

BRIGHTON & HOVE CITY COUNCIL
SCRUTINY PANEL - BUDGET 2013/2014
1.00pm 9 JANUARY 2013
COMMITTEE ROOM 1, HOVE TOWN HALL

MINUTES

Present: Councillor K Norman (Chair)

Also in attendance: Councillors Cox, Dean, Fitch, Pissaridou and Sykes

Other Members present: Co-optee Joanna Martindale

PART ONE

18. PROCEDURAL BUSINESS

- Apologies were received from Julia Chanteray.
- Cllr Cox was substituting for Cllr Wealls
- There were no declarations of interest.
- Exclusion of press and public was agreed as per agenda.

19. CHAIR'S COMMUNICATIONS

Cllr K Norman welcomed everyone to the final budget scrutiny meeting. It was agreed that the meeting could be filmed.

Cllr Norman thanked Cllr Kitcat for coming back to the panel for a final session. The intention was the session to provide an opportunity for any updates on the budget setting process, for Panel members to reflect issues back to Cllr Kitcat that have been raised and for a more general discussion on wider budgetary issues

20. BUDGET PROCESS AND APPROACH

Cllr Kitcat provided an update on the budget setting:

- The LG settlement is still being analysed but it doesn't look to have made a massive difference on the 13/14 budget.
- An extra 2% will be taken from the 14/15 budget. This will be tough to find.

- The Public Health allocation hasn't been announced yet.
- The School's Capital budget is also still outstanding – this is very concerning for the city as there is obviously a need for extra class capacity.

There was debate over the nature and breadth of statutory services and whether future budget reductions will mean that the council focuses on providing statutory services.

It was noted that focusing on 'statutory or non-statutory' services is something of a red herring. Often there will be a duty to provide a service, however how this is provided, to what level and quality will however be for local determination.

There is also an ever changing range of responsibilities relating to local government. For example whilst responsibilities re schools may be decreasing those with regard to public health are increasing.

However whilst it may be the case legal responsibilities re education may be decreasing this doesn't mean the council shouldn't be seeking to influence this very important area. Indeed there are a number of areas where the council has limited statutory requirements but will want to be very active.

The introduction of a general power of competence also means the council has extremely broad powers that it should be seeking to utilise. The Government is making it clear for example that councils need to take on a larger role with regards to economic development.

- Is the voluntary redundancy scheme the best way of making budget savings? Whilst more palatable to unions and staff it may be more expensive and less strategic in identifying what capacity the council needs going forward?
 - There is a voluntary scheme underway with the deadline for applications the 18th January. The last scheme was more limited in scope and even then there was excess demand.
 - Not all applications will be accepted. Only where there is a business case /service redesign and where it makes sense for the organisation will it be agreed.
- Have there been any major issues flagged up during the consultation process?
 - Obviously haven't been through each response yet but to date nothing huge has come forward.
 - There may be changes once the final settlements are fully understood.
 - The scrutiny report will be looked at to see whether this flags anything that needs changing.
- How good is the consultation process?
 - Budget:
 - Always trying to improve it and happy to take feedback.
 - Are publishing budget proposals earlier than ever. Supporting the most detailed scrutiny process to date.
 - There is an online tool, a public consultation event, and the city tracker is also being used.
 - It is a multi-channel process where the administration is happy to support the most effective way in which to consult on proposals and give them the greatest possible public scrutiny.

- There is however a very small pot of money available for this consultation.

General

- The LSP has reviewed the number and reach of consultations
- The CEF provides a framework re consultations
- Looking to develop a centre of excellence of staff who can support good practice for all consultations
- Has been a growth in the number of people who consider they can influence the council (city tracker results)
- Trying to be as open as possible – webcasting meetings, committee system, introducing neighbourhood governance pilots
- The point was made that if changes are made following a consultation accusations of a u-turn are usually forthcoming.
- There is a need to ensure that consultation allows for all to have a say, not just those with the loudest voices.
- Happy to consider all ideas for improved engagement for example deliberative juries.

