

Brighton & Hove City Council

Policy & Resources Committee

4.00pm 19 January 2023

Hove Town Hall - Council Chamber

Minutes

Present: Councillor Mac Cafferty (Chair) Druitt (Joint Deputy Chair), Gibson (Joint Deputy Chair), Allcock (Joint Opposition Spokesperson), Appich (Joint Opposition Spokesperson), Bell (Group Spokesperson), Allbrooke, Evans, McNair and Yates

Other Members present: Councillors

Part One

96 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

96.1 There were no substitutions.

96.2 Apologies were received from the Standing Invitee Dr Anusree Biswas Sasidharan.

(b) Declarations of Interest

96.3 Cllr Bell referred to Item 112a and declared that he was a Trustee of Royal Pavilion Museums Trust. He would therefore not take part in any discussion and would leave the Chamber during consideration of this item.

(c) Exclusion of Press and Public

96.4 The Committee considered whether the press and public should be excluded from the meeting during the consideration of any of the items listed on the agenda.

96.5 **RESOLVED:** There were no Part Two items on the agenda and so the press and public would not be excluded during the meeting.

97 MINUTES

97.1 **RESOLVED:** That the Minutes of the meeting held on 1 December 2022 be agreed as a correct record.

98 CHAIR'S COMMUNICATIONS

98.1 The Chair gave the following communication:

The thirteen-year Conservative obsession with slashing, trashing and privatising public services is having a catastrophic impact that we as a city are left picking up in our budget decisions this year. Over that thirteen-year period, £110m has been stolen from our city as a result of government cuts but the government seems intent on continuing their failed austerity agenda.

The government announced our funding so late what should have been the autumn settlement ended up being announced in winter; while ministers haven't told us yet how much we can fund public health, which might be useful as we recover from a public health pandemic or fund smoking cessation, inoculations, drug & alcohol abuse, sexual health.

It is sadly little surprise that the Conservative underfunding continues apace. Faced with unprecedented demand, the impact of a crippling pandemic, the cost-of-living crisis, Truss' disastrous mini-budget, the highest inflation in a generation and a recession that was, let's remember, predicted, we are faced with having to review all the services the council delivers and find over £20m worth of cuts to 'balance' our budget, something we are legally required to do.

The options left locally are dire and to balance the books, we are facing heart-breakingly difficult decisions. I am clear this administration will protect council services where we can, but vicious Tory cuts to Brighton & Hove mean there are limited funds and limited options left. This is another very dark chapter for our city and the council is likely to look and feel different by the end of the process. An example of that is that to date we've proudly been a high spending council for things like children's services. That era looks like it may be over.

The external auditors annual report of the council's finances demonstrates how we must work together for our city's future. The report states that there needs to be an urgent focus on our financing- the reality is that our services will have to look differently next year. This is why we have brought the note reminding all councillors of all political parties and none that we all have a duty to play a part in ensuring our services are delivered sustainably for years to come.

The reality is that local government funding is broken and even the government knows it. As funding has been cut by over a third in real terms over the last decade, local councils across the country and political spectrum are in desperate financial positions with over 250 opting to increase council tax to its highest rate. The government tells us to either fund the gaps through council tax or close down council services. Given that council tax funds only 19% of the council's budget you can see this isn't the whole solution to the problem. Even the government is starting to acknowledge that more councils will face a Section 114 bankruptcy notice as a result of their funding. In a cynical new low, the week the government should have been providing adequate funding for councils in their budget, they advertised for future commissioners who will be sent into councils to run them when they declare bankruptcy.

Meanwhile the government lauds its grant funding financing model, which today saw Prime Minister Rishi Sunak's leafy, rural constituency receive £19million taxpayers' cash to "level-up". These pots are not only undemocratic they actively contribute to the

difficulty all councils are having setting sustainable longer-term financing strategies as they pit local councils against each other.

