

Policy & Resources (Recovery) Sub-Committee

Date: **9 September 2020**

Time: **4.00pm**

Venue **Virtual Meeting - Teams**

Note: in response to current Government Regulations this meeting is being held as a virtual meeting for councillors and accessible via Microsoft Teams. Public speaking and engagement opportunities will be made available.

The meeting will also be webcast live to the internet.

Members: **Councillors:** Mac Cafferty (Chair), Gibson, Miller, Platts and Yates

Contact: **Mark Wall**
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AGENDA

17 PROCEDURAL MATTERS

- (a) **Declarations of Substitutes:** Where councillors are unable to attend a meeting, a substitute Member from the same political group may attend, speak and vote in their place for that meeting.
- (b) **Declarations of Interest:**
 - (a) Disclosable pecuniary interests;
 - (b) Any other interests required to be registered under the local code;
 - (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

- (c) **Exclusion of Press and Public:** To consider whether, in view of the nature of the business to be transacted or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

Note: Any item appearing in Part Two of the agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the press and public. A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls and on-line in the Constitution at part 7.1.

18 MINUTES

7 - 16

To approve the minutes of the last meeting held on the 24 June 2020.

Contact Officer: Mark Wall

Tel: 01273 291006

Ward Affected: All Wards

19 CHAIR'S COMMUNICATIONS

20 PUBLIC INVOLVEMENT

To consider the following matters raised by members of the public:

- (a) **Written Questions:** To receive any questions submitted by the due date of 12 noon on the 3 September 2020;
- (b) **Deputations:** To receive any deputations submitted by the due date of 12 noon on the 3 September 2020.

21 MEMBER INVOLVEMENT

To consider the following matters raised by councillors:

- (a) **Written Questions:** to consider any written questions;
- (b) **Letters:** to consider any letters;
- (c) **Notices of Motion:** to consider any Notices of Motion referred from Council or submitted directly to the Committee.

22 COVID-19 RECOVERY & RENEWAL PROGRAMME - UPDATE 17 - 30

Report of the Executive Director for Economy, Environment & Culture.

Contact Officer: Edward Yeo *Tel:* 29-4354
Ward Affected: All Wards

23 LOCAL AUTHORITY EMERGENCY ASSISTANCE GRANT FOR FOOD AND ESSENTIAL SUPPLIES 31 - 66

Report of the Acting Chief Finance Officer.

Contact Officer: Graham Bourne *Tel:* 01273 291800
Ward Affected: All Wards

24 ACQUISITION AND LEASEBACK OF LAND AND BUILDINGS AT MOULSECOOMB WAY 67 - 74

Report of the Executive Director for Economy, Environment & Culture.

Contact Officer: Jessica Hamilton *Tel:* 01273 291461
Ward Affected: Moulsecoomb & Bevendean

PART TWO

25 ACQUISITION AND LEASEBACK OF LAND AND BUILDINGS AT MOULSECOOMB WAY - EXEMPT CATEGORY 3 75 - 80

Report of the Executive Director for Economy, Environment & Culture (circulated to Members only).

Contact Officer: Jessica Hamilton *Tel:* 01273 291461
Ward Affected: Moulsecoomb & Bevendean

26 PART TWO PROCEEDINGS

To consider whether the items listed in Part Two of the agenda and decisions thereon should remain exempt from disclosure to the press and public.

ACCESS NOTICE

In response to the current situation with Covid-19 and the easing of Regulations, this Committee meeting will be held virtually via Skype and web cast simultaneously.

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The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fourth working day before the meeting.

For those members of the public wishing to actively take part in the meeting a link will be emailed so that they can join the meeting.

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

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FURTHER INFORMATION

For further details and general enquiries about this meeting contact Mark Wall, (01273 291006, email mark.wall@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

Date of Publication - Tuesday, 1 September 2020

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES (RECOVERY) SUB-COMMITTEE

4.00pm 24 JUNE 2020

VIRTUAL MEETING - SKYPE

MINUTES

Present: Councillor Platts (Chair) Mac Cafferty (Opposition Spokesperson), Bell, Gibson and Yates.

PART ONE

7 PROCEDURAL MATTERS

(a) Declarations of Substitutes

7.1 Councillor Bell declared that he was attending the meeting as a substitute for Councillor Miller.

(b) Declarations of Interests

7.2 There were no declarations of interest.

(c) Exclusion of the Press and Public

7.3 In accordance with section 100A of the Local Government Act 1972 ("the Act"), the Committee considered whether the press and public should be excluded from the meeting during an item of business on the grounds that it was likely, in view of the business to be transacted or the nature of proceedings, that if members of the press and public were present during that item, there would be disclosure to them of confidential information (as defined in section 100A(3) of the Act) or exempt information (as defined in section 100(l) of the Act).

7.4 **RESOLVED-** That the press and public not be excluded from the meeting.

8 MINUTES

8.1 The minutes of the last meeting held on the 29 May 2020 were approved as a correct record of the meeting.

9 CHAIR'S COMMUNICATIONS

- 9.1 The Chair stated that this was the second meeting of the Recovery Sub-Committee and I hope we will begin to see how the city is starting to move on from the pandemic and working on economic recovery. We hope that the committee will eventually find it has become redundant as we reach a new normality and can look back and see how far we have come and how we have improved the well-being of all those who live and work in the city.

The Covid-19 pandemic has made digital inclusion ever more important, with digital technology keeping people connected whilst shielding, isolating or staying indoors. In a crisis where, digital access and skills are even more essential to get support, food, medicines, benefits, and remain in contact with family and friends, it is essential that organisations and sectors work together to reduce the digital divide, so I hope members will back plans to support Digital Brighton & Hove continue their vital digital inclusion support and coordination in the city.

We have a report coming forward on emergency food provision today. In light of the public health crisis, we have seen demand for emergency food support multiply, with the children's centre food bank, for example, seeing a 200% increase in demand since March. We have provided an additional £124,500 of funding for emergency food provision for a further 12 weeks to help keep the city fed. I want to take this opportunity to pay tribute to the tireless work of the Brighton & Hove Food Partnership and all the staff and volunteers at food hubs and food banks across the city who are supporting vulnerable residents through this difficult time.

We have a report today proposing measures to support the continued working cashflow of the i360 during the Covid-19 pandemic. The report identifies the need to support the i360 to prevent future additional costs to the city council.

We also have a report on our support for local businesses. At the last Policy & Resources Recovery Sub-Committee I announced plans for local Councillors to play a role in identifying remaining businesses that could be eligible for the Small Business Grants programme, and I want to thank all of you who have been round your wards and contacted those businesses. As of 12th June, the council had paid out over £65 million in these grants. I want to thank officers who have worked round the clock to process applications and get vital financial support to local businesses in need, including their work processing discretionary grant applications, which have far exceeded our allocation. I would urge any small businesses who have not yet sought help to check the council's web pages and find out if they are eligible for government support and to work with the council to ensure they are best placed to re-establish themselves and open for business.

We are continuing to ask government for greater flexibility to target support to local businesses. I am asking the government to make all the remaining small business grant fund available to spend on discretionary grants so that we can help more businesses survive the public health crisis and rebuild a thriving local economy. Our discretionary grant fund is oversubscribed by £7m so you can see that it is now urgent that the Government allow us to transfer nearly £6m over from unclaimed grants in the

small business grants scheme. These small independents are the lifeblood of our city and its communities. People have put their heart and soul into setting up their businesses and keeping them going. We cannot stand by and watch them go under, so I hope members agree to us continuing to press government on this.

We have a report coming forward today on the progress of the Recovery Programme. As a council we have worked hard to put in place a range of measures to support businesses and residents interact safely. As more government restrictions are lifted, we're introducing a number of changes to the city's public spaces and transport network which we hope will mean shops can reopen safely, stay open and flourish in a Covid-19 secure environment. The measures include the widening of footways, new cycle lanes, banners and signage and engagement with local businesses about signs and outside seating. They will also help our residents and visitors to move safely around the city and encourage them to maintain physical distancing. Creating more space for people to visit shops, particularly in narrower parts of the city like Old Town and The Lanes, is important to keep people safe and support businesses in those areas to reopen safely. We have also produced advice for retail businesses outlining measures to protect staff and public safety and minimise the spread of Covid-19.

A further range of measures to support the city's continued recovery from Covid-19 and encourage active travel across the city were agreed by the Environment, Transport and Sustainability Committee last night. This will see some further temporary schemes introduced to increase walking and cycling provision. Since the start of the pandemic, the way people have travelled around the city has changed. More people have chosen to walk and cycle for short journeys and, partly due to an increase in home working, we have seen fewer vehicles on our roads.

We are responding to government guidance asking us to move quickly to make the city safe and Covid-secure as the lockdown restrictions are eased, and the economy reopens. But, we also want to ensure that residents have the chance to have their say on the temporary changes that we are making. We're now inviting residents to comment on these changes through a survey on the council's website. We're also keen to hear whether these changes have altered residents' travel habits and behaviours. Anyone responding will be able to comment on each change individually. I urge people to have their say and I look forward to seeing the results.

Although government is relaxing the social distancing rules from 4th July, the guidance for when we're outside our homes still recommends that we should maintain a 2m distance and this should only reduce to at least 1m when people cannot be 2m apart. When social distancing is less than 2m we should be doing everything we can to mitigate transmission. Social distancing is still key to slowing the spread of Covid-19. Public safety, health and wellbeing will remain at the heart of our economic recovery plans.

If anyone has Covid symptoms, they should self-isolate and get tested and make sure they follow the advice of NHS Test and Trace if they are contacted.

Thank you.

10 PUBLIC INVOLVEMENT

- 10.1 The Chair noted that there was one public question from Mr. Kapp regarding the i360 but that he was having difficulty in joining the meeting. She was aware that he could hear the conversation and apologised for the inconvenience of not being able to fully participate.
- 10.2 She therefore read out his question and gave her response as follows:
- “What is the current indebtedness of the British Airways i360 company, and what steps is the Council taking to recover the money owed?”
- 10.3 To date the i360 has made £5.9m loan payments to the council but, due to the level of debt interest, the current debt has increased from £36.2m to £38.9m as at 31st March 2020. However, in addition to the loan payments, it should be noted that the council has benefitted from business rates paid by the attraction and annual Section 106 ‘planning gain’ payments. Up until the June 2020 payment, the council has agreed to £4.134m deferred payments pending long term restructuring of the loan. As the report to Policy & Resources (Recovery) Sub-Committee sets out, a wide range of options have been considered and are still under consideration by a Member Working Group. However, independent advice to date has confirmed that supporting the current operation, focussed on income generation, is expected to deliver higher returns than the council exercising its step-in rights and therefore the report recommends that discussions on loan restructuring should recommence once the attraction is able to re-open.
- 10.4 The Chair thanked Mr. Kapp for his question and confirmed that he would be sent a copy of her response.

Note: The Chair then adjourned the meeting for a short break at 5.00pm and reconvened the meeting at 5.10pm.

11 MEMBER INVOLVEMENT

- 11.1 The Chair noted that there were no items from Members for consideration.

12 COVID-19 CITY RECOVERY PROGRAMME PROGRESS UPDATE

- 12.1 The Executive Director for Economy, Environment & Culture introduced the report which provided an update on the development and delivery of the city’s Covid-19 recovery programme. He noted that officers were working with partner organisations to plan for the city’s economic recovery as lockdown was eased and he would bring regular updates to the committee.
- 12.2 The Chair noted that there was an amendment from the Green Group and invited Councillor Mac Cafferty to move the amendment.
- 12.3 Councillor Mac Cafferty formally moved the amendment and stated that he wished to thank all the officers for their work during the pandemic and that it was felt that their

efforts should be recognised in some way. Everyone had been through a huge change in terms of working arrangements and ways of working at break neck speed.

- 12.4 Councillor Gibson formally seconded the amendment and stated that councillors were aware staff were working extremely hard and going over and above what was expected. He therefore hoped that the amendment could be supported.
- 12.5 The Executive Director for Economy, Environment & Culture stated that senior officers were aware of the incredible work being undertaken by staff and were exploring ways of recognising that commitment.
- 12.6 Councillor Yates stated that he was fully aware of the sterling work being undertaken by council staff and that the need to recognise this had already been raised with the senior management team. He also noted that many staff had learnt new roles and had supported completely different areas of work but were now being asked to return to their original roles because of the easing of lockdown. This was likely to have an impact on those services which had received the support and those people who used the services. It was something that would need further consideration.
- 12.7 Councillor Gibson echoed the comments and asked what support was being given to homeless people who would have to move out of the current accommodation that had been provided and what action was being taken to manage the safer re-connection aspect for those who did not have a direct connection with the city.
- 12.8 The Executive Director for Economy, Environment & Culture stated that options were being looked and the use of volunteers to support services and people was being considered. The recent use of specialist marshals for crowd control had worked well and it may be that this needed to be extended and he was happy to report back to the committee.
- 12.9 Councillor Bell stated that there had been discussions at the Leaders Group in regard to how to recognise staff and he felt that officers had done outstanding work and he was happy to wait for an update to the Leaders Group. He also asked if further information could be provided outside of the meeting in respect of the applications made for discretionary grants by local businesses, an update on the availability of university accommodation in September, an update on the potential events programme and whether the proposed funding for city marshals could be claimed as outlined in the report.
- 12.10 The Executive Director for Economy, Environment & Culture stated that he would ensure the information was provided to the Members of the Committee. He noted that additional support to local businesses had been given with a view to helping to manage the easing of the lockdown restrictions e.g. additional pavement space was being made available, shop-owners were working with officers to create a safe environment and museums and attractions were preparing to open on the 4 July.
- 12.11 The Assistant Director Development & Regeneration noted that the Discretionary Grants budget of £3.697m had been over-subscribed with applications amounting to £10.835m and that 305 applications had been approved with payments due to be made this week.

12.12 The Chair noted the comments and put the amendment to the vote which was carried unanimously. The Chair then put the recommendations as amended to the vote which were carried.