§ The CVSF welcomed their involvement in the budget setting process. It allows for a different voice and perspective on proposals. Given the nature and scale of the challenges to come the sector feel a more sustained conversation with the council would be useful. The sector has considerable intelligence with regard to the impact of changes to public services. It was suggested discussion on proposals for 2014/15 budget proposals and those beyond that should start very rapidly after the 2013/14 budget is agreed.

- Cllr Kitcat agreed that the inclusion of the CVS within the budget setting process has proved very useful.
- A more permanent arrangement to allow discussion of budgetary and service changes could considered, however it would need to take into account existing partnership structures.
- With a new Chief Executive and new Chair of the LPS imminent a review of partnerships is to be undertaken which could look to address these issues.
- A dialogue with individual service leads and the CVS could be very useful.
- The role of service committees re changes to future services and budgets will be key to ensuring that decisions taken are as good as they can be.

- Is the council looking to learn from elsewhere to see how councils are dealing with these financial challenges?
 - Yes. We work closely with the LGA and a number of specialist associations.
 - Other e.g. are Eurocities network, networking at local/national/European levels.
- The Council's role re economic development is increasing, it's clear that the council does a lot already but the actual impact across the city of this work isn't always obvious. Indeed the impact won't always be felt immediately.
 - The Council is stronger if the city is stronger; the council has a major role in leading the economic development of the city. We need to facilitate innovation and creativity, we need to help draw in funding from external sources, we need to have the evidence to support the best projects – those that have the best chance of securing funding.

- The City Deal represents an excellent opportunity for this. Lord Heseltine's report into econ dev highlights that in future less funding will be automatic, with more available for those projects that are likely to be 'winners'.
- § The general power on competence, and ever reducing budgets will present stark political choices. Local priorities are clearly articulated within the Sustainable Community Strategy and the Corporate Plan.
- § Are there any plans for outsourcing services? Should we be competing or supporting small businesses?
 - There are political differences between parties as to merits of outsourcing
 - For the current administration it is not a priority, rather judgements are made on a case by case basis as the merit of where services are delivered
 - A pragmatic, rather than dogmatic approach will deliver the best results
 - For example councils that have outsourced too much are now struggling to enter into joint working arrangements that can deliver significant savings
 - Also to properly manage contracts requires a significant degree of capacity centrally. There are also issues relating to accountability and transparency relating to outsourcing
 - Does the localisation of business rates benefit the city?
 - 51% goes back to government and the rates will be set nationally, therefore its not really the localisation of BR.
 - We will have more of an incentive to ensure collection as the council will take a share.
 - Would you support a local sales tax?
 - Generally supports local taxation where it replaces national taxation.
 - Taxes need to be clear to residents as to what benefits they bring.
 - What is happening with regard to the Mayor's number plate? Could it be put back on the Mayor's car whilst it's being marketed?
 - The number plate is currently being marketed at a price the council has been advised is realistic. The Mayor is currently using a different vehicle for a trial period and as such is using a different number plate.
 - There is a political disagreement as to whether this should be sold or not.

21. TRANSPORT

Cllr Davey introduced the transport budget highlighting the importance to the city of transport and the public realm. This was the second year of a two year budget strategy with many of the larger savings already having been taken during 2012/13.

The LTP remains a key element of the transport budget allowing important capital programmes to be undertaken. Key issues within the portfolio include ensuring the city can move about which is vital for the economy, road safety (including 20mph zones), air pollution, parking and public transport.

A significant element of transport spending is made up of funding secured from bidding applications, for example £3.3 million from the Better Bus Area fund and £900k secured for flood defence work over the next few years.

