No's 1 - 4
- (2) Conservative Group amendment No's 1 – 4
- (3) Brighton & Hove Independent amendment

Brighton & Hove City Council

Budget Council

Agenda Item 94

Date of meeting 22 February 2024

GENERAL FUND REVENUE BUDGET, CAPITAL & TREASURY MANAGEMENT STRATEGY 2024/25

Green Group Amendment 1

It is proposed to:

- Reduce the proposed cut to Third Sector Commissioning of £0.205m as shown on page 98 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.145m to £0.060m, in recognition that this fund supports community groups investing to deliver city responses to the climate and biodiversity crisis, poverty and inequality.
- Reverse the proposed removal of the city's 79 bus that serves the South Downs National Park to ensure continued sustainable, car-free access to nature and to facilitate good public health. This saving is £0.029m as shown on page 81 of Appendix 1 of the General Fund Budget report (Agenda Item 94) and described in EIA 15 on page 316.
- Support community action by investing £0.012m to allow community-led biodiversity initiatives that give neighbourhoods a say on means to alleviate issues with weeds on pavements in the city.
- Provide investment into the city's carbon neutral 2030 and circular economy programme by reducing planned cuts of £0.200m to the sustainability team as shown on page 84 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.060m to £0.140m as this is likely to negatively impact climate mitigation.
- Remove the proposed cut to the city's only Disability Advice Centre of £0.020m as shown on shown on page 73 of Appendix 1 of the General Fund Budget report (Agenda Item 94) and described in EIA 12 on page 294.

These proposals require funding of £0.266m. It is proposed to fund this by:

- Repurposing the £0.266m allocated for 'improvement in maintenance of pavements through investment in new weed management' by reintroducing glyphosate as shown on page 20 of the General Fund Budget report (Agenda Item 94).

Chief Finance Officer comments:

The £0.266m is included in the budget report for improvement in maintenance of pavements through investment in new weed management. This is not formally approved or currently contractually committed and is a new proposal to tackle the issue and therefore this funding could be redirected as proposed in this amendment.

Green Group Amendment 2

It is proposed to:

- Reduce the saving of £0.120m relating to prevention of Violence Against Women and Girls (VAWG) as shown on as shown on page 99 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.070m to £0.050m on a one-off basis to enable time for fundraising to apply for grant funding and bridge gaps.
- Provide an additional £0.077m to be used toward any further activities that redress the removal/reduction of the Household Support Fund for those who are not council tenants and therefore not able to access the above e.g. support for Food Banks and Warm Homes energy work.
- Remove the proposed cut of £0.115m to the Outreach Service for Young People with Disabilities as shown on page 51 of Appendix 1 of the General Fund Budget report (Agenda Item 94).
- Reduce the proposed cut of £0.072m to the city's Contact Service that enables children and young people receiving social work support to maintain safe contact with parents as shown on page 57 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.050m to £0.022m.
- Reduce the proposed cut to third party Hate Crime reporting centres of £0.060m as shown on page 99 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.045m to £0.015m.
- Reduce the proposed cut to the city's Communities Fund of £0.302m as shown on page 98 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.200m to £0.102m.
- Reduce the proposed cut to Trade Union Facility Time of £0.046m as shown on page 114 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.023m to £0.023m.

These proposals require one-off funding of £0.070m and recurrent funding of £0.510m from the General Fund. It is proposed to fund this by:

- Removing the proposed one-off investment of a combined £0.070m earmarked for an additional Business Improvement District (BID) and business prospectus as shown on page 20 of the General Fund Budget report (Agenda Item 94).
- Repurpose the £0.510m of additional resources as set out in paragraph in paragraph 3.3 of the Supplementary Information report (Agenda Item 95).

Chief Finance Officer comments:

The one-off resources of £0.070m are not formally approved or contractually committed and therefore could be reallocated. The availability of these one-off resources is subject to sufficient funding being available to cover diseased trees and school reorganisation as highlighted in table 3 of the budget report.

This proposal potentially provides one-off funding in 2024/25 to reduce the saving from £0.120m to £0.050m. If no alternative funding is identified for 2025/26 onwards the full £0.120m savings will be implemented.

There are additional resources of £0.510m from the Final Local Government Finance Settlement 2024/25 and these have been allocated as set out in the Supplementary Financial Information Report. For this amendment to be viable, those allocations would be replaced with the proposals in this amendment.

Green Group Amendment 3

It is proposed to:

- Reduce the proposed cut to Trade Union Facilities' Time of £0.046m as shown on page 114 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.023m to £0.023m.

This proposal requires funding of £0.023m. It is proposed to fund this by:

Increasing income through fees and charges as follows:

- Amend the proposed increase to the Brighton Centre Ticket Levy of £0.50p to £1.00 which will increase the levy cost to £2.50 and is estimated to generate £0.020m.
- Equalise proposed fees for hire of parks and open spaces so that small and medium commercial hires are subject to a similar rate increase to that of small community groups (circa 6.5%), generating an estimated £0.003m.