As we have argued for many years now, the government needs to devolve decision making and finances to genuinely let local people decide how funding is spent. Through all of it, the Tories have cynically shifted the blame to local councils. But let's be clear: cuts have been a false economy and what we have needed like never-before is an invest to save approach, with quality public services funded by fair taxes on the wealthiest and the energy giants. Something that is sadly very far from the lips of Labour leader, Keir Starmer, too.

The gap in funding could not come at a worse time- soaring inflation and real term pay cuts. As more people fall into hardship from the cost-of-living crisis, demand for local services that can help has soared – with a sharp increase in need for care for vulnerable adults and children. Hardship funds are oversubscribed, while foodbanks have seen donations drop by over two-thirds.

As funding has been cut by over a third in real terms over the last decade, local councils across the country and political spectrum are in desperate financial positions with over 250 opting to increase council tax to its highest rate. Just before Christmas, Thurrock became the fourth council to issue a section 114 “bankruptcy” notice in recent years. It is thought that dozens more are struggling to balance the books.

The national picture is a stark reminder of the importance of making difficult decisions now across all of our services, which is why we need politicians from all sides to act with the seriousness this situation requires. The decisions that we will have to make at this budget will mean services being delivered differently right across our city so ensuring that we work with communities in this transition is essential.

Ahead of the council's budget meeting in February we must continue to focus on creating a balanced budget which protects local public services as much as we can so continue to help the most marginalised. We'll continue to lobby government with the loudest voices for the funding we know Brighton & Hove deserves.

99 CALL OVER

99.1 The following items were reserved for discussion:

Item 103 - General Fund Budget and Resources Update

Item 105 - Permission to Establish An Urgency Sub-Committee to Oversee Disposal of 31 Palmeira Avenue, Hove

Item 106 – Kingsway to the Sea

Item 107 – Full Review of Polling Districts and Polling Places 2023

Item 111 – The UK Shared Prosperity Fund

Item 112a – ACE Grant Brighton Museum Capital Works

The following items were agreed without discussion:

Item 104 – Council Tax Base and Business Rates Retention Forecasts 2023/24

Item 108 – Local Land Charges Fees & Charges

Item 109 – Provision, Installation and Maintenance of CCTV Traffic Enforcement Cameras and Associated Enforcement Support System

Item 110 – Life Events and Charges Review for Registration Services

Item 112 – Committee Calendar

100 PUBLIC INVOLVEMENT

100.1 There were no Petitions, Written Questions or Deputations

101 ITEMS REFERRED FROM COUNCIL

101.1 No items were referred from the last meeting of Full Council held on 15 December 2022.

102 MEMBER INVOLVEMENT

102.1 There were no Petitions, Written Questions, Letters or Notices of Motion

103 GENERAL FUND BUDGET AND RESOURCES UPDATE 2023/24

103.1 The Committee considered the report of the Chief Finance Officer which provided an interim update on the forecast position for the current financial year, 2022/23, an update on the projected funding and resource position for next year, 2023/24, following the publication of the provisional Local Government Financial Settlement, information about the budget process and sought agreement to a Budget Protocol that would determine the process for receiving and signing off alternative budget proposals (budget amendments) and provided important advice to all members regarding the legal requirements and responsibilities for setting the Council Tax and approving a balanced budget.

103.2 Members asked for legal advice on whether the legal consideration to the changes to the concessionary travel scheme have been considered as required by the last committee. The lawyer confirmed that they would provide a written response after the meeting.

103.3 Members asked if the position with the i360 and any possible impact on the budget had been considered. The Chief Finance Officer advised that the Council were awaiting an updated business case which would be provided later this month.

103.4 Members referred to paragraph 3.5 which stated that 'there very significant overspend and would severely impact on reserves' and asked what the current level of reserves were. The Chief Finance Officer said that a report coming to the forthcoming Audit & Standards Committee would set out the exact amount. However, there was around £20m of reserve funds, and any money borrowed from that would have to be paid back.