12.13 **RESOLVED:**

- (1) That the progress update report be noted;
- (2) That the Executive Director Economy, Environment & Culture be granted delegated authority to procure and award a contract for the deployment of city marshals to support the management of safe space on the seafront and in our retail high streets;
- (3) That officers be requested to bring a report to the September Sub-Committee on the impact of Covid-19 upon disadvantaged communities along with proposals for supporting community recovery, including consideration of the equalities' implications of the recovery planning process; and
- (4) That further to the work of the council's internal Ways of Working cell, a report be commissioned, in consultation with staff fora and Trade Unions, detailing options for recognising and rewarding all council staff for their efforts during Covid-19 pandemic.

13 COVID-19 EMERGENCY FOOD PROVISION - UPDATE

13.1 The Head of Communities & Equality introduced the report which provided an update on emergency food provision in the city during the Covid-19 health crisis. She noted that the council had been working closely with the Brighton & Hove Food Partnership and had ensured that no-one was going hungry in the city with around 4,000 people being supported. She also noted that it was important to continue to support people during the transition period to enable them to get back into employment and gain an income.

13.2 The Committee welcomed the report and noted that the work had provided a real life-line for people during the pandemic. Local communities had responded, and it was important to learn from those that had been successful and to ensure that level of community support remained going forward into the recovery phase and beyond. There were a number of excellent initiatives that could be supported and taken up in other areas. The Committee recognised that it would be important to consider how volunteers could be sustained and encouraged to continue to support their local communities and that may mean working with local businesses to ensure voluntary work was recognised.

13.3 **RESOLVED:**

- (1) That the exceptional work of the projects in the emergency food network and by Brighton & Hove Food Partnership be noted; and

- (2) That the Urgency Decision taken by the Chief Executive (attached as Appendix 4) to commit funding of £124,500 as outlined in paragraph 3.9 of the report be noted.

14 COVID-19: BUSINESS SUPPORT - UPDATE

14.1 The Assistant Director Development & Regeneration introduced the report which provided an update on the programme of work being undertaken by the Economy and Events Cell in response to the Covid-19 pandemic. He also noted that the report set out the latest position with regards to the issuing of small business grants and retail, leisure and hospitality grants.

14.2 The Committee welcomed the report and noted that a number of smaller grants in the main had been awarded to self-employed and freelance workers.

14.3 RESOLVED:

- (1) That the work being undertaken to deliver business rates relief and business grants to local businesses be noted;
- (2) That the work being undertaken to deliver discretionary business grants to local businesses be noted; and
- (3) That the city council continue to press the government for any unspent grant money left in the small business grant fund to be reallocated to the discretionary grant fund, so it can be targeted at protecting the city's economy.

15 I360: COVID-19 SUPPORT

15.1 The Assistant Director City Development & Regeneration introduced the report which set out measures necessary to support the continued working cashflow of the i360 during the Covid-19 pandemic. He noted that overall the visitor economy was suffering and that the proposed measures were being made to ensure that the council did not face additional costs associated with the running of the i360.

15.2 The Chair noted that there was a Green amendment and invited Councillor Mac Cafferty to move the amendment.

15.3 Councillor Mac Cafferty formally moved the amendment and stated that it was intended to draw down on the work and discussions of the i360 Working Group and hoped it would be seen as helpful.

15.4 Councillor Gibson formally seconded the amendment and reserved his right to speak.

15.5 The Executive Director for Economy, Environment & Culture noted that should the amendment be carried it would remove the December deferral and set monthly meetings. He suggested that it would be appropriate for the Working Group to set a work programme and that officers could undertake the actions and report to the Working Group as they had previously in 2019.

- 15.6 Councillor Appich stated that the Working Group had met in early June and accepted that when the Council had approved the loan the underlying figures for what is a weather dependent attraction had been overstated. It had been closed since March due to the pandemic and had suffered a significant loss of income and negative cashflows. However, the latest projections, assuming a reopening with safe distancing and the potential of more people taking a staycation were positive. It was therefore hoped that further support could be given, and the Working Group had agreed to recommend the deferral of remainder of last year's loan payment and the payments due at the end of June and December to give the i360 breathing space. She also noted that the Working Group were hoping to get more involved with the management team and work with them in developing an action plan for the attraction's recovery.
- 15.7 Councillor Bell stated that he felt it was important to give the attraction time to address the situation although he did feel it was more likely that the council would have to act. He also suggested that consideration be given to asking whether the owners would consider agreeing to Directors' guaranteed being put in place.
- 15.8 Councillor Yates stated that he did not feel the amendment was helpful and could not support it. He suggested that it would be better for the Working Group to take matters forward and work with the management team for the i360 and then report back to the committee.
- 15.9 Councillor Gibson referred to the amendment and stated that it would be helpful to see the cash-flow information and that Councillor Druitt as the Green Group's representative on the Working Group had not felt it was appropriate to waive the December payment. He hoped that the Working Group would receive the information and be in a position to make recommendations to the committee.
- 15.10 The Assistant Director Development & Regeneration noted that the management team hoped for a stronger summer and were yet to complete their long-term restructure and that the information would come to the Working Group. He also noted that he and finance officers attended the Working Group and it was hoped that a closer working relationship with the management team would be forthcoming.
- 15.11 The Chair noted the comments and put the amendment to the vote which was lost by 3 votes to 2. She then put the recommendations as listed in the report to the vote which were carried.
- 15.12 **RESOLVED:**
- (1) That it be agreed to defer £150,000 from the December 2019 payment in addition to the £880,304.25 which the Policy & Resources Committee agreed to defer on 5th December 2019, on the same terms;
 - (2) That it be agreed to defer the loan payments due in June and December 2020, but request that any funds over and above the cashflow necessary to keep the attraction operational are paid to the Council in part payment of the sums owed;

- (3) That the establishment of a pattern of regular meetings and information provision between the i360 management and board and the i360 Member Working Group, as set out at section 3.14 of the report be agreed; and
- (4) That it be noted that officers have not progressed the loan restructure or completed the novation of the Coast to Capital Local Enterprise Partnership (LEP) loan agreed at Policy & Resources Committee in December 2019 due to the impact of the Covid-19 pandemic on the i360 and that they will progress these once the attraction is able to reopen.

Note: The Chair took the item ahead of Item 10 because of the difficulties experienced by Mr. Kapp in joining the meeting.

16 DIGITAL INCLUSION SUPPORT DURING COVID19 AND RECOVERY

- 16.1 The Head of Library Service introduced the report which sought agreement to a funding contribution from the council to the Digital Brighton & Hove project to enable it to continue through to March 2021. The project supported vulnerable people in the city, providing devices and digital support to enable them to have access to online services and to be digitally included.
- 16.2 The Committee welcomed the report and offered its congratulations to all those involved in the project and noted the importance of continuing to address the issue of people being disadvantaged. It was important to breakdown barriers and this was an excellent example of what could be achieved.
- 16.3 **RESOLVED:** That a contribution of £51,809 to enable Digital Brighton & Hove to continue to provide the digital inclusion support and coordination in the city from July 2020 to the end of March 2021 be agreed.

The meeting concluded at 6.12pm

Signed

Chair

Dated this

22nd day of September 2020

Subject:	Covid-19 Recovery & Renewal Programme Update		
Date of Meeting:	9 September 2020		
Report of:	Executive Director for Economy, Environment & Culture		
Contact Officer:	Name:	Julie Nichols	Tel: 01273 291656
	Email:	julie.nichols@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The report provides an update on the progress of the Covid-19 Recovery & Renewal Programme, following a previous update to the Sub-committee on 24 June 2020.
- 1.2 It should be noted that the report provides an update on progress to 18 August 2020 and given the fast moving nature of the pandemic, aspects of this report may have been superseded by events by the Sub-committee meeting on 9 September 2020.

2. RECOMMENDATIONS:

- 2.1 That the Sub-committee notes this progress update report.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Policy & Resources Committee agreed to establish the Covid-19 Recovery & Renewal Programme on 30 April 2020 to help prepare and steer the council and city through the transition from emergency response to recovery. In doing so, the programme seeks opportunities for the city to emerge from the pandemic as a healthier, equitable and more sustainable place to live, work and visit. The programme will require a co-ordinated effort over the next eighteen months.
- 3.2 A programme structure and governance arrangements have been put in place with clear reporting lines from the council and citywide working groups, to the Executive Leadership Team as Programme Board and to Members, through to governance structures at regional and national level. Appendix 1 depicts these governance arrangements.
- 3.3 Programme management arrangements have been established, including project/action planning at working group level, highlight reporting to update on progress to the Programme Board, identification and management of risks and issues, and completion of Equalities Impact Assessments. A programme plan is attached at Appendix 2 to provide a high level overview of activities within each working group.

- 3.4 The programme comprises fifteen working groups, which have been established to lead recovery at city and council level. A brief update on these working groups is as follows:

Citywide recovery:

3.5 **Children & Young People**

The scope and terms of reference have been agreed to provide strategic leadership to the recovery and renewal work for children and young people's services in the city. An agreed focus is on Black, Asian & Minority Ethnic (BAME); disadvantaged; education and early years; Special Educational Needs & Disability (SEND); emotional wellbeing and mental health; safeguarding; and young people. The working group meets fortnightly and active links have been established with other working groups. Partners are engaged, including Families, Children & Learning leadership; council colleagues from Health & Safety, Communications and Human Resources; the Clinical Commissioning Group; Voluntary, Community & Social Enterprise organisations; and schools. An action plan has been developed around remaining dynamic in order to respond to any future peaks of the virus, and the main group and all task and finish groups will conduct a 'stop, start, continue' exercise to report back in September.

3.6 **Crime & Community Safety/Cohesion**

The Community Safety Strategy was presented to Full Council in July. The Community Safety Partnership Board meets quarterly and will include Covid recovery as part of its business. A recovery action plan is in development.

3.7 **Employment & Skills**

Discussions have been initiated and officers are looking at commonalities across Brighton & Hove, and East and West Sussex. The focus of this working group crosses sectors and a partnership approach is being taken including the Universities of Brighton and Sussex, and local colleges. Once initial conversations have concluded, the scope of the work will be clarified and the working group established.

3.8 **Events & Economy**

The working group has been focused on establishing the Discretionary Grant Fund and Business Grants Fund to ensure they deliver the maximum possible funding for businesses across the city to support key sectors of the economy with cashflow issues, helping them to survive the pandemic and protect jobs. Moving into recovery, the group is supporting the reopening of the city's visitor attractions, ensuring there is alignment in the opening of different attractions across the city and enabling the use of the city's open spaces for events to restart. The group is also liaising with businesses to understand how well the city is preparing for the possibility of a local outbreak and facilitating the sharing of best practice. This includes working with Public Health to ensure a rapid and effective response to any localised outbreaks. The group is working to enable the city's cultural institutions to find new ways to function and revitalisation of the city centre following the economic impact on the retail sector. Opportunities to make the best use of already allocated, and potential, funding for the city are being explored and support provided to the Third Sector with managing the financial sustainability of its offer to residents. The group is liaising with regional bodies

and central government to ensure the needs of Brighton & Hove are reflected in policies and strategies for the purposes of securing maximum possible investment in the city.

Work has commenced on an arts recovery plan for the city, funded by Arts Council England and Brighton and Hove City Council. A partnership which includes the Arts and Creative Industries Commission is preparing a strategic plan to which will lead to concerted actions in support of the sector over the next three to five years. Fifty paid participants from the city are currently being recruited, in addition to four facilitators already appointed.

The majority of city's Outdoor Events Programme has been cancelled as a result of the pandemic, however, events group The Warren are successfully managing a 300-seat outdoor venue on the seafront during the month of August. Indoor events are still greatly limited by physical distancing requirements, which is why the Brighton Centre remains closed. However, the Royal Pavilion re-opened at the end of July, with Preston Manor expected to open on 11th September, followed by Brighton Museum and Art Gallery towards the end of the month.

Indoor sports facilities are now able to re-open and the Withdean Sports Complex was the first to do so in the city on 27th July. King Alfred Leisure Centre has subsequently re-opened on 15th August and a phased re-opening of the other sport centres in the Sports Facilities Contract has been agreed with Freedom Leisure the operator. A Special Policy & Resources Committee on 14th August agreed to the extension of the Sports Facilities Contract by three years until the end of March 2024.

Because the economy of Brighton & Hove stretches beyond the administrative boundary of the city council, the strategic approach to the recovery of the city region's economy is being led by the Greater Brighton Economic Board (GBEB). GBEB met very shortly after the lockdown started and moved immediately to commission work to understand and then address the economic stresses created by the Covid-19 pandemic. Economic consultants Hatch were quickly commissioned to prepare a detailed report to gain an understanding of the challenges facing the city region's economy based on existing intelligence and the composition of the local economy. This looked at overall impacts, did a detailed sector analysis and considered potential Covid-19 recovery activities the board could undertake in line with delivering its existing five year strategy. The Economic Board is now overseeing a recovery plan for the city region's economy which will be based on the findings of that report and will also accord with the Local Enterprise Partnership's recovery plans. Furthermore, at the June meeting of the Economic Board there were a number of other reports agreed which will contribute towards recovery. Energy and water plans were agreed which look to stimulate green growth in the city region; and detailed proposals for driving new economic growth through attracting inward investment were also supported.

3.9 **Food**

Reviews are taking place across the emergency food network and by neighbourhood in order to revise provision based upon an assessment of need. Liaison is taking place with food projects to ensure they have up to date guidance on operating safely in relation to Covid-19. The council has received funding from the Department for Environment, Food & Rural Affairs in the order of

£320,713.25 to assist those struggling to afford food and other essentials (there is a separate report to this committee on that matter). Officers are initiating recruitment to a dedicated post to hold the strategic lead for food, and to work with the Food Partnership and the council's recovery programme.

3.10 **Homelessness & Housing**

Those accommodated during the pandemic are being assessed in relation to their health and underlying conditions, which will inform the specification of their future accommodation requirements. A report was presented to the Policy & Resources Committee on 14 August to seek approval for the extension and acquisition of interim accommodation. A funding proposal for the Next Steps Accommodation Programme will be submitted to the Ministry of Housing, Communities & Local Government (MHCLG) on 20 August. The result of the proposal should be known in September.