Hire of Parks & Open Spaces:	2023/24 Charge (£)	Agreed 2024/25 Charge (£)	Proposed 2024/25 Charge (£)	Proposed % increase over 2023/24 Charge
Commercial - small	1,400.00	1,450.00	1,490.00	6.4%
Commercial - medium	2,800.00	2,900.00	2,980.00	6.4%

Chief Finance Officer comments:

The increase in fees for the ticket levy would make this fee higher than the average for the industry but should generate additional income per ticket. However, for marginally profitable events this could potentially lead to promoters using other venues causing a net reduction in income overall. This is considered low risk but is an unquantifiable impact.

The increase in fees for small and medium commercial hires in parks could lead to cancellations of future year hires resulting in an overall loss of income. As the proposed additional increase is relatively low this is considered low risk.

HOUSING REVENUE ACCOUNT BUDGET & CAPITAL INVESTMENT PROGRAMME 2024/25 AND MEDIUM TERM FINANCIAL STRATEGY

Green Group Amendment 4

In recognition of the hardship experienced by council tenants due to the cost of living crisis, and the reductions in general welfare support in the current budget proposals alongside the expected cuts to the Household Support Fund it is proposed to:

- Create a fund of £0.397m for 2024/25 in order to provide targeted grant support for activities such as food banks and hot meals and other hardship-based welfare support measures to be agreed in consultation with area panels. The aim is for this funding to be for the benefit of council tenants only. Any marginal costs of staffing and administration of the grants should be funded from this resource.

This proposal requires one-off funding of £0.397m from the Housing Revenue Account.

- It is proposed to fund this by Reducing the HRA general reserves element of total HRA reserves by £0.397m thereby reducing the increase in total reserves in 2024/25 from £3.266m to £2.869m as shown in the Reserves Table in Appendix 1 on page 567 of the Housing Revenue Account Budget & Capital Investment Programme 2024/25 and Medium-Term Financial Strategy.

Chief Finance Officer comments:

The proposed allocation of £0.397m from HRA reserves to support council tenants is allowable however the HRA has, as set out in the HRA Budget Report, significant financial liabilities emanating from the new Building Safety Act and Fire Safety (England) Regulations together with a large increase in backlog repairs, disrepair claims and an unquantified cost of the future resolution of the issue of LPS (Large Panel System) buildings. The use of this reserve for this purpose will potentially reduce future home building and home purchase schemes but will also potentially move the HRA into deficit within 5 years, and therefore this reserve would need to be replenished.

Brighton & Hove City Council

Budget Council

Agenda Item 94

Date of meeting 22 February 2024

GENERAL FUND REVENUE BUDGET, CAPITAL & TREASURY MANAGEMENT STRATEGY 2024/25

Conservative Group Amendment 1

It is proposed to:

- Reverse the £0.194m planned cut in political support shown on page 111 of Appendix 1 of the General Fund Budget report (Agenda Item 94)

This proposal requires funding of £0.194m. It is proposed to fund this by:

- Removing the Special Responsibility Allowances for Chairs and Deputy Chairs of committees totalling £0.094m.
- Utilising £0.100m of the additional resources set out in paragraph 3.3 of the Supplementary Financial Information.

Chief Finance Officer Comments:

The proposal to remove Special Responsibility Allowances for Chairs and Deputy Chairs would require a recommendation from the Independent Remuneration Panel (IRP) to Council, however, Council is not bound by the recommendations of the IRP.

There are additional resources of £0.510m from the Final Local Government Finance Settlement 2024/25 and these have been allocated as set out in the Supplementary Financial Information Report. For this amendment to be viable, £0.100m of the proposed allocations will effectively need to be reallocated to support this amendment.

Conservative Group Amendment 2

It is proposed to:

- Reverse the planned cuts of £0.010m to bowling green Maintenance shown on page 83 of Appendix 1 of the General Fund Budget report (Agenda Item 94).
- Reverse the planned cuts of £0.030m to school grounds Maintenance shown on page 83 of Appendix 1 of the General Fund Budget report (Agenda Item 94).
- Reverse the planned cuts of £0.023m home to school transport on page 53 of Appendix 1 of the General Fund Budget report (Agenda Item 94).
- Reduce the planned cuts of £0.120m to Violence Against Women and Girls services on page 99 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.041m to £0.079m to protect commissioned services.

This proposal requires funding of £0.104m. It is proposed to fund this by:

- Removing the Advisor Led Anti Racism Strategy under the Education & Skills division of the Families, Children & Learning Directorate totalling £0.104m.

We propose to cancel the Valley Gardens Phase 3 project, return any funding from the C2C LEP and any funding from Brighton & Hove City Council diverted to road re-surfacing across the city in future years.

Chief Finance Officer Comments:

The proposed removal of funding for the Anti Racist Strategy would require current advisors and secondees to return to their substantive roles and therefore is not expected to have any direct staffing or timing implications.