103.5 RESOLVED: That the Committee:

- (i) Noted the Legal Advice regarding the setting of the Budget and Council Tax in Section 8 and Appendix 1 and noted that this will be provided to all councillors for the Budget Council meeting.

- (ii) Agreed the Budget Protocol set out in Section 7 of the report.
- (iii) Noted the latest interim forecast for 2022/23, indicating a General Fund outturn overspend of £10.601m.
- (iv) Noted the latest resource position for 2023/24 indicating an overall budget shortfall of £20.929m with a remaining budget gap of £8.333m to be addressed in order to achieve a balanced budget.
- (v) Noted the Guideline Criteria and Budget Categorisation information used to inform the development of budget options, including savings proposals.

104 COUNCIL TAX BASE AND BUSINESS RATES RETENTION FORECASTS 2023/24

104.1 This item was agreed without discussion.

104.2 **RESOLVED:** That the Committee -

- (i) Agreed the calculation of the council's tax base for the year 2023/24.
- (ii) Noted the collection rate assumed is 98.75%.
- (iii) Noted the only change to the Discretionary Council Tax Reduction Scheme agreed at Council on 3 February 2022 is to reflect government changes to the National Living Wage as set out in paragraph.
- (iv) Agreed that in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amounts calculated by Brighton & Hove City Council as its council tax base for the year 2023/24 shall be as follows:-
 - 2.3.1 Brighton and Hove in whole – 91,986.3 (detail in appendix 1)
 - 2.3.2 Royal Crescent Enclosure Committee – 29.7 (detail in appendix 2)
 - 2.3.3 Hanover Crescent Enclosure Committee – 41.5 (detail in appendix 2)
 - 2.3.4 Marine Square Enclosure Committee – 69.1 (detail in appendix 2)
 - 2.3.5 Parish of Rottingdean – 1,666.6 (detail in appendix 2)
- (v) Agreed that for the purposes of Section 35(1) of the Local Government Finance Act 1992, the expenses of meeting the special levies issued to the council by the Enclosure Committees shall be its special expenses.
- (vi) Agreed that the Enclosure Committees and Rottingdean Parish are paid the required Council Tax Reduction Grant of c£4,000 in total, to ensure they are no better or no worse off as a result of the introduction of the Council Tax Reduction Scheme for the reasons set out in paragraph 3.11.
- (vii) Noted that the amount forecast to be received by the council in 2023/24 from its share of local business rates and section 31 Local Government Act 2003 compensation grants is £79.868m, based on the latest data.

- (viii) Delegated the agreement of the final business rates forecast and the NNDR1 2023/24 form to the Chief Finance Officer following consultation with the Chair of this Committee and this will be reflected in the Budget report to this committee in February 2023.

105 PERMISSION TO ESTABLISH AN URGENCY SUB-COMMITTEE TO OVERSEE DISPOSAL OF 31 PALMEIRA AVENUE, HOVE ALSO KNOWN AS PENNY GOBBY HOUSE

105.1 The Committee considered the report of the Executive Director Families Children & Learning which sought approval to set up an urgency sub-committee to act on behalf of the Council as sole trustee of the Jeanne Saunders Centre (Penny Gobby House) (the Charity), the Charity that owns 31 Palmeira Avenue, Hove, known as the Jeanne Saunders Centre/Penny Gobby House (the Property).

105.2 In response to questions from Members it was confirmed that sub-committee would establish a management committee for the role of being a trustee rather than establishing a committee of this Council, and that arrangements to ring fence any surplus proceeds related to the sale of the property.

105.3 **RESOLVED:** That the Committee agreed to establish an urgency sub-committee which would consist of three members, nominated by group leaders to make decisions on behalf of the Council acting as trustee of the Penny Gobby House School Charity on:

- the disposal of 31 Palmeira Avenue, Hove currently occupied by the Jeanne Saunders Centre ('Penny Gobby House') charity
- the purchase of the Annexe at Connaught Road by the Charity
- arrangements to ringfence any net surplus proceeds of sale for the Charity's use
- the establishment of a management committee.