3.11 **Public Health**

The working group has completed and published the Local Outbreak Plan at the end of June and started initial priority actions. The Public Health team are involved with all working groups providing advice, support and guidance. As part of plans to test the Local Outbreak Plan, the working group will be taking part in a co-ordinated exercise with Sussex partners to run trial scenarios and incorporate learning into revision of the Plan.

A dedicated Communications Officer has been appointed to work on the Local Outbreak Plan supporting preventative messages and communication in the event of an outbreak. Local Outbreak Plan communication aims, objectives and key messages were presented to the Health & Wellbeing Board in July.

3.12 **Safer Public Spaces**

The working group has been focusing on effective crowd management in key locations across the city, enabling physical distancing in public places while people are moving around (for example, pavement widening) and providing clear and effective enforcement measures to encourage businesses to comply with physical distancing requirements.

As part of a first tranche of emergency active travel measures, funded by a grant of more than £660k from the Department for Transport (DfT), a number of temporary transport changes have been implemented, including on-road segregated cycle lanes, pavement widening in busy retail areas, and restricting vehicle access to provide more space for pedestrians and cyclists. Further active travel measures will focus on strategic walking and cycling improvements along well-used 'travel corridors' in the city, and areas where there is a high demand for public transport. The outcome of further bid to DfT for £2.68m to support these measures, as outlined in the Council's Urgent Response Transport Action Plan, is expected in September.

3.13 **Welfare Support & Financial Hardship**

The working group has developed a Council Tax Collection Strategy, which is fair and proportionate in line with the Corporate Debt Policy. The approach is one of empathy and being supportive of residents, whilst transitioning from Covid-19 crisis support to a 'new normal' recovery. The new recovery phase will potentially begin in the autumn and is being kept under constant review as circumstances

change. Residents will be kept up to date via a variety of media. The group is also identifying hardship, poverty and financial vulnerability in relation to Covid-19, in order to support residents through the crisis. It is liaising across sectors to co-ordinate the existing provision of welfare rights, crisis help, fuel poverty assistance, debt and other hardship advice.

3.14 **Vulnerable People**

The working group has a number of workstreams covering those grouped by characteristic including BAME; refugees; migrants; Gypsy Roma travellers; van dwellers; vulnerable council tenants; older people living alone; people with learning or physical disabilities or sensory impairment; faith communities; LGBTQ+ communities; carers; Clinically Extremely Vulnerable and those shielding; and those with no recourse to public funds. Other workstreams include the Community Hub, medicines, health improvement, data, digital inclusion and neighbourhood based resident response. The working group has been meeting throughout the pandemic to highlight and respond to issues raised in relation to all of these workstreams.

Council recovery:

3.15 **Customers**

The Customer Experience programme and Customer Experience Steering Group (CESG) are being utilised to drive forward the council's response to customers during the pandemic. An action plan has been developed to respond to issues and make the most of opportunities presented by Covid-19. Individual services are taking forward a corporately agreed approach and the Customer Experience Team are working on cross-cutting priorities identified by the CESG.

3.16 **Finance**

The council's financial position in relation to the pandemic has been reported to committee each month since March 2020. The position has been updated as more accurate estimates of emergency response costs and losses of income and taxation have become known, together with the impact of funding announcements from government. The focus continues to be on tracking all government funding announcements of support to the council and ensuring they are reflected in service's financial projections, as well as all announcements of funding managed by the council on behalf of other organisations.

As reported to Policy & Resources Committee on 9 July, the potential financial impacts on the council's finances in 2020/21 and 2021/22 are very severe. Taking a 'moderate view' of the potential recovery of incomes, particularly parking revenues, as the economy and visitor numbers recover, and assuming further government funding support of at least £10m, a deficit of £27.5m is estimated in the current financial year. Subject to confirmation of government funding announced in July, Policy & Resources Committee will consider in October how to address this potential deficit through either spending restrictions or the use of the Authority's reserves and balances, or a combination of both.

Although using reserves can deal with the immediate problem, the majority of reserves need to be repaid over time, potentially leaving the council in the position of not only managing these debt repayments over many years but also managing the ever growing costs and demands on Adult Social Care as well as

any lasting economic impacts of the pandemic, particularly on incomes and taxation revenues. The corollary is that the council's ability to support Recovery & Renewal could be severely hampered, both in terms of the levels of public spending locally but also in terms of its capacity to provide the wide range of support and investment to the City that are needed to contribute to its longer term sustainability.

In the meantime, the working group and finance colleagues continues to track and project cashflows to ensure there is sufficient cash available to meet expenditure, complete MHCLG Financial Data returns on financial impact and recover all eligible costs through the furlough scheme. The council's Executive Leadership Team is developing potential mitigations for 2020/21, whilst also beginning the annual budget setting process for 2021/22. A further update on progress will be contained in a report to Policy & Resources Committee on 8 October 2020.

3.17 Governance & Accountability

The working group is identifying and responding, as appropriate, to the changing needs and ways of working in the council. This includes the management of committee meetings; legal advice on recovery proposals; the Performance Management Framework; business continuity; information governance; communications and transparency; review and alignment of citywide partnerships with recovery; impact upon Bereavement Services and Registrars; and accountability and assurance regarding Covid-19 recovery.

The council's Communications Team has been undertaking extensive work on communications since the first Covid-19 outbreak in Brighton & Hove in early February 2020. The approach from the start has been to be open about all information that could be shared and provide reassurance and guidance to our city's residents and businesses, as well as Members and staff. The focus has been on informing media (regional and national), local politicians, local stakeholders and staff, and speaking directly with our communities to gain as wide a reach as possible. The Communications Team have worked rapidly to understand complex information and tailored approaches to ensure key messages and resources reached city and internal audiences. A dedicated section of the [council's website](#) has been created for information in relation to Covid-19, along with an archive of all [city briefings](#). The team will continue its work with traditional media and be more creative and bold on social media platforms to stand out. The team's approach has been praised by the government's Communications Service at the Cabinet Office.

3.18 Procurement

The working group is continuing the support provided to managers in their procurement exercises and identifying the impact of the pandemic on the council's supply chains.

3.19 Ways of Working

The group covers recovery aspects relating to human resources, information technology and property. The group's scope and terms of reference have been agreed, membership extended to the trade unions and staff fora, and lead officers confirmed for each workstream. An action plan and communications plan have been created, and Equalities Impact Assessments completed. Short term

recovery actions have been completed, including an online toolkit for managers; Site Responsible Persons' briefings; main corporate sites prepared for return of essential office users; risk assessments for all main corporate sites; re-induction process rolled out; wellbeing support package updated; Always on VPN rolled out and the Windows 10 project restarted. Medium term recovery plans have been scoped to include support for non-essential office workers; increased support for home working; policy review and future office needs of the organisation.

3.20 Community impact of Covid-19 and equalities

Work is underway to gather and analyse data to understand the community impact of Covid-19 by geography and characteristic. It will be important when analysing this data to distinguish Covid-19 as the determining factor and it should be noted that the data may well change after the autumn when aspects such as the ending of furlough, the impact upon businesses and employment, and an increase in benefit claims are likely to have an impact. When the data analysis is complete, officers will set out a plan of action and consult with stakeholders, including Members, the Executive Leadership Team and Corporate Equality & Diversity Group. In addition, each working group has been requested to consider what it is trying to achieve from an equalities perspective, whether completion of an Equality Impact Assessment (EIA) is required and to produce an action plan to get the best outcomes for all service users and staff. In doing so, each group is considering what existing inequalities have been revealed by the pandemic and social restrictions, what inequalities have been created or worsened, and what the council can do (with partners and communities) to tackle these. In addition, the groups will also consider whether the recovery stage from the pandemic creates any opportunities to actually narrow pre-existing inequalities. The council's Equalities Managers are supporting the process. Equality is fundamental to the city's and council's recovery from the pandemic, along with addressing the inequalities that may have worsened over this period. In order to monitor delivery against each EIA, an equalities section has been included in the regular highlight reports the working groups complete as part of governance of the programme.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 As the democratic body of the city, the council has a role in leading the governance and delivery of the recovery phase of the pandemic. The consequences of this public health crisis force the city to respond in ways that are different from what has been considered normal. The recovery programme is designed to ensure that the city is able to respond in an agile way as the city transitions through different phases of the pandemic.
- 4.2 The pandemic represents an unprecedented challenge for Brighton & Hove and a major shock to the city's economy and communities. It also presents the city with an opportunity to shape its future. The recovery programme is designed to provide the governance structure for initiating and organising a series of co-ordinated, multi-agency actions during the recovery stage(s) following the pandemic affecting the communities and/or environment of Brighton & Hove.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The programme is engaging with the city's partnerships and governing bodies, and the Community & Voluntary Sector (CVS) as part of the recovery process. The city's partnerships have been consulted as part of the programme's initiation via a scenario planning exercise where they were asked to consider the implications of the pandemic on their sectors and a response. The CVS is also represented on the Covid-19 Recovery & Renewal Group, where the leads of each working group share progress in order to identify issues, links and dependencies, and cross-cutting areas of work. Each working group will also be reviewed in order to determine whether it has appropriate CVS representation.

6. CONCLUSION

- 6.1 The Covid-19 pandemic and the council's response to it have been fast paced, agile and in partnership with others, and this ethos is being carried forward into the recovery phase. The programme will plan ahead as far as it is able and each working group will review its approach as circumstances change and evolve. The organisational capacity required to respond to the crisis, recover from it and respond again to any local outbreaks cannot be under-estimated. Officers remain committed to delivering for the city, the council and its staff, and will continue to update Members as the programme progresses.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The governance structure of the Recovery & Renewal Programme is being provided for within the council's existing resources. Actions or recommendations arising from the programme that have financial implications are reported through the council's standard governance and decision-making routes, normally Policy & Resources Committee, in accordance with Financial Regulations.

Finance Officer Consulted: Nigel Manvell

17/08/20

Legal Implications:

- 7.2 The Recovery and Renewal Programme is entirely consistent with the Council's powers and duties under the Local Government Act 2000 (economic, social and environmental wellbeing) the Coronavirus Act 2020 and function-specific laws.

Lawyer Consulted:

Abraham Ghebre-Ghiorghis

17 August 2020

Equalities Implications:

- 7.3 The equalities implications of Covid-19 recovery have been covered in the main body of this report.

Sustainability Implications:

- 7.4 The sustainability of its recovery plans is a key aspect of the programme's approach. This ranges from the plans to facilitate the movement of people

around the city, to the sustainability of food provision, to the sustainability of the council's finances. As well as responding to the challenges thrown up by the pandemic, the programme will similarly seek to optimise any opportunities that are presented to support delivery of the council's priorities.

Brexit Implications:

- 7.5 The challenges of city and council recovery from the pandemic are being considered alongside the implications of Brexit. Services have been urged to plan their delivery in light of both and business continuity plans are being refreshed with a similar focus. Opportunities to join up messaging and actions around Covid-19 and Brexit are being proactively identified.

Crime & Disorder Implications:

- 7.5 A Crime & Community Safety/Cohesion working group has been established as part of the recovery programme, as detailed previously in this report.

Risk and Opportunity Management Implications:

- 7.6 Risk management is an integral part of programme management and is being considered throughout the recovery process. Each working group will conduct a risk analysis exercise to identify the risks relevant to their area of focus and capture these in a risk log. Working group level risks will be managed by the relevant working group and only reported to the Programme Board if they need to be escalated. Programme level risks will be included in the working group's highlight report and reported monthly to the Programme Board, if the working group feels they are of corporate interest. The Covid-19 Programme Manager will maintain a programme risk log comprising the programme level risks from the working groups, escalated risks, corporate risks and those that cut across more than one working group. This will be shared periodically with the Programme Board. The Programme Board will escalate risks to the Sussex Resilience Forum Recovery Co-ordination Group, as appropriate. As mentioned previously, opportunities that arise in the course of the city and council's recovery from the pandemic will be explored and pursued, as appropriate.

Public Health Implications:

- 7.7 Public Health is at the heart of the council's response to, and recovery from, the pandemic. A Public Health working group has been established as part of the recovery programme, as covered previously in this report and a Local Outbreak Control Plan is in place to respond to any future local outbreaks.

Corporate / Citywide Implications:

- 7.8 The programme is structured around the council and city's recovery from the pandemic and the implications to both are integral to the plans of the respective working groups.