Good progress is being made in a number of areas, for example:

- B&H is the least car dependent city outside of London
- It has the most bus journeys per person outside of London
- Station Gateway project is progressing well
- Valley Gardens scheme is also on track
- Seven Dials project is ongoing with the consultation completed
- The Regency and Trafalgar St car parks have received upgrades
- The local bus market has been supported with now 6 operators within the city, including a number of smaller operators

Parking has remained a contentious issue; the administration has listened to traders in London Rd and the seafront and been able to reduce parking fees. There is also a wider general freeze on tariffs.

The LTP capital budget is being protected as this is vital to delivering the aims of the council. The Director of Place and Lead Commissioner for Regulation and Infrastructure highlighted a number of issues including:

- The increasing use of technology
- There has been a restructure to bring all transport elements under one management team
- Bidding is vital to the successful implementation of the council with regards to transport. In this regard reputation and deliverability of schemes are vital. The council needs a number of schemes 'ready-to-go' at any one point as funding deadlines can appear and go very quickly.
- There are usually economic imperatives behind transport schemes, it is more complex than simply getting people from A-B.

There were a number of questions with regard to the budget proposals: Clarification was sought with regards to the parking income (approx £14million) and the saving within this. Members were advised this related to a contractual element of the vehicle compound.

It was asked what would happen were there no parking restrictions – this would lead to chaos and the city would grind to a halt. With 8 million visitors restrictions are needed. There has been a parking review undertaken over the last couple of years. Parking fees also pay an important role in supporting free bus travel for pensioners, and other sustainable transport schemes.

At a more philosophical level parking is never free there is always a cost to be born, it just may not always be obvious and immediate. An effective parking policy is vital for a vibrant and successful city; the current balance is about right. The Administration has introduced an evening tariff to encourage people to come into the city for restaurants, shows etc and has a one hour tariffs for shorter trips.

The city could grind to a halt if parking controls were non-existent or too cheap. The council does promote sustainable transport and is encouraging more people to use buses and trains to

travel to and within the city, however a balanced parking policy is also required. It was noted that a number of other cities have parking rates higher than Brighton and Hove's.

Road maintenance and utilities work on the roads are coordinated as much as possible. The city council is in the process of developing a permit scheme to improve management in the future.

There were a number of questions regarding the carbon reduction commitment and budgets. Staff travel accounts for 30% of the total, how is this being addressed? There is an ongoing piece of work being progressed with Council staff and trade unions, regarding proposed changes that will seek to reduce this figure through a Staff Travel Plan. It has been a long standing problem that is looking to be addressed during 2013/14.

Air quality has long been an issue in the city – is there any clarity yet as to whether the council will be fined? It is still unclear as to how the fines will be apportioned. However what is clear is that if action is not put in place to tackle the problem the greater the chance that the council will be held accountable. Figures re air pollution should be available in the late spring. The fines will come from the EU and the government will decide how they are apportioned. There was acknowledgement that the administration has sought to consult people on its transport plans, and that at one time or other people will use a variety of forms of transport.

Figures were requested as to the extra income generated as a result of the increase in traders permits last year. It was agreed to provide these for the next Transport Committee. Trader permits are now available online etc and far more user friendly than previously.

Clarification regarding the timing of bus passes for older people was asked for. It was explained that the government scheme allows for a 9.30 start, the council has moved this back to 9.00 - the difference in cost being about £200k.

It was confirmed there will be no further financial reductions in supported bus contracts during 2013/14.

CVSF equalities sessions raised a number of issues with regard to disabilities and the state of pavements in the city. It was confirmed there was no reduction in the highway maintenance budget and indeed a number of benches were now being added around the city.

The CVSF has had very positive feedback with regards the consultation undertaken re the Lewes Road project. It was felt this was a model consultation and should be repeated elsewhere.

Assurance was given that carbon monitoring is now standard as part of the development of all transport schemes. Actual measurement and monitoring is based on proxy measures.

Cllr Norman thanked Cllr Davey and the all the officers present.

22. CHAIR'S CLOSING COMMENTS

The Chair thanked everyone taking part in the budget scrutiny panel for all of their involvement.

The meeting concluded at 3pm

Signed

Chair

Dated this

day of