106 KINGSWAY TO THE SEA

106.1 The Committee considered the report of the Executive Director Economy, Environment & Culture which provided an update on the recommended operational model for the management of the outdoor sports facilities and café.

106.2 Members asked what impact the Council would have on the charges for the new facilities under the terms of the new lease and whether there would be any arrangements for community use particularly for those who were disadvantaged. Officers advised that the Council did have the ability to specify within the lease the obligations we would like to place on the leaseholder, but this was not a service contract for which there would be a different form of procurement.

106.3 **RESOLVED:** That the Committee agreed that the pay-for-use sports facilities and outdoor sports hub public café would operate under lease arrangements, offered to the market via an expressions of interest process.

107 FULL REVIEW OF POLLING DISTRICTS AND POLLING PLACES 2023

- 107.1 The Committee considered the report of the Executive Director Governance People & Resources regarding the the statutory review of all polling places and polling districts within Brighton & Hove.
- 107.2 In response to question about voter ID, it was confirmed that the public would be able to apply for this online and it would be free. There would be a member briefing on this and a press release confirming what residents needed to do.
- 107.3 Members asked why schools were not being used for polling stations and were advised that head teachers did not want the disruption of the schools being closed for the day and a petition had been presented to the CYPS Committee asking that schools not be used.
- 107.4 Members asked how many polling stations were located outside of the Ward they served, and officers advised that they didn't have that information but would provide it after the meeting.
- 107.5 **RESOLVED:** That the Committee –
- (i) Agreed the polling district and polling place scheme outlined in Appendix 1.
 - (ii) Delegated authority to the Executive Lead for Governance, People & Resources to take all measures as are necessary or incidental, as required by law, to implement the changes indicated in para 2.1.
 - (iii) Delegated authority to the Returning Officer to designate alternative polling places, in the event of any polling place being unavailable, at any elections taking place prior before the next full review of polling places. Group Leaders and respective ward Councillors should be consulted prior to confirming any changes.

108 LOCAL LAND CHARGES FEES & CHARGES

- 108.1 This item was agreed without discussion.
- 108.2 **RESOLVED:** That the Committee –
- (i) Agreed the fees and charges set out in 3.4.
 - (ii) Delegated authority to the Executive Director Governance, People & Resources to make the changes to fees and charges. Note: If the above recommendations are not agreed, or if the committee wishes to amend the recommendations, then the item will need to be referred to the Policy & Resources Committee meeting on 9th February to be dealt with as part of the overall budget. This is because the budget is being developed on the assumption that the fees and charges are agreed as recommended and any failure to agree, or a proposal to agree different fees and charges, will have an impact on the overall budget, which means it needs to be dealt with by the Policy & Resources Committee as per the requirements of the constitution. This will not stop the committee from making recommendations to P&R.

109 PROVISION, INSTALLATION AND MAINTENANCE OF CCTV TRAFFIC ENFORCEMENT CAMERAS AND ASSOCIATED ENFORCEMENT SUPPORT SYSTEM

109.1 This item was agreed without discussion.

109.2 **RESOLVED:** That the Committee –

- (i) Delegated authority to the Executive Director of Economy Environment & Culture to take all steps necessary to procure the contract for CCTV Traffic Enforcement Cameras and associated enforcement support system.
- (ii) Delegated authority to the Executive Director of Economy Environment & Culture to award the contract to the successful bidder for an initial term of three years with the option to extend the contract for a further period of up to two years, subject to satisfactory performance.

110 LIFE EVENTS AND CHARGES REVIEW FOR REGISTRATION SERVICES

110.1 This item was agreed without discussion.

110.2 **RESOLVED:** That the Committee approved the fees and charges set out at Appendix 1 of the report (as amended).