SUPPORTING DOCUMENTATION

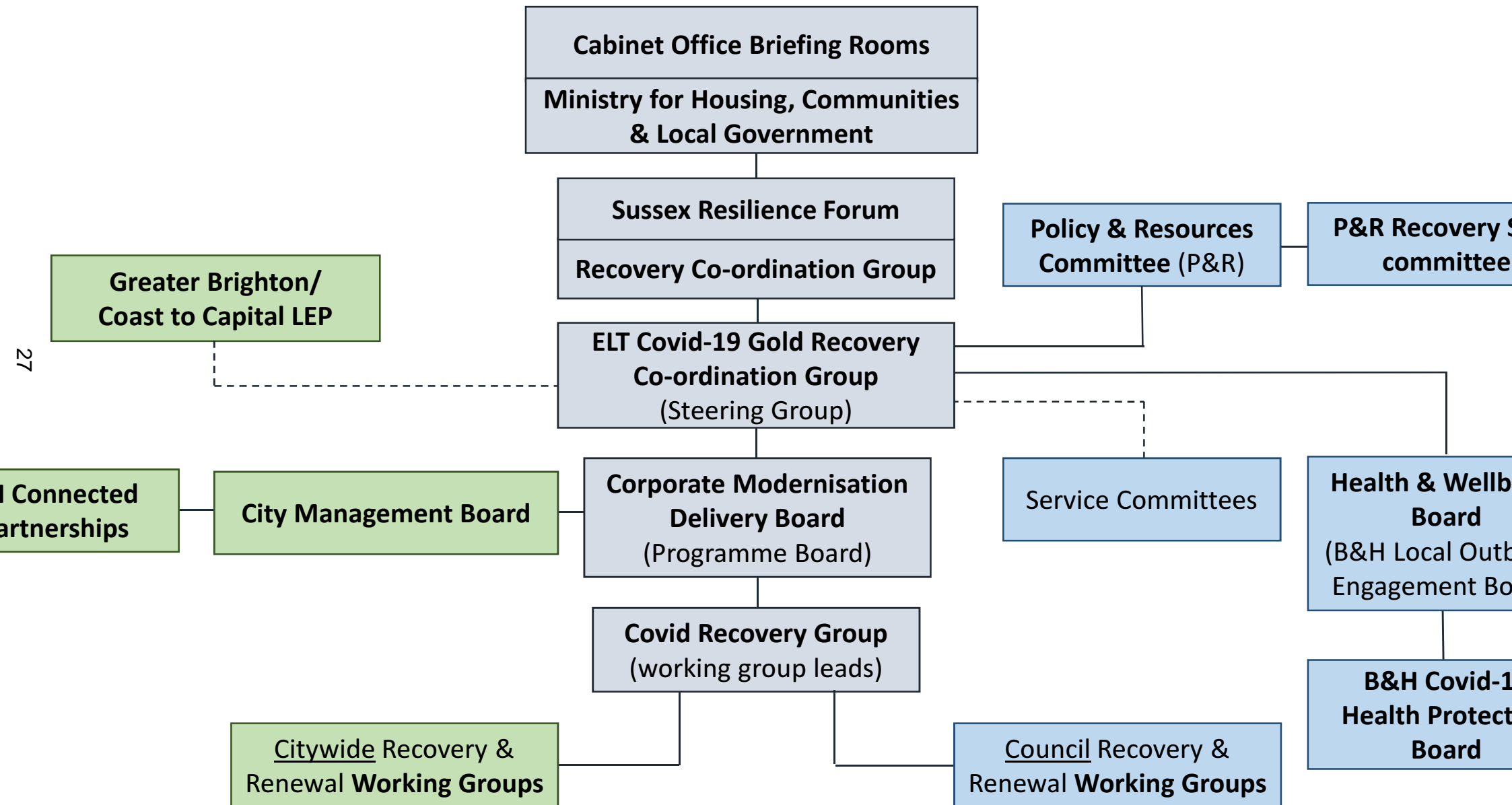
Appendices:

1. Appendix 1 Recovery & Renewal Governance Structure
2. Appendix 2 Recovery & Renewal Programme Plan

Background Documents

None.

Recovery & Renewal governance structure



Recovery & Renewal Programme Plan

	2020						2021					
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN

Children & Young People

Review lessons learned from response phase												
Task and finish groups conduct 'stop, start, continue' exercise												
Working group reviews outputs from 'stop, start, continue' exercise												
Ongoing readiness to respond to new outbreak												

Customer

Develop action plan around response to and opportunities arising from Covid												
Services take forward corporate approach to customers												
Customer Experience Team work on cross-cutting priorities identified by CEDG												
Regular meetings of Customer Experience Steering Group												

Crime & Community Safety/Cohesion

Review of Community Safety Strategy & action plans												
Encourage further information sharing between partners												
Demand led review to assure response to increased levels of anti social behaviour												

Employment & Skills

Monitor skills deficits in the city, and ensure skills training is on offer to encourage local take-up.												
BHCC to review Adult Learning, work with other providers in the city to create an effective programme												
Continue to support alternative ways of learning e.g. online classes and virtual delivery of lessons												
Ensure student confidence in the city as a Covid-secure environment with safe transport options												

Events & Economy

Ensure effective crowd management in key locations across the city												
Explore opportunities to make the best use of funding already allocated to the city												
Enable city's cultural institutions to find new ways to function												
Liaise with businesses to learn about best practice about individual businesses' outbreak plans												

Safer Public Spaces

Provide range of physical measures and guidance to businesses to help facilitate social distancing												
Enhance cycle lanes and footways on key strategic routes around the city												
Consider the impact of large arranged and unarranged use of public spaces in the city												

Homelessness & Housing

Procure/Secure longer-term accommodation for Homeless & Rough Sleepers												
Move emergency accommodation residents into suitable longer term accommodation												
Decant residents of Brighton with health needs and underlying conditions into alternative accommodation.												
Secure accommodation for additional units as and when required												

Public Health

Complete and publicise Local Outbreak Plan												
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Subject:	Local Authority Emergency Assistance Grant for Food and Essential Supplies		
Date of Meeting:	9 September 2020		
Report of:	Acting Chief Finance Officer		
Contact Officer:	Name:	Graham Bourne	Tel: 01273 291800
	Email:	Graham.bourne@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 On 11 June 2020 the government announced £63m in new funding for local authorities to assist those struggling to afford food and other essentials. The Department for Environment Food & Rural Affairs (DEFRA) allocated £0.321m to Brighton and Hove on 10 July and the Council accepted the offer.
- 1.2 This report contains the proposals for the use of this grant in Brighton & Hove

2. RECOMMENDATIONS:

- 2.1 That the Policy & Resources (Recovery) Sub-Committee agrees the proposal for the distribution of the Local Authority Emergency Assistance grant funding as shown at paragraph 3.4 of this report.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 DEFRA has issued guidance outlining the conditions of the award and the purpose for which it is intended to be used (Appendix 1). The key components of these conditions were that the grant:
- Is used for future spend from July 2020;
 - Should mostly be awarded within 12 weeks;
 - Is predominantly for food and essentials and to a degree advice and support for longer term solutions;
 - Should have a minimal spend on local authority administration;
 - Should build on existing schemes to deliver outcomes where the need is greatest.
- 3.2 The proposal below is in keeping with DEFRA's guidance and builds on the structures and partnerships that have successfully developed as the city's initial response to demand during the period April to July 2020.
- 3.3 While the fund will be effectively distributed in the required 12 week timescale, the intention is to create financial resilience in preparation for a potentially difficult

winter ahead when it is anticipated that demand for support will be higher than it is now. Therefore, the proposed allocation is based on projections to 31 March 2021.

3.4 The proposed allocation of the grant funding is as follows:

1	Ageing Well provision for shopping related tasks and support to maximise independence/regain confidence	£0.045m
2	Food partnership Continuous support September 2020 to March 2021, for foodbanks and to keep open the food hubs in the areas of the greatest need and awarding fairness across the city.	£0.094m
3	Local Discretionary Social fund 3 step support extended food voucher support while households engage with advice and support services	£0.080m
4	Schools meals team food vouchers for households that become newly eligible for Free School Meal vouchers, with no access to the Summer vouchers	£0.004m
5	Childrens Services Assist with essential items such as nappies, formula, clothes and pregnancy kits	£0.010m
6	BMECP continue existing foodbank/service catering for the diverse dietary needs of their clients	£0.010m
7	City Mission and Hove Salvation Army additional recognition for central foodbanks with high demand for those in supported accommodation and emergency placements	£0.006m
8	Local Discretionary Social Fund Winter Emergency remainder of fund to help with food and essentials for those in emergency need	£0.071m
	TOTAL	£0.320m

Appendix 2 explains the detail behind these proposals in more detail.

3.5 The table below indicates how the proposed DEFRA grant allocation would support the existing inter-related work to provide a holistic service. The design follows tried and tested pathways and ensures that citizens making contact should be swiftly directed to the appropriate support provider. Beyond the services listed in the table, the Community Hub has established liaison and referral routes to existing council and voluntary sector services for anything that falls outside the regular types of query.

Food and essential item emergency provision	Food Partnership	DEFRA funding
Food stock for foodbanks	Food Partnership	DEFRA funding
Nappies/toiletries stock for foodbanks	Food partnership	DEFRA funding
Food club/pantries	Food partnership	DEFRA funding

Fareshare fees for all of above	Food Partnership	DEFRA funding
Delivery of essentials	Food Partnership	DEFRA funding
Ongoing support for long term solutions - food and essentials(all ages)	Ageing well	DEFRA funding
Befriending / shopping service	Ageing Well	DEFRA funding
Triage – non emergency food, essentials & support	Ageing well	DEFRA funding
Triage – emergency food, essential & support	Community Hub	Existing revenue budget until 310321
Emergency food vouchers, household items	LDSF	Existing service
Conditional support pathway to independent budgeting for food 3x3. (3 week full support, 3 weeks additional support if advisory support has been engaged, further 3 weeks if support/ welfare officer requests to embed solution.)	LDSF	DEFRA funding
Exceptional food case fund – for families who have missed qualifying criteria but need support e.g. UC claims not processed in time to be eligible.	School Meals Team	DEFRA funding
Discretionary support fund , nappies/ toiletries/ maternity/pregnancy	Children’s Services	DEFRA funding
Winter funded – allocation to emerging pressure points	LDSF	DEFRA funding – requires Section 151 approval to allocate

Strategic aims

- 3.6 Prior to COVID-19, requests for food were largely directed to the Local Discretionary Social Fund (LDSF). One of the main roles of this team is to assist in a disaster or emergency with food and essential items. However, the team also looks at a person’s broader situation and helps with income maximisation, referrals for budgeting and money advice, and linking up to help resolve broader housing issues.
- 3.7 In response to COVID 19 this changed, and the food requirements of the City were managed by the Community Hub due to the volume of people presenting with needs. Due to the speed of the emergency food response no formal scrutiny of the household/person’s financial position was put in place. Many of these households were referred on to foodbanks and these households’ underlying issues need to be reviewed and addressed.
- 3.8 It is now recognised that many foodbanks are finding it hard to move people on from their support into a more sustainable situation. The proposed model will begin to address the ‘move on’ and sustainability issue. It should be established

why help for food is needed; in order to do this, we would need to know a household's financial situation and then be able to offer a variety of solutions, such as budgeting, benefits, debt management, healthy eating/cooking within means.

Background information

- 3.9 Many of the people who require help with food are in Council Housing, Temporary Accommodation and Emergency Placements.
- 3.10 Universal Credit and the Local Housing Allowance have both increased since the start of COVID-19, yet we know households are still struggling to purchase basic items. The reasons for this vary, but might include ongoing DWP deductions in respect of advance payments and other debt, so we need to identify what the main issues are in each case.
- 3.11 Debt overall is a growing issue that prevents households from being able to budget adequately for basics.
- 3.12 Children's Services saw an increase in requests for help with food and essential items. 99 families were unknown to the service prior to COVID-19. Queens Park and East Brighton wards had the most families receiving food support. Moulsecoomb and Turner areas have the highest number who access the Children's Centre services.
- 3.13 The Local Discretionary Social Fund saw a big increase in applications in April and the first part of May 2020. 63% of the application were for food and utilities. The Wards that saw the most applications were East Brighton, Queens Park, St Peters & North Laines, Regency and Moulsecoombe & Bevendean. Most of the applications were from single and single parent households. 34% are Council Housing Tenants and 14% Housing Association tenants compared to 19% from the private sector.

Adapting the Community Hub in light of demand and the DEFRA grant

- 3.14 The council formed the Community Hub as the conduit for food and support contact during the lockdown period. Information from the Community Hub to the end of the June 2020 shows the following requests for help (although there are some caveats with the data):
- Medical Collection 15.56% (316)
 - Mental Health Support 17.43% (354)
 - Requires Physical Support 12% (250)
 - Self-isolating 74% (1503)
 - Require Food 82.77% (1681)
 - Requires Money Financial Support 19.84% (403)
 - Needing financial assistance 13.24% (269)
 - Does not have money to buy own food 61.21% (1029) (contradicting the low percentage saying they need financial assistance)
- 3.15 The level and nature of demand has now changed and as part of the incorporation of the DEFRA grant, the Hub will be realigned to support the

response in the second half of this year. A reduced function will move to the Revenues & Benefits service where it can sit alongside the Welfare Support function, which includes Local Discretionary Social Fund and Welfare Rights and is the focal point for building the response capacity for the expected increase in demand for support relating to debt.

- 3.16 This is an additional function and there is currently no proposal to extend funding of this service, nor, because of the conditions set by DEFRA, can it be funded from the DEFRA grant. However, Revenues & Benefits has been providing officers to the community hub from the outset and will continue to allocate resources to provide the required model of service to 31 March 2021. If the hub needs to be scaled up in the interim, for example due to a localised outbreak and lockdown, additional resource may be required from other services. In either case, the overall provision beyond 31 March 2021 would need a corporate reassessment of funding/savings targets.

Monitoring

- 3.17 Partner organisations will be required to maintain basic data for monitoring purposes and the Revenues and Benefits service will undertake monthly reviews, in conjunction with the Food cell, to ensure that the funding is being spent appropriately.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The DEFRA grant has enabled the council to commit to a broad range of ideas, some at relatively low cost, so it has not been necessary to consider alternative options. However, projecting forward, there is an element of uncertainty about how COVID-19 demands will change. Officers will monitor how this develops, in conjunction with the grant recipients.
- 4.2 If there is a new and unforeseen need around food and essential supplies and officers will redirect funds from the remainder LDSF allocation, or from other funding streams if it appears likely that those streams are due to underspend their allocation, or are no longer fulfilling the aims of the grant allocation.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 There is no legal requirement to consult on the proposals outlined in this report, and due to the DEFRA requirement of allocating the fund within 12 weeks, a public consultation is not practicable in the available timescale.
- 5.2 Officers have however consulted the following organisations, services and teams regarding how to allocate the fund:

Brighton & Hove Food Partnership
Brighton & Hove Children's Service
Brighton & Hove School Meals Team
Community Hub
The Black & Minority Ethnic Community Centre
Voice in Exile
Ageing Well

6. CONCLUSION

- 6.1 The broad funding plan for deployment of the DEFRA grant means that diverse communities in the city can continue to be supported with emergency food and other needs, whilst also enabling and route through to more sustainable options for each household.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The council has accepted the Local Authority Emergency Assistance Grant for Food and Essential Supplies offer of £0.321m. The grant conditions state the grant must be spent in 2020/21 with the expectation the funding to be used within 12 weeks of receipt of the funds. The grant was received on 31st July 2020 and therefore the aim is to use the funding by 23rd October 2020.
- 7.2 The purpose of the grant funding is intended to help local authorities to continue to support those struggling to afford food and other essentials over the coming months due to COVID-19. The recommendations within this report are in line with this purpose.
- 7.3 The Community Hub was created by redirecting existing resources and any additional expense is reflected in the normal Targeted Budget Management (TBM) financial reporting.
- 7.4 In March 2020 the government allocated to the council a £2.330m Hardship fund, which primarily was targeted at providing a £150 reduction to the residual council tax bill for working age Council Tax Reduction Scheme claimants which was estimated at £1.940m. Policy & Resources Urgency Sub Committee on 31st March 2020 approved that the estimated balance of £0.390m be earmarked to enhance existing discretionary and local welfare funds

Finance Officer Consulted: James Hengeveld

Date: 14/08/20

Legal Implications:

- 7.5 There are no legal implications arising directly from this report.