The proposal to cancel Valley Gardens Phase 3 would result in the council returning £6 million Local Growth funding received from C2C LEP. The council has already spent £0.783 million of this funding to date and therefore this will require using funding allocated from the Local Transport Plan (LTP) Grant for this project to reimburse the LEP fully. This would leave £0.817m LTP Grant earmarked for this project in future years available for reallocation for transport related expenditure.

The council has incurred £0.996m in costs for the project to date (including £0.213 from LTP) and this investment would be lost.

Conservative Group Amendment 3

It is proposed to:

- Reduce the planned cuts of £0.178m to public toilets shown on page 83 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.160m to £0.018m.
- Reverse the planned cuts to the Youth Led Grants Programme of £0.040m shown on page 53 of Appendix 1 of the General Fund Budget report (Agenda Item 94) and the table in paragraph 3.4 on page 432 of the Supplementary Budget Report (Item 95).

This proposal requires funding of £0.200m. It is proposed to fund this by:

- Removing the planned investment in school counselling of £0.200m shown on page 21 of Appendix 1 of the General Fund Budget report (Agenda Item 94).

Chief Finance Officer Comments:

The investment in schools counselling is not formally approved or contractually committed at this stage and therefore this funding could be redirected as proposed in this amendment.

Conservative Group Amendment 4

It is proposed to:

- Reduce the planned cuts to community grants of £0.302m shown on page 98 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.200m to £0.102m.
- Reverse the planned cuts of £0.087m to community transport, shopmobility and the Disability Advice Centre shown on page 73 of Appendix 1 of the General Fund Budget report (Agenda Item 94) and described in EIA 12 on page 294.
- Reverse the planned cuts of £0.058m to extended bus services shown on page 81 of Appendix 1 of the General Fund Budget report (Agenda Item 94).
- Allocate £0.065m to gully clearance to help clear the backlog of infrastructure maintenance and introduce a regular programme of leaf removal at the 61 high-risk sites throughout the winter period.

This proposal requires funding of £0.410m. It is proposed to fund this by:

- Utilising the £0.410m additional resources left as set out in paragraph 3.3 of the Supplementary Financial Information report (Item 95).

It is proposed to increase the price for the use of cycle hangars in future years from the current £1 per week, which has led to the council having to spend £125,000 on maintenance, to £5 per bike per week. This would more than cover the cost of cycle hangar maintenance, with the remaining money raised going to fund additional cycle hangars and further maintenance.

Chief Finance Officer Comments:

There are additional resources of £0.510m from the Final Local Government Finance Settlement 2024/25 and these have been allocated as set out in the Supplementary Financial Information Report. For this amendment to be viable, £0.410m of the proposed allocations will need to be reallocated to support this amendment.

The proposed budget for 2024/25 includes £125,000 for investment to maintain Cycle Hangars across the city. Any decisions to increase the price of the use of cycle hangars would be subject to negotiation with the service provider in future years and therefore would not impact on the 2024/25 budget but could reduce the net subsidy of these facilities.

Brighton & Hove City Council

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GENERAL FUND REVENUE BUDGET, CAPITAL & TREASURY MANAGEMENT STRATEGY 2024/25

Brighton & Hove Independents amendment 1.

It is proposed to:

1. Stop the implementation of the current design of Valley Gardens phase 3 and work with the C2C LEP Investment Committee or its successor body, with the aim of achieving a scheme design that can be delivered with the £6 million grant from the LEP only.
2. Redirect the £1.813m planned resources dedicated to this scheme from the Local Transport Plan Grant, net of repayment of expended Local Growth Fund Grant, to maintaining existing roads and filling potholes.
3. Redirect the planned financing costs of the £5 million borrowing earmarked to support this scheme from 2025/26 onwards to help fund vital community services that are under threat.
4. Redirect the £20,000 S106 contribution to a project near the development from which this money was derived.

Chief Finance Officer Comments:

The proposal to stop the existing design of Valley Gardens Phase 3 would result in a 'Funding Withdrawal Notice' and the potential return £6 million Local Growth Funding received from C2C LEP with no assurance this funding would be reallocated to a revised scheme. However, the LEP has indicated informally to third parties that it is open to negotiations as it recognises that building costs have escalated and travel patterns changed.

The council has already expended £0.783 million of this funding to date and therefore this will require utilising funding allocated from the Local Transport Plan (LTP) Grant for this project to reimburse the LEP. This would leave £0.817m LTP Grant, earmarked for this project in future years, available for reallocation for transport related expenditure.

The £5 million borrowing allocated to this scheme would no longer be required and will therefore result in savings in the financing costs budget in 2025/26 onwards, helping to reduce the budget gap in future years.

Redirecting the S106 funding would be subject to the conditions attached to this resource.

The council has incurred £0.996m in costs for the project to date (including £0.213 from LTP funds) and this investment is very likely to be lost if no alternative scheme is supported by C2C LEP or its successor body.