

# **POLICY & RESOURCES COMMITTEE ADDENDUM 2**

**4.00PM, THURSDAY, 5 DECEMBER 2019**

**COUNCIL CHAMBER - BRIGHTON TOWN HALL**

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# ADDENDUM

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(b) Written questions and responses.

The written questions from Members are listed along with the responses from the Chair.

**MEMBER INVOLVEMENT - WRITTEN QUESTIONS**

The following written questions submitted by Members and the responses from the Chair, Councillor Platts are detailed below:

**1. Councillor Hugh-Jones**

What plans are there, if any, to use funds from the Preston Park reserve in the next year and, if there are any, by how much will they deplete the reserve?

**Chair's Response**

There are no definite plans for using the Preston Park reserves in the next year. Consideration is being given to seeking external funding for investment in the restoration of Preston Park. In this case the reserve would be used for match funding towards any bid. The fund would only be used in this way, in consultation with Members and the Friends of Preston Park.

**2. Councillor Hugh-Jones**

What provision is there in the budget currently for energy efficiency measures in relation to existing housing stock?

**Chair's Response**

Work is currently in place to identify future investments in energy efficient measures in relation to our existing housing stock and there will be more detail in a paper coming to the Housing Committee in January. I can confirm that at present we are estimating an investment of £3.2 million focused on sustainability and carbon reduction which includes domestic and communal heating improvements, a ground source heating project at one of our sites and investment in home energy efficiency, insulation improvements and renewables.

**3. Councillor Gibson**

How much interest is currently payable to BHCC on lending to other local authorities on loans for 3, 6, 9, 12 and 18 months?

The council can obtain the following current market interest rates when lending to other local authorities, although these can fluctuate daily:

3 months: 0.75%  
6 months: 0.80%  
12 months: 1.00%  
18 months: 1.25%

These interest rates change regularly, mainly due to supply and demand. For example, rates have come down recently as a result of:

- a) This being a time of year where councils typically have low requirements for financing their capital programmes;
- b) Expectations of a Base Rate cut in the medium term; and

Councils preferring to take out PWLB borrowing over the summer when this was at historically low rates.

**4. Councillor Gibson**

What is the estimated annual difference in cost to the council between a 1 bed buy back property used as temporary accommodation (and let at LHA rents) and an average 1 bed property leased from a private landlord and an average 1 bed unit of short-term temporary accommodation?

**Chair's Response**

The cost of a one bed buy back property is generally cost neutral to the HRA as the viability modelling ensures that the rental stream pays for any financing costs of borrowing as well as the management and maintenance costs. The net cost per year for other 1 bed temporary accommodation properties are £1,600 for a leased property and £5,100 for a short-term emergency flat. In both cases the net costs are based on the cost of the property together with estimated management costs, netted off against income

**5. Councillor Gibson**

What was the annual income obtained by the council in 2018/19 for each of 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> car permits in CPZ?

**Chair's Response**

14.7% of all resident parking permits that were issued in 2018/19 were either 2<sup>nd</sup>, 3<sup>rd</sup> or 4<sup>th</sup> permits.

The total income from these permits was £647,000, of which £539,000 was 2<sup>nd</sup> permits and £108,000 3<sup>rd</sup> and 4<sup>th</sup> permits.

**6. Councillor Gibson**

Can you breakdown the numbers of vehicles in CPZs issued with low emission permits and higher emission permits and provide the total income for each of low emission and high emission permits to date?

**Chair's Response**

For 18/19 Financial year, income per emissions band

12 Month	20,097	-£2,554,671.03
12 Month HE	5,212	-£831,209.48
12 Month LE	3,385	-£215,139.67
3 Month	13,330	-£610,595.80
3 Month HE	3,047	-£176,132.90
3 Month LE	1,579	-£37,136.57

19/20 Year to date

	Count (YTD)	Sum (YTD)
12 month	13,577	£1,764,997.00
12 month HE	4,454	£705,935.55
12 month LE	2,957	£186,990.00
3 month	8,640	£398,923.50
3 month HE	2,295	£134,025.60
3 month LE	1,948	£36,000.75

LE = Low emission  
HE = high emission

**7. Councillor Gibson**

How much rent has BHCC collected (expressed as a % of rent due) to date in 2019/20? (and if this collection rate continues for the rest of the year how much will BHCC be required to pay seaside homes under the rent guarantee agreement?)

**Chair's Response**

The council has collected 85.6% of rent due in 2019/20 up to 31/10/19. The council is due to pay 91% of rent due in 2019/20 to Seaside homes and currently this is estimated to total £4.444m. Therefore, based on this collection rate continuing for the rest of the year, this would lead to a forecast shortfall of £0.266m in rent to be met by the council. However, this forecast could reduce depending on the success of the current financial recovery plan. The service has been reviewing the collection processes and procedures to improve collection rates going forward and is trying to address an anomaly that has arisen with the Department of Work and Pensions around the payment of universal credit for those in Seaside Homes properties.

**8. Councillor Gibson**

Can a table be provided for each of the years 2011 to 2019 inclusive setting out:

- a) The pay ratio between the highest paid council officer to the lowest paid for BHCC;
- b) Indicating the number of employers in the city signed up to the Brighton Living wage on a voluntary basis each year

## Chair's Response

<b>BHCC Pay Ratios and VLW Employers in Brighton &amp; Hove 2011 - 2019</b>				
<b>Year</b>	<b>Salary Low</b>	<b>Salary High</b>	<b>Ratio</b>	<b>VLW employers*</