Lawyer Consulted:

Alice Rowland

Date: 17/8/20

Equalities Implications:

- 7.6 An EIA has been prepared for the DEFRA grant allocation (Appendix 3). The funding recommendations have been developed with consideration of how best to support groups and individuals with protected characteristics, for example giving emphasis to the BMECP, and including an element around childcare essentials, alongside maintaining our core activities designed to support vulnerable people and older people. Part of the EIA acknowledges that there will be continued monitoring of how those with protected characteristics are

impacted. There is also a draft Equalities Impact Assessment being prepared by the COVID-19 Recovery Response Food Cell in relation to the overall food strategy, and officers will continue to monitor equalities impacts against both EIA's, linking also to the Vulnerable People cell and the Welfare Support and Financial Assistance cell.

Sustainability Implications:

- 7.7 There are no direct sustainability implications.

Brexit Implications:

- 7.8 There are no direct Brexit implications. However, the support provided by the grant will cross over the transition period and so may contribute to the convergence of risk around a resurgence of COVID-19, winter flu, severe weather and Brexit.

Public Health Implications:

- 7.9 It is anticipated that some of the measures made possible by the DEFRA grant will contribute to improved public health. For example, the plans include trying to move people on from dependency on food support, which will improve their physical, mental and financial health.

SUPPORTING DOCUMENTATION

Appendices:

1. DEFRA grant letter
2. The proposals explained
3. EIA

BRIGHTON AND HOVE COUNCIL

FAO: Nigel Manvell
Email: nigel.manvell@brighton-hove.gov.uk



Department
for Environment
Food & Rural Affairs

Date: 10 July 2020

Grant Number: 31/5110

Dear Nigel

Local Authority Emergency Assistance Grant for Food and Essential Supplies

On 10 June the Government announced an emergency fund of £63 million to be distributed to local authorities in England to help those who are struggling to afford food and other essentials due to COVID-19. The funding is a one-off contribution for the 2020-21 financial year and is made under Section 31 of the Local Government Act 2003.

Purpose of the Grant

We recognise the excellent work already being carried out by all councils to help vulnerable people in your communities during this crisis. This additional £63 million of funding is intended to help local authorities to continue to support those struggling to afford food and other essentials over the coming months due to COVID-19. This funding sits alongside, but is in addition to, the £6.5 billion of extra support the Government is providing through the welfare system to ensure the most vulnerable in our society are protected throughout this crisis.

Grant Allocation

The funding allocation model distributes funds to local authorities as listed in Annex A on the basis of population weighted by a proxy measure of need, the Index of Multiple Deprivation (IMD) for the authority area. The corresponding allocation for Brighton and Hove Council under this model is **£320,713.25**.

Grant Guidance

Guidance on the application of this grant can be found by following this link to GOV.UK:

<https://www.gov.uk/government/publications/coronavirus-covid-19-local-authority-emergency-assistance-grant-for-food-and-essential-supplies>

You should read the guidance in full before accepting this grant offer. It is expected that all local authorities will follow this guidance in the use of these funds.

Grant Period

Funds must be expended within the 2020-21 financial year, but it is expected that the majority will be used in accordance with the grant guidance within 12 weeks of receipt of the funds.

Monitoring and Evaluation

You will be asked to participate in monitoring. Details of the arrangements for monitoring are contained in the grant guidance and will be proportionate to the grant amount received. You may also be approached to participate in additional evaluative research on a voluntary basis. We ask that you identify a contact within your organisation for the purposes of monitoring and evaluation.

Acceptance of Offer

If you are content to accept this grant offer, please arrange for someone with the necessary authority to accept this award by completing the Grant Acceptance Form (Word document) electronically and returning it to EmergencyAssistanceGrant@defra.gov.uk. Please arrange for acceptance within 5 working days from the date of this letter. Payment will only be made on receipt of the completed Grant Acceptance Form.

We expect all payments to be processed by the end of July.

Enquiries

For general enquiries related to this grant, please send an email to:

EmergencyAssistanceGrant@defra.gov.uk.

Please remember to quote the Grant Number above in any future communications relating to this grant.

Yours Sincerely



Alison Ismail

Director, Agri-Food Chain Directorate

ANNEX A – GRANT ALLOCATIONS TO LOCAL AUTHORITIES

Local Authority	Allocation
Barking and Dagenham London Borough	£ 322,440.18
Barnet London Borough	£ 365,755.89
Barnsley Metropolitan Borough Council	£ 350,617.72
Bath and North East Somerset Council	£ 143,306.71
Bedford UA	£ 178,736.83
Bexley London Borough	£ 229,661.99
Birmingham City Council	£ 1,922,958.32
Blackburn with Darwen Borough Council	£ 239,387.07
Blackpool Borough Council	£ 261,157.50
Bolton Metropolitan Borough Council	£ 411,679.84
Bournemouth, Christchurch and Poole Council	£ 395,909.63
Bracknell Forest Borough Council	£ 81,979.41
Brent London Borough	£ 423,366.11
Brighton and Hove Council	£ 320,713.25
Bristol Council	£ 607,935.69
Bromley London Borough	£ 279,372.15
Buckinghamshire County Council	£ 358,545.53
Bury Metropolitan Borough Council	£ 229,549.24
Calderdale Metropolitan Borough Council	£ 272,015.78
Cambridgeshire County Council	£ 540,869.92
Camden London Borough	£ 290,260.86
Central Bedfordshire UA	£ 217,555.31
Cheshire East UA	£ 326,292.53
Cheshire West and Chester UA	£ 342,959.76
City of Bradford Metropolitan District Council	£ 845,079.25
City of London	£ 7,473.29
City of York Council	£ 154,435.11
Cornwall County UA	£ 678,757.29
County of Herefordshire District Council	£ 199,369.26
Coventry City Council	£ 479,026.85
Croydon London Borough	£ 447,227.81
Cumbria County Council	£ 554,554.83
Darlington Borough Council	£ 135,196.96
Derby City Council	£ 333,340.27

Derbyshire County Council	£ 808,261.89
Devon County Council	£ 757,020.62
Doncaster Metropolitan Borough Council	£ 446,006.30
Dorset Council	£ 341,739.35
Dudley Metropolitan Borough Council	£ 392,121.09
Durham County UA	£ 693,931.24
Ealing London Borough	£ 396,152.19
East Riding of Yorkshire Council	£ 305,771.00
East Sussex County Council	£ 591,062.61
Enfield London Borough	£ 426,007.06
Essex County Council	£ 1,422,336.28
Gateshead Metropolitan Borough Council	£ 274,364.58
Gloucestershire County Council	£ 558,726.49
Greenwich London Borough	£ 358,610.39
Hackney London Borough	£ 426,918.54
Halton Borough Council	£ 192,692.29
Hammersmith and Fulham London Borough	£ 216,840.85
Hampshire County Council	£ 1,074,224.76
Haringey London Borough	£ 365,522.23
Harrow London Borough	£ 218,260.11
Hartlepool Council	£ 147,104.48
Havering London Borough	£ 246,336.19
Hertfordshire County Council	£ 924,073.18
Hillingdon London Borough	£ 308,075.85
Hounslow London Borough	£ 305,133.96
Isle of Wight Council	£ 169,301.51
Isles of Scilly Council	£ 1,537.08
Islington London Borough	£ 325,106.02
Kensington and Chelsea Royal Borough	£ 174,867.46
Kent County Council	£ 1,669,165.92
Kingston Upon Hull City Council	£ 455,496.22
Kingston upon Thames Royal Borough	£ 127,326.45
Kirklees Metropolitan Borough Council	£ 551,350.34
Knowsley Metropolitan Borough Council	£ 274,506.40
Lambeth London Borough	£ 414,482.46
Lancashire County Council	£ 1,453,005.64
Leeds City Council	£ 1,051,565.15

Leicester City Council	£ 519,466.60
Leicestershire County Council	£ 541,860.19
Lewisham London Borough	£ 401,164.70
Lincolnshire County Council	£ 823,984.57
Liverpool City Council	£ 903,782.66
London Borough of Richmond upon Thames	£ 124,835.40
Luton Borough Council	£ 271,534.80
Manchester City Council	£ 956,642.90
Medway Borough Council	£ 336,715.05
Merton London Borough	£ 176,471.62
Middlesbrough Borough	£ 244,452.75
Milton Keynes Council	£ 267,635.64
Newcastle upon Tyne Metropolitan District Council	£ 425,275.02
Newham London Borough	£ 501,838.32
Norfolk County Council	£ 1,015,631.28
North East Lincolnshire Council	£ 232,900.97
North Lincolnshire Council	£ 197,363.04
North Somerset Council	£ 195,822.76
North Tyneside Metropolitan Borough Council	£ 239,025.00
North Yorkshire County Council	£ 531,942.67
Northamptonshire County Council	£ 771,088.63
Northumberland County UA	£ 367,814.51
Nottingham City Council	£ 524,113.62
Nottinghamshire County Council	£ 858,285.38
Oldham Metropolitan Borough Council	£ 361,208.27
Oxfordshire	£ 506,930.01
Peterborough City Council	£ 275,592.22
Plymouth City Council	£ 343,179.73
Portsmouth City Council	£ 283,735.49
Reading Borough Council	£ 172,137.37
Redbridge London Borough	£ 292,357.34
Redcar and Cleveland Borough Council	£ 193,735.63
Rochdale Metropolitan Borough Council	£ 347,210.07
Rotherham Metropolitan Borough Council	£ 373,328.79
Rutland County Council District Council	£ 23,355.22
Salford Metropolitan District Council	£ 403,701.69
Sandwell Metropolitan Borough Council	£ 520,530.62

Sefton	£ 363,351.14
Sheffield City Council	£ 774,649.19
Shropshire County UA	£ 311,899.69
Slough Borough Council	£ 176,075.87
Solihull Metropolitan Borough Council	£ 209,692.97
Somerset County Council	£ 572,628.21
South Gloucestershire Council	£ 210,924.38
South Tyneside Metropolitan Borough Council	£ 221,234.43
Southampton City Council	£ 333,850.43
Southend-on-Sea Borough Council	£ 212,602.73
Southwark London Borough	£ 411,967.30
St Helens Metropolitan Borough Council	£ 265,460.70
Staffordshire County Council	£ 823,233.17
Stockport Metropolitan Borough Council	£ 321,580.94
Stockton-on-Tees Borough Council	£ 251,811.52
Stoke-on-Trent City Council	£ 401,561.04
Suffolk County Council	£ 770,055.41
Sunderland City Council	£ 397,220.10
Surrey County Council	£ 788,015.67
Sutton London Borough	£ 171,210.37
Swindon Borough Council	£ 227,887.85
Tameside Metropolitan Borough Council	£ 331,533.64
Telford and Wrekin Council	£ 225,821.44
Thurrock Council	£ 193,819.09
Torbay Borough Council	£ 185,466.01
Tower Hamlets London Borough	£ 445,828.92
Trafford Metropolitan Borough Council	£ 217,996.54
Wakefield Metropolitan District Council	£ 466,633.79
Walsall Metropolitan Borough Council	£ 420,523.36
Waltham Forest London Borough	£ 350,408.60
Wandsworth London Borough	£ 309,888.59
Warrington Borough Council	£ 215,549.94
Warwickshire County Council	£ 520,532.13
West Berkshire District Council	£ 103,352.77
West Sussex County Council	£ 737,319.31
Westminster City Council	£ 284,012.33
Wigan Metropolitan Borough Council	£ 416,740.45

Wiltshire County UA	£ 410,586.93
Windsor and Maidenhead Royal Borough Council	£ 87,590.66
Wirral Metropolitan Borough Council	£ 453,828.63
Wokingham District Council	£ 77,342.88
Wolverhampton Metropolitan Borough Council	£ 393,536.03
Worcestershire County Council	£ 595,631.97

Proposals for the LA Emergency Assistance Grant for Food and Essential Supplies (£320,713.25)

Proposed Award 1: Essential support for the community during COVID-19

To extend Ageing Well's current contract to 31st March 2021 to ensure continuity of provision for shopping related tasks and support to maximise independence/regain confidence. Cost £45,000.00

We need to continue to offer support to households regarding access to food and essential supplies, even when individuals have (often limited) the means to pay for them, but have difficulties accessing them. The funding from the grant, is to ensure that a local response remains in place for vulnerable people – providing them with information and advice for a range of services/opportunities which would support them to access food and essential supplies on a longer term basis, building on the systems put in place via the creation of the Community Hub (April'20).

See Annexe A.

Proposal Award 2: Food Partnership

Continuous support, September 2020 to March 2021, for foodbanks and to keep open the food hubs in the areas of the greatest need and awarding fairness across the city. Reintroduce emergency parcels in the event of another lockdown. Cost includes bulk purchase of food and essential items such as cleaning products such as toiletries and washing products and delivery. Cost £93,944.00

See table below.