111 THE UK SHARED PROSPERITY FUND

111.1 The Committee considered the report of the Executive Director Economy Environment & Culture which outlined the Investment Plan for the UK Shared Prosperity Fund (UKSPF or the Fund) in Brighton and Hove, totalling £1.766m for local investment by March 2025. It provided an overview of the interventions and outcomes planned between now and March 2025, delivering against three key investment priorities - Communities & Place, Supporting Local Business, and People & Skills - as provided by the Department for Levelling Up, Housing and Communities (DLUHC).

111.2 Cllr Allcock proposed the following amendment (changes in italics):

2.1 Agree that the UKSPF grant award for Brighton and Hove is spent in line with the Investment Plan, as approved by the Department for Levelling Up, Housing and Communities on 5 December 2022, and summarised in Appendix 1.

2.2 That item 11 in Appendix 1 summarised as Green Skills Course (projected spend 2022-25 spend £50,000) be redirected to support paid placement opportunities in the council's apprenticeship and preemployment programme for disabled people of all ages with a particular focus on Looked After Children, NEETs who have a disability or EHCP under the age of 25, subject to DLUHC approval.

2.23 Delegate authority to the Executive Director – Economy, Environment & Culture, to take the necessary decisions and actions to oversee delivery of the UKSPF Investment

Plan. This includes implementing and administering the scheme and the resulting projects in accordance with the requirements and priorities of the government prospectus and Fund;

2.34 Note that an annual report on the progress of the Investment Plan will be brought to this committee;

2.45 Note the oversight and evaluation arrangements for the Fund.

111.3 Cllr Appich seconded the proposed amendment.

111.4 Officers advised that if the amendment were agreed it would still be dependent on approval by the DLUHC.

111.5 The Committee voted on the amendment and it was agreed.

111.6 **RESOLVED:** That the Committee –

- (i) Agreed that the UKSPF grant award for Brighton and Hove is spent in line with the Investment Plan, as approved by the Department for Levelling Up, Housing and Communities on 5 December 2022, and summarised in Appendix 1.
- (ii) That item 11 in Appendix 1 summarised as Green Skills Course (projected spend 2022-25 spend £50,000) be redirected to support paid placement opportunities in the council's apprenticeship and pre-employment programme for disabled people of all ages with a particular focus on Looked After Children, NEETs who have a disability or EHCP under the age of 25, subject to DLUCH approval.
- (iii) Delegated authority to the Executive Director – Economy, Environment & Culture, to take the necessary decisions and actions to oversee delivery of the UKSPF Investment Plan. This includes implementing and administering the scheme and the resulting projects in accordance with the requirements and priorities of the government prospectus and Fund;
- (iv) Noted that an annual report on the progress of the Investment Plan will be brought to this committee;
- (v) Noted the oversight and evaluation arrangements for the Fund.

112 COMMITTEE CALENDAR

112.1 This item was agreed without discussion.

112.2 **RESOLVED:** That the proposed timetable of meetings for the 2023/2024 municipal year be agreed; subject to any necessary amendments following changes to the Constitution and/or committees' requirements.

112a ACE GRANT BRIGHTON MUSEUM CAPITAL WORKS

112a.1 The Committee considered the report of the Executive Director Economy Environment & Culture regarding the Arts Council England (ACE) grant for Brighton Museum.

112a.2 Cllr Bell left the Chamber for this item.

112a.3 Members asked if there would be any financial risk for this and was advised that there would be no increased risk.

112a.4 **RESOLVED:** That Committee agrees to the novation of £1,463,769 grant agreement between Arts Council England and the Trust to the Council, to carry out the required repair works to the Brighton Museum roof.

113 ITEMS REFERRED FOR COUNCIL

113.1 No items were referred to the next meeting of Full Council being held on 2 February 2023.

114 PART TWO PROCEEDINGS

114.1 There were no Part Two items on the agenda.

The meeting concluded at 6.30pm

Signed

Chair

Dated this

day of