Service	Sept - March total budget	BHCC emergency assistance grant - proposal	FP applied to other sources - will hear by mid Sept	Notes
Food sorting depot				
Project Manager 7.5 hrs a week	3,479	0	3,479	
Hub Supervisor - 15 hrs a week for 28 weeks	4,685	2,685	2,000	
Volunteer expenses @ £50 a week (lunch and travel)	1,400	900	500	
Cleaning materials / PPE	500	300	200	
Zedify delivery £300 a week for 8 weeks	2,400	1,700	700	Based on £80+VAT per half day. They have confirmed that they would need to charge us from Sept
Zedify delivery £100 a week for 20 weeks	2,000	1,300	700	
IT, phones, printers, paper etc	1,200	1,200		
Sub total running costs central processing hub	15,663	8,084	7,579	
Food and essentials budget				

Service	Sept - March total budget	BHCC emergency assistance grant - proposal	FP applied to other sources - will hear by mid Sept	Notes
Support for temp food hubs in September & October whilst transition to more claims via LDSF and move on work completed	32,560	26,760	5,800	Based on providing food in September only to Phoenix (45 x 4 weeks x £20 = £3600), to Coldean in Sept (40 x 4 weeks x £20 =£3200), to Table Tennis in Sept (35 x 4 weeks x £20 = £2800), to Old Boat (Hollingbury) in Sept (47 x 4 x £20 =£3760), to the Edge in Sept and Oct (40 x 8 x £20 =£6400), to Woodingdean in Sept and Oct (45 x 8 x £20 = £7200), to BELTA (Bristol Estate) in Sept and Oct (30 x 8 x £20 = £4800), to Florence Road in Sept and Oct (50 x 8 x £20 =£8000) Ongoing review to check impact on meeting overall demand in city
BHCC Central Hub	29,600	29,600		This is the backstop option and if numbers are lower we can reduce funding (or allocate to other work) Based on providing parcels for 85 a week for Sept and Oct and 50 a week for November to March. Team to work closely with LDSF team to get people's ongoing support needs assessed.

Service	Sept - March total budget	BHCC emergency assistance grant - proposal	FP applied to other sources - will hear by mid Sept	Notes
				Includes keep central hub at syndicate halls open although (propose FP work with them to reduce costs by using Fareshare, engaging more volunteers and doing a pick up as well as delivery)
To up food for food banks / food clubs / pantries- wholesale purchased. Support for 5 projects a week rotating. Total budget £500 a week	14,000	10,000	4,000	By bulk-buying can achieve better prices, better nutritional quality, increased sustainability standards and support local businesses. Also means that volunteers don't need to make as many supermarket trips
Sub total food / essentials / packaging	76,160	66,360	9,800	
TOTAL without other things to consider	91,823	74,444	17,379	
Other things to consider				
Bulk buy washing powder / toiletries / nappies for food banks / hubs to give out	4,000	4,000		Items food banks find very hard to source - could do one off shop (and see if we can get good discount by approaching manufacturers). Could be any budget!

Service	Sept - March total budget	BHCC emergency assistance grant - proposal	FP applied to other sources - will hear by mid Sept	Notes
Fareshare fees - to keep fareshare delivery fee free for Nov, Dec, Jan	10,500	10,500		This would benefit all 45 projects across the city that receive food from Fareshare. Could be more or less depending on how long want to cover fees for
Support 6 x pilot food clubs / pantries / other models	35,000	5,000	30,000	If BHCC is supporting the BMECP food bank that is one of the projects we have on the list so I have reduced the total to £35K
Total other ideas	49,500	19,500	30,000	
TOTAL	141,323	93,944	47,379	

Proposal Award 3:

Access LDSF

To give additional funding to Local Discretionary Social Fund (LDSF) to enable it to support households over a longer period with Food and Utilities.

Whilst a person is in receipt of LDSF support, they will need to demonstrate their engagement with a service(s) best suited to support their identified needs.

For instance (list not exhaustive):

- Welfare Rights for complex benefit advice;
- Moneyworks for debt and benefit advice;
- Homeless Prevention team/ Early Intervention Team; and/or;
- Housing Support Officers for tenancy support.

The LDSF can look at any issues with regards for people that relate to Universal Credit, Housing Benefit and Council Tax and refer directly to other services that could assist them.

The LDSF would support the person/their household for up to 3 weeks with the option to request a further 3 weeks following evidence that they have engaged with the recommended support service.

Should a person require further assistance, the referred to support service can request a further 3 week.

- The award for food is £30.00 per week for one person in the household, with an additional £10.00 per person per wk.
- The utility award is on average £15.00 per week for Gas and again for Electricity
- Single household support for 9 weeks Food - £270.00 Utilities - £270.00
- Family of 3 support for 9 weeks Food - £450.00 Utilities - £270.00
- Looking at figures from September 2019 this could cost the LDSF an extra £10K per month. Potential cost £80,000.00

Proposal Award 4:

School Meal Vouchers

To support children with food needs. The School Meal Team have received applications showing eligibility from families - with a total of 10 children to date - for households that become eligible for Free School Meal vouchers, with no access to the Summer vouchers. For the period of the summer holidays, each child would be entitled to £80.00.

As more families start to receive Universal Credit due to job losses at the end of the furloughing period this number will increase. LDSF need also to consider assisting families in need during other periods of school holidays and the possible closure of schools due to a local lockdown.

£4000.00 of food vouchers to assist up until end March 2021.

**Proposal Award 5:
Children's Services**

Assist with essential items such as nappies, formula, clothes and pregnancy kits. Funding to support delivery of food. This had worked well as the team have had time to talk to families while social distance on the doorstep and are able to check on children and if there are any extra needs. Cost £10,000.00

**Proposal Award 6:
BMECP**

The BMECP is the only BAME lead infrastructure organisation in Brighton & Hove supporting and empowering local BME communities. The BMECP was set up nearly 20 years ago as a community partnership, where its aim was to develop the BMECP Centre and to engage community groups and organization's on various local initiatives as well as supporting them with their development. BMECP as an infrastructure organisation operating from the Centre also works very closely with other voluntary and statutory sector organisations to meet the needs of the diverse communities of colour.

BMECP set up a foodbank mid-May to help cater for the diverse dietary needs of their clients and since then have supported: 804 Adults and 393 children. The BMECP need funding to continue carrying out the current service and assist other BAME residences with their cultural needs in the city as some of the food hub close. £10,000.00.

Proposal Award 7:

Central Foodbanks

The city has many vulnerable people and a large percentage live in supported accommodation and emergency placements. Many live chaotic lives and often need a one-off emergency food parcel, in order to support the two most central foodbanks where most of this type of accommodation is offer £3000.00 each to City Mission and Hove Salvation Army

Proposal Award 8:

LDSF winter fund

Remainder of fund, £71,000, to be held alongside the existing Local Discretionary Social Fund budget for help with food and essentials. Money can be redistributed from here in the event of other needs arising around food and essential supplies.

Proposal for the LA Emergency Assistance Grant for Food and Essential Supplies

Grant outline

The Department for Environment, Food and Rural Affairs launched a new fund on the 10.7.20 for LA's to help those who are struggling to afford food and other essentials due to COVID-19. The funding is a one-off contribution for 2020-21, under the LA Act 2003. Recognising the excellent work already being carried out by councils to help vulnerable people in crisis in their communities. The funding predominately is for those struggling to afford food and other essentials, due to COVID-19. The total grant is £63 million, of which Brighton and Hove City Council has been allocated £320,713.25. Funds must be expended within the 2020-21 financial year, but it is expected that the majority will be used in accordance with the grant guidance within 12 weeks of receipt of the funds (payment aims to be processed by the end of July 2020).

Objectives and principles of the grant state it can be used with discretion on how to identify and support those most in need; meet immediate need and help those struggling; used for funding existing schemes and other support which delivers the same outcomes and the need is greatest; using cash or vouchers were practical, as well as advising and providing information to people to help them access longer term support they might need, such as benefits. The government anticipates that most of the funding will be spent within 12 weeks.

Summary of the proposal

This proposal is for a 14% percentage (£45,000) of the above grant to be used to fund ongoing essential support for our community during the COVID-19 pandemic, regarding access to food and essential supplies, even when individuals have (often limited) the means to pay for them, but have difficulties accessing them. The rationale for requesting funding from the grant, is to ensure that a local response remains in place for vulnerable people – providing them with information and advice for a range of services/opportunities which would support them to access food and essential supplies on a longer term basis, building on the systems put in place via the creation of the Community Hub (April'20).

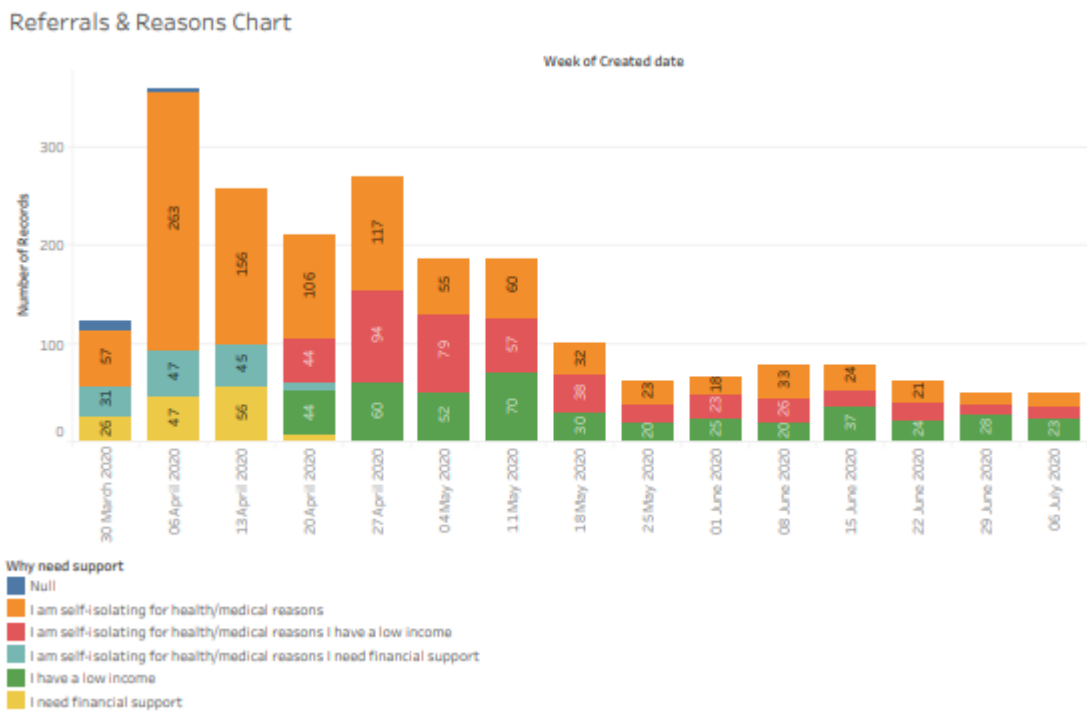
As an initial response to supporting the population of Brighton and Hove, a Community Hub (in line with Government COVID-19 guidance) was developed in April'20 – bringing together a multi-agency partnership of statutory and non-statutory services, and predominately hosted by Health and Adult Social Care, and the Benefits Team. The Community Hub is accessed by both an online referral form, and via a dedicated phone line (repurposed LDFS phone line). The Community Hub provides a range of responses to the local community, as well as a proactive role in supporting individuals defined through the Government guidance as Clinically Extremely Vulnerable. This proposal will support a new 2 options Community Hub response – Option 1 is for emergency food and essential supplies, managed by the LDFS/Benefits Team, which will build on existing debt support services; and Option 2

– all non-emergency food and essential supplies support requests, managed by Ageing Well.

Current Community Hub activity summary:

10,740 local residents shielded, and 5,761 registered (with central Government) as Clinically Extremely Vulnerable.

Key areas of support provided by the Community Hub, include finding help with shopping, collecting prescriptions and other social support; emergency foodbank referrals; and support to keep active & well, and reduce feelings of isolation and loneliness.



Total referral up to mid-July = 2,140 (can be more than one request per individual)

Support Reason	Count
Food	1763
Financial Assistance	701
Mental Health Support	372
Medicine Collection	328
Physical Care and Support	266

Referrals from the Community Hub to key support organisations:

Ageing Well – 205

Together Co (Food) – 244

Together Co (social prescriptions) – 219

668 in total

Age Group of referrals to the Community Hub, 0-17= **61**; 18-64=**1,544**; and 65+=**530**.

Referrals to the Community Hub requiring Food support – **82%** of referrals (1,763 of 2,139 referrals)

Planned Food Deliveries for CEV – 914 food deliveries through the central Govt scheme per week.

Of the 1,763 Food related Community Hub referrals, 449 were referred on for support as they were able to pay for their food and shopping, and 933 people are being supported through the Food Partnership, via 870 referrals from the Community Hub.

The Community Hub is currently contacting people on the Clinically Extremely Vulnerable (CEV) list, to identify any ongoing support needs, as a result of some of the central Govt schemes ending as of the 31.7.20 (including free prescription delivery and food parcels).

Potential demand for support

Currently, food requests have dropped significantly, however we are unclear on the demand going forward, there are still 'groups' of individuals who may need to seek support due to the impact of the pandemic, these include:

- Individuals, and households, who need to self-isolate due to being COVID-19 symptomatic
- Individuals, and households, who have been contacted by 'Test and Track'
- Individuals who were reliant on the Clinically Extremely Vulnerable Govt food parcels, which ends at the end of July'20
- Individuals who are self-isolating due to awaiting a hospital procedure
- Individuals, and households, who have been shielding (either vulnerable people or CEV), and due to issues of anxiety and/or increased frailty feel unable to return to their pre-COVID-19 arrangements.
- Individuals, and households, facing financial difficulties due to COVID-19
- Individuals affected by the end of the furlough scheme, facing financial difficulties
- Individuals, and households, who would be affected if national or local lockdown restrictions were increased

Current provision for Food Support within the Community Hub

There are currently 5 possible pathways/outcomes that a request for Food Support can be referred to from the initial Community Hub request:

- Food Bank Referral – customer is not currently able to afford food and does not have any children 4 years old or younger
- Together Co Referral – customer is aged between 0 and 49 or is on the Shielded List from central government. They can afford to buy food; however, they are not able to access food (for example, they are self-isolating and have no one to go shopping for them)
- Ageing Well Referral – customer is aged 50 or older and is not on the Shielded List from central government. They can afford to buy food; however, they are not able to access food (for example, they are self-isolating and have no one to go shopping for them)
- Children’s Centre Referral - customer is not currently able to afford food and has one or more children 4 years old or younger
- No longer Needs Food Support – customer notifies us that they no longer require food support as they can support themselves

Together Co’s were commissioned initially at £10,351 for the Community Hub Food Response Scheme (for a 3 month period, April-June’20) and then an additional month (July), to cover up to the end of the ‘shielding’ period, at a total cost of £13,802. The funding covered the cost of a Food Response Coordinator, within the Together Co Befriending team, 5 days per week; (plus 1 day per week Operations Lead; and Deputy Chief Officer to oversee the service for 0.5 days per week).

Ageing Well have been able to flex their current contractual arrangements with BHCC, as they have a new (Jan’20) dedicated Food and Nutarian project worker, who was able to divert their role to providing the COVID-19 non-emergency food provision. This worker will now be returning to their original role, which will complement the response to the pandemic, and support older people to make healthy food options, and address issues of physically accessing shopping, through a range of enabling opportunities. Additionally, the Ageing Well service has an established and effective ‘single point of contact’, which is able to respond to a range of issues, and has a specially developed (and updated, due to constant changes) comprehensive directory of support services and opportunities, that they can signpost individuals to.

Funding Proposal

The funding request from the grant is for £45,000 (14% of the total grant allocation for BHCC), this would reflect an equivalent 1 full time worker, and 1 part time worker within Ageing Well, to provide ongoing support to people requesting assistance with food and essential supplies, as well as triage any additional support requests,

information and advice that would not be provided by the LDFS Benefits Team. Additionally, funding is included to support with the transitional period from the current partnerships, and the restructuring of the Community Hub response. This funding would be for 8 months, until the end of this financial year, in line with the grant criteria.

The expectation is that the Community Hub will transition from its current structure (managed by HASC and the Benefits Team, with a range of deployed Council staff, and pathways to the third sector), to two options in regard of food support. Currently Council staff are responsible for responding to online referral forms, and telephone calls. The phone access will change to an Option 1 and 2 phone line – option 1 will be for people needing to access emergency food and essential supplies, this option will go straight to the LDFS/Benefits Team; and option 2 will potentially be to Ageing Well to triage all other needs – including non-emergency food and essential supplies. Option 2 will then be able to signpost people to a range of services, as well as referring into the Access Point if HASC services are required. The online referrals will remain within the Community Hub database system (as this is a key monitoring system for our COVID-19 response), and requests for food support will be triaged, and as necessary allocated to either to LDFS/Benefits or Ageing Well.

Ageing Well have an ethos of supporting people to reach/maintain their independence, through enabling approaches, seeking sustainable support. From supporting people to regain their confidence to independently shop; support people to use on-line shopping opportunities; link people to paid shopping support services; and access any ongoing volunteer support. Additionally, Ageing Well are building on their initial (COVID-19 response) healthy meal delivery service, so supporting people to have healthier lifestyles which in turn will potentially reduce the need for a range of health and social care interventions. At the peak of the first wave of the pandemic the Ageing Well food distribution centre were supporting 75 people weekly with fresh meals and non-perishables (including fresh bread, milk and eggs). This has now reduced to 61 regulars but people's circumstances are changing - either going back to work, able to access shops themselves or have found other solutions i.e. money advice enabling them to receive deliveries from a supermarket to their home. We are currently awaiting (Mid-August) the results of the Brighton and Hove Food Partnership survey, to assist with identifying longer term solutions for individuals, and Ageing Well will use this information to develop their wider support offer.

Ageing Well are considering (funding dependent) support options for people including - Helping people to set up long term food solutions using the Ageing Well database, including handling financial information / setting up accounts as required; help people to access a food bank or other offer for people living on low incomes / in food poverty (including support to access Money Advice Plus); for those who can afford to pay for a personal shopper recommend paid for services: Community Transport, Age UK, Home and Company, Care agencies; for those who can't afford to pay for services utilise a pool of trusted long standing volunteers who could shop on someone's behalf there would need to be back up options developed); and explore setting up arrangements with supermarket providers, for weekly order's, to be collected by volunteers (again back up arrangements would need to be in place).

Through the development of a range of options, the needs of vulnerable people would be efficiently supported, including those who would be assessed as 'self-funding' under the Care Act.

Additionally, the Department for Environment, Food and Rural Affairs has secured access to a number of priority online delivery slots with Tesco and Iceland for vulnerable people who can afford food and can shop online, but are having difficulty accessing food because they are self-isolating, are following enhanced social distancing or because support isn't available. The LA's and a selected group of charities who join the scheme will be provided with access to a defined number of delivery slots for their areas and will have the ability to refer those most in need to enable them to book supermarket deliveries. Once BHCC joins the scheme they will be able to refer vulnerable people, a triage framework is provided for LA's. Individuals are given the choice between Tesco or Iceland for their shopping, and the LA/Charity refers the individual, then the individual places an order with the supermarket. There are restrictions related to the shopping – Tesco has a minimum spend £40 (or if less a £4 basket charge), with a £2 delivery charge; and Iceland is a minimum £25, plus £2 delivery charge. Supporting local people to access the above provision, could also be allocated to Ageing Well to administrate for BHCC.

If this funding bid is successful, we would need to ensure that the on line customer journey and pathways are adapted to reflect the new option 1 and 2 for the Community Hub. Additionally, it is recognised that if there is a significant increase in demand for support, due to the COVID-19 pandemic, that provision would need to be speedily reviewed and capacity increase through support from BHCC services.

Short Equality Impact Assessment (EIA) Template for COVID-19 Recovery Plans - 2020

Title of EIA¹	DEFRA Food grant	ID No.²	DFG01
Recovery Cell³	Food		
Focus of EIA⁴	To ensure that the opportunities presented by the DEFRA food and essential supplies grant are effective in mitigating residents' barriers to accessing food or food related support based on their protected characteristics.		

Identified or potential issues/barriers/inequalities (consider all protected characteristics)	Possible mitigating actions (list all possible actions)
<p>1. Age Vulnerable older people may lack access to support networks (could be exacerbated in the event of local lockdowns or having to shield). Also, may not be aware of help available.</p> <p>Nutritional needs may not be met</p> <p>Ability to shop and access to shops may be limited</p> <p>Food price inflation – may only be able to access more expensive local shops depending on travel limitations.</p> <p>Less choice in what food is available if there are supply issues either at supermarkets or local shops.</p> <p>Social isolation could increase and impact mental health, which in turn could impact nutrition and food needs.</p> <p>Some older people may choose to self-isolate, even if advice is that they are able to go out.</p> <p>Younger people – 18-24 year old group has seen a sharp increase in Universal Credit claims, with knock-on impact on economic health of that group – possible impact on food poverty. Also, increase of parental evictions exacerbated by the pressure of the pandemic.</p>	<p>1. Age</p> <p>Ageing Well will continue to be funded to March 2021 from DEFRA grant</p> <ul style="list-style-type: none"> - Support for people who can afford food but can't get out - Supports with social isolation - Supports people to access shopping digitally <p>BHFP funding to continue – which will enable mobilisation of emergency food if further lockdowns</p>

2. Disability –

Specific dietary needs and medical / essential needs e.g. prescription collection, toiletries. Essential needs may not be met in terms of bulk buying and providing food in the case of a further emergency response

Support network may be compromised if further local lockdown. Additional pressure on carers in terms of time and finances.

Access to shops may be limited, increased cost of relying on local shops rather than supermarkets

Mental health – those with existing mental health conditions face additional barriers in being able to request help and may be isolated. More people now affected by poor mental health as a result of the pandemic.

Some disabled people may choose to self-isolate, even if advice is that they are able to go out.

3. Gender reassignment

Access to medical support, essential supplies, support networks and community support may be compromised.

4. Marriage and civil partnership

No specific impacts

5. Pregnancy / maternity

Access to baby food and formula may be limited, along with

2. Disability

Ageing Well also cover 18+ so can support needs in this category

Referral routes are in place to ensure that income and benefits are maximised (either to organisations in the CVS such as Possability People, or to Welfare Rights team) and this supports the DEFRA grant's aim of assisting people towards independence

Local Discretionary Social Fund is a route in for people to request help and can be signposted appropriately.

BHFP can provide focused support to food projects supporting specific equality groups, and can do further work to see what impacts there may be specifically for this protected characteristic

3. Gender reassignment

Routes in for assistance and signposting are the same as for age and disability, in particular requests for help from the LDSF are always triaged for onward referral and appropriate help.

As above, BHFP can provide focussed support to food projects supporting specific groups and may be able to discover what further needs there are for trans people.

4. Marriage and Civil Partnership

No actions required

5. Pregnancy and Maternity

essential items such as nappies, sanitary items and pregnancy tests.

Economic impact is typically more severe for women and single parents in terms of requests for emergency help from the Local Discretionary Social Fund and other welfare assistance.

Large families are also impacted by limited access to food and supplies, and are at higher risk of food poverty, because the benefit system does not necessarily support larger families in proportion to their needs.

Support networks and community support may be compromised

Children with disabilities are adversely impacted

6. Race

BAMER community faces additional barriers in terms of

- Access to services
- Access to support networks and community support
- Language barriers
- Specialist food needs not always catered for in a bulk emergency response
- More adversely affected by COVID-19 itself
- More likely to be experiencing poverty / economic impact

7. Religion and/or belief

During lockdown, limited or no access to places of worship and support networks

Dietary needs may not easily be met in a bulk emergency response, e.g. halal / kosher food

8. Sex

Women tend to be more adversely affected in terms of welfare support and benefits. Also, the pandemic has

Funding has been allocated to Children's Services so that they can continue to support families with mental and physical wellbeing, alongside supporting with specific essential items such as baby formula, nappies etc

Referral routes are established, but could be strengthened in order to make sure that families have access to advice about maximising their income, or coping with debt, childcare and social isolation.

School meals vouchers provide additional support

6. Race

Extra funding being given to the BMECP

BHFP also work in conjunction with BMECP and will be developing their response

7. Religion and/or belief

Partially addressed by 6, above. Also, BHFP is aware of links to the community where faith groups and places of worship are impacted, or where they are focal points for assistance.

8. Sex

Referral routes for support already exist, including links to Housing services, Adult Social Care and Children's services.

created conditions where there has been an increase of domestic abuse. This can lead to women being street homeless unable to access food and essential supplies, including sanitary products.

9. Sexual Orientation

No specific food needs, but access to support networks and community support may be limited.

Support provided through LDSF for emergency food and supplies. Links exist for onward referral for welfare support and appropriate assistance from the voluntary sector. Additional welfare support can be provided sometimes in the form of Discretionary Housing Payments.

9. Sexual orientation

No specific needs, but in the event of further lockdowns, we need to make sure that referral routes and signposting is clear for community support

Overall notes:

The Food core group continues to meet and will be a co-ordinating point for monitoring impact on protected characteristics, also ensuring:

- Their EIA is monitored regularly
- There is an escalation route for issues experienced by those with protected characteristics around COVID related emergency food needs
- Data monitoring to be improved and expanded
- All partners and groups undertaking food projects to review data on residents accessing support and assess demographic and geographical input.

Recipients of funds from the DEFRA food grant will also be required to keep data for monitoring purposes that we can use in ongoing EIA's.

There is a comms presence in the Food group and the Welfare Support and Financial Assistance workstream, to ensure that messages about support reach those in most need – both on geographical basis and linked to characteristics above. CVS partners are linked in with both groups and with the Vulnerability cell.

Prioritised actions⁵

1. Food grant funding to be distributed, alongside appropriate grant agreement and monitoring protocols

Assessment of impacts and any further recommendations or engagement needed⁶

Ensure that this EIA is linked strategically with EIA's from the vulnerability cell, Welfare Support and Financial Assistance cell and the Food Core group.

Guidance end-notes

¹ **Title of EIA:** This should either be the title of the workstream or the area of recovery being assessed.

² **ID no:** The unique reference for this EIA: Anna / Sarah will add this.

³ **Recovery Group:** Title of the group.

⁴ **Focus of EIA:** Use the aims of the Recovery Group from your terms of reference and any specific work focus areas.

This section should explain what you are assessing:

- What or who is affected by these areas of work
- What the anticipated timeframe is for this work
- What outcomes you want to achieve

⁵ **Prioritised actions:** The Equality Duty is an ongoing duty and the recovery process will not necessarily be linear: actions must be kept under review, continuing to give 'due regard' to the duty. Regular reviews of the EIA at Recovery Group meetings are recommended.

⁶ **Assessment of impacts and further engagement or recommendations needed**

- Make a frank and realistic assessment of the overall extent to which the negative impacts can be reduced or avoided by the mitigating measures. Explain what positive impacts will result from the actions and how you can make the most of these.
- Constraints or limitations: what will or may limit the group's ability to implement these actions?
- Are there any further recommendations (for other recovery groups, council teams or other partners)? Is further engagement needed? Is more research or monitoring needed?

Subject:	Acquisition and Leaseback of Land and Buildings at Moulsecoomb Way		
Date of Meeting:	9 September 2020		
Report of:	Executive Director Economy, Environment & Culture		
Contact Officer:	Name:	Angela Dymott	Tel: 01273 291450
		Jessica Hamilton	01273 291461
	Email:	Angela.dymott@brighton-hove.gov.uk	
		Jessica.hamilton@brighton-hove.gov.uk	
Ward(s) affected:	Moulsecoomb & Bevendean		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The report presents a proposal for the acquisition of a vacant building currently owned by Custom Pharma Services, a pharmaceutical manufacturer based in the city. The proposed acquisition is subject to Custom Pharma taking a 25 year lease from the council.
- 1.2 The proposed acquisition and leaseback transaction will support Custom Pharma's refurbishment of the vacant building to expand their manufacturing service and support employment in the City and regeneration of two major sites in the East and West of the City.
- 1.3 This report is complemented by a separate report in Part Two of the Agenda.

2. RECOMMENDATIONS:

- 2.1 That the council acquires the building at Moulsecoomb Way (shown in Part One Appendix 1) and simultaneously grants a 25 year lease to Custom Pharma at a market rent.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Custom Pharma are a full service contract, development and manufacturing organisation of investigational medicinal products based in Brighton and Hove that covers a spectrum of activities from process development to manufacturing.
- 3.2 They are currently based at 2 sites in Conway Street Hove and Moulsecoomb Brighton. In 2016 they acquired the subject property at Moulsecoomb Way (plan attached at Appendix 1) and began conversion to a state of the art pharmaceutical facility. Whilst works have partially been carried out, further funding is required to complete the next stage of the conversion of the building. This would be funded by the capital receipt achieved from the sale.

- 3.3 Once the refurbishment is complete they will vacate their existing operations entirely from the premises in Conway Street Hove, freeing up that site for redevelopment. The site forms part of the Hove Station regeneration major infrastructure site that is currently being explored with the relevant partners through the One Public Estate (OPE) programme.
- 3.4 Custom Pharma currently employs 200 full time employees. The conversion of the subject property would create an additional 100% of high specification “state of the art” facilities to provide growth in employment and business revenues. Custom Pharma currently employs a number of graduates and apprentices each year from the local schools and universities to work within their skilled and highly trained workforce.
- 3.5 Custom Pharma have presented a proposal to sell and leaseback their Moulsecoomb premises. The council would acquire the freehold of the premises and simultaneously lease it back to them for a term of 25 years at a market rent.
- 3.6 The proposed transaction will fulfil a number of strategic economic regeneration objectives, these include:
- The retention of a large local employer within the city, thus preventing relocation outside of the City.
 - Supporting employment in the City of high end professional, skilled jobs and R & D linking in with the Universities.
 - Supporting the regeneration of Moulsecoomb and the modernisation of a substantial unused building with a footprint of 34,000 sq ft and a total gross internal area of 74,000 sq ft over basement, ground and first floors.
 - Facilitating Custom Pharma’s move out of premises at Conway Street Hove allowing the site to be redeveloped as part of the Hove Station Neighbourhood Plan and OPE project.
 - Provide a substantial and secure income for the Council to support service provision across the city.
- 3.7 Rental income from the Council’s commercial property portfolio supports the provision of city-wide services. However, a large proportion of the portfolio comprises secondary and tertiary retail properties which are increasing in risk as investments due to the emergence of on-line and shifts in consumer behaviour, which has also been heavily impacted by Covid-19. The Council’s proposed asset investment strategy is centred around the need to rebalance the portfolio to reduce its reliance on the retail sector. A core requirement is to invest in commercial property within the City boundary. The industrial market is currently strong, and the Council has a very low exposure to the sector. This opportunity to acquire on a sale and leaseback basis would immeasurably improve the portfolio and its resilience, and importantly, its security of income.
- 3.8 The acquisition price represents market value. Custom Pharma represents a good covenant but there are nevertheless low risks attached to the transaction. Custom Pharma are creating a bespoke building. Should the company fail, the Council would be left with a bespoke building which could prove difficult to let without further modification. However, the proposed planning regulation changes will help to enable more flexibility in terms of possible future site uses and/or potential redevelopment.

- 3.9 Custom Pharma is a long-standing family business (over 40 years) that has had incremental growth over many years. Future growth of the business and employment is dependent upon the successful development of the site at Moulsecomb Way. The development of the site is critical to their business, which is limited by the size of their current manufacturing premises at Conway Street. At present demand is more than existing capacity and business opportunities are being declined, which would otherwise support growth and new jobs.
- 3.10 Their business plan is based on increasing turnover although the existing turnover would support the rental payments proposed. Custom Pharma have demonstrated their changing business model including fixed cost reductions as a result of the potential move that would help fund a new rent liability.
- 3.11 The company strongly believe that the investment in the Moulsecomb site would allow the business to grow, widen their offer and increase their medium term supply contract base. Paragraph 6 outlines their future growth plans.
- 3.12 As a family business there is no further guarantor for any lease obligations and the council's security would be based on the company's financial performance, however these risks should be taken in the context of the significant wider benefits to the City with economic regeneration being the key driver for this transaction.
- 3.13 Custom Pharma is a Key Business supplying medicines to the NHS.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 In the absence of the proposed acquisition and leaseback transaction Custom Pharma would seek additional finance from alternative sources secured against the premises but would be limited to achieving a maximum loan of 75% of the property's value. The conversion of the subject property and expansion of the business would be stalled, impacting on their plans for expansion. Whilst the sale of the building to the council would result in a loss of ownership for Custom Pharma it would provide them with a cash injection equal to 100% of the property's value.
- 4.2 This would impact on the delivery of strategic objectives identified in paragraph 3.6 and benefits identified in paragraph 6.1.
- 4.3 The opportunity to diversity the council's commercial property portfolio, reduce risk and improve income would also be forgone.
- 4.4 Custom Pharma would not sell the site to the council without the leaseback transaction, for the council to use for an alternative use.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Custom Pharma have been consulted. Consultation with neighbours is not considered applicable.

5.2 Relevant internal teams and members have been consulted.

6. CONCLUSION

6.1 The proposed acquisition and leaseback transaction meets a number of economic regeneration and corporate strategic objectives and benefits, which would be stalled and at risk or forgone should it not proceed. These include:

- Job retention – safeguarding 200 FTE existing jobs.
- Job creation - Potential to add a further 100 FT roles at Custom in the coming 5-10 years. Many new roles from PhD level to school leavers/apprentices. Currently recruiting 10 new roles in anticipation of demand and business growth.
- Capacity increase manufacturing - New facility will create a 100% increase in capacity to manufacture existing critical medicines.
- Capacity increase clinical trials and product development - 500% increase in capacity in next 5 years.
- University collaboration - Working with both universities to support graduate employment from Life Science courses.
- Local economy - Help drive economic growth in the region.
- Exports - New markets (USA, Israel, Nordic) being targeted for sale of the new capacity.
- Medicines supply chain - Improving supply from within UK of vital medicines rather than from abroad.
- Regeneration in Conway Street, Hove - Moving out releases land for redevelopment and regeneration in accordance with City Plan and Hove Station Neighbourhood Plan for homes and employment.
- Regeneration in Moulescoomb - the modernisation of a substantial unused building with a footprint of 34,000 sq ft and a total gross internal area of 74,000 sq ft over basement, ground and first floors.
- Stalled Investment - The premium payable by the council will clear the existing loan arising from the original acquisition, leaving the balance for investment into the conversion project. Custom Pharma intend to raise additional capital through bank funding or government grant support for the balance of the cash required to buy equipment.
- Covid 19 - Custom is currently involved in clinical trials to support discovery of treatment for Covid 19. and have been appointed by Oxford University to progress these trails.
- Diversify Council's commercial property portfolio - Support income security and growth.

6.2 More recently Custom Pharma have confirmed that they are developing and will licence a range of Dexamethasone tablets which were recently trialled successfully with Covid 19 patients. They are receiving government support to establish export markets in USA and the wider EU currently.

6.3 Their forecasts for export growth require the business to increase sales employing 195 people. New high quality jobs are expected to reach a total of 300 by 2025.

6.4 In conclusion to support regeneration in a deprived area, protect a major local company providing growth and jobs in the City it is recommended that the council

proceed with the proposed sale and lease back proposal to Custom Pharma. The proposal will also help to free up part of the Hove Station major regeneration site.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The lease is for 25 and the annual rental income is in excess of the annual cost of borrowing from the Public Works Loan Board (PWLB). The rent is index linked to RPI and so will increase over time; the repayments to PWLB would be fixed.
- 7.2 The councils Minimum Revenue Provision allows for the repayments to be spread over the life of the asset to a maximum of 50 years, however given the length of the lease and bespoke nature of the asset it is prudent to repay over a shorter period.
- 7.3 The Treasury are currently consulting on potential restrictions to local authority access to PWLB borrowing. This is in response to the significant increase in Local Authorities using relatively cheap PWLB borrowing rates to finance commercial activities in pursuit of yield. The likely outcome will mean councils will no longer be able to access PWLB debt if the capital plans include investment purely for commercial gain. However PWLB loans will continue to be available to support service delivery, housing and regeneration.
- 7.4 The council's role in the proposal with Custom Pharma is to facilitate regeneration in a deprived area, protect and grow jobs within the city and is not the pursuit of yield. Therefore, should new regulations be implemented the council will be able to demonstrate to Treasury that it is complying with the restrictions in this instance. It is likely the Treasury will rely on the Chief Finance Officers view on the substance of the transaction.
- 7.5 The sale and lease back arrangement does include a level of risk given the bespoke nature of the building and its location. Custom Pharma's financial position has been reviewed using external credit agencies, a review of their accounts, financial business plans and meetings with their Chief Executive and Chief Finance Officer. The company have been operating for over 40 years and have seen steady growth year on year but have been restricted with their current operation. The transfer to the Moulsecomb site will deliver revenue savings to offset the cost of the new lease and they are financially sustainable without relying on the growth expected from the new facility. A proportion of the purchase price will only be released once the initial works to the building are completed to provide assurance the investment in the facility takes place.

Finance Officer Consulted: James Hengeveld

Date: 20/08/20

Legal Implications:

- 7.6 S120 of the Local Government Act 1972 allows local authorities to acquire land either for "the benefit, improvement or development of their area". For the reasons set out in the report this acquisition will benefit the area. The council has the power to borrow pursuant to s111 of the Local Government Act 1972, s1 of

the Local Government Act 2003 and s1 Localism Act 2011. The Council is paying the market value so there is no risk that it might be regarded as state aid.

Lawyer Consulted:

Alice Rowland

Date:20/8/20

Equalities Implications:

- 7.7 The proposal offers local valued employment opportunities in terms of high-end specialist jobs, apprenticeships and graduate jobs linking with the Universities.

Sustainability Implications:

- 7.8 The future growth implications of the proposal in terms of specialist jobs and commissions indicate the sustainability of this company within a growing market. The Covid19 trials and other commissions potential will contribute to the health and wellbeing of the City, region, nationally and internationally.

Brexit Implications:

- 7.9 Custom Pharma could be affected by supply chain of materials however given the nature of the work these risks are likely to be minimised nationally/internationally.

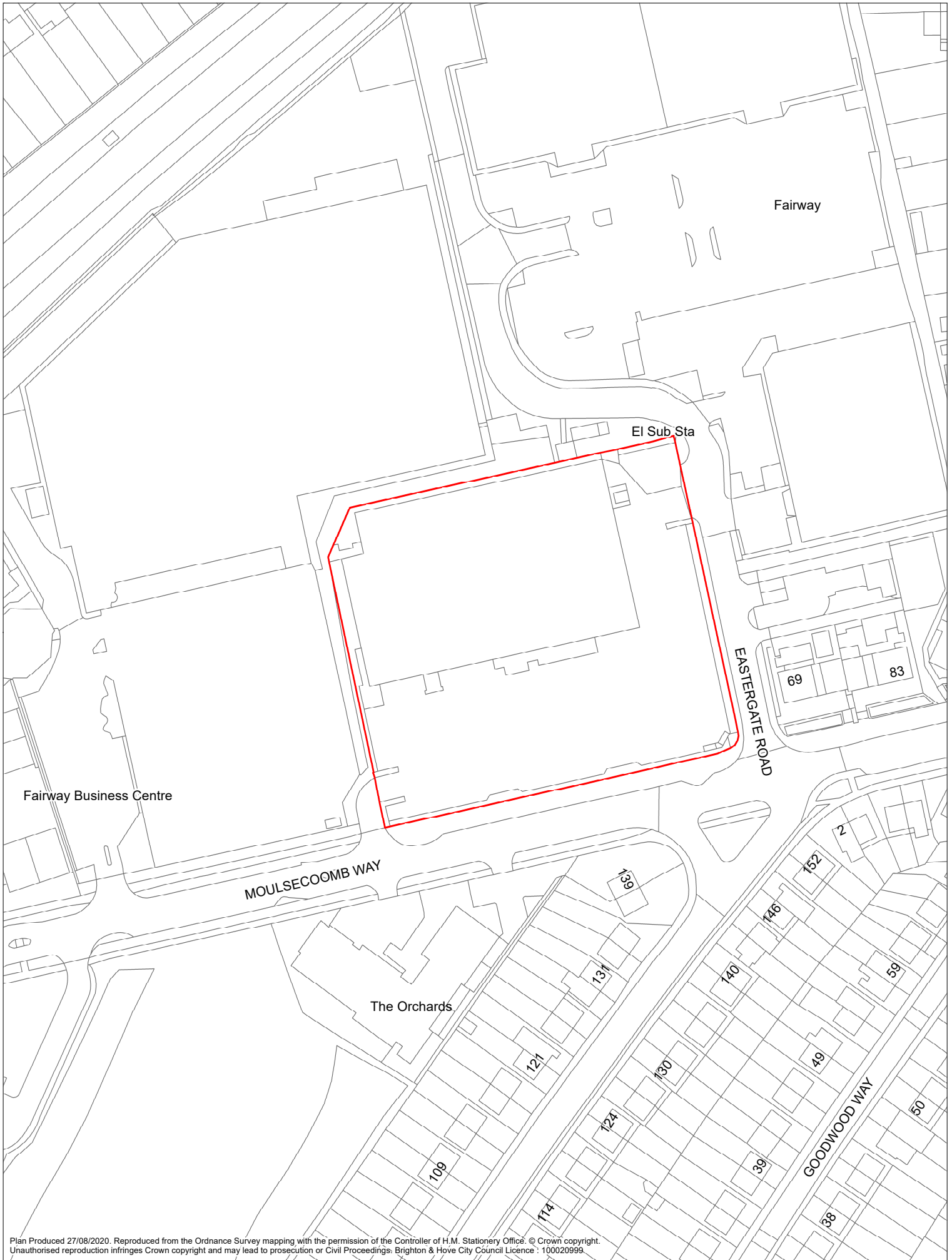
SUPPORTING DOCUMENTATION

Appendices:

1. Site Plan

Background Documents:

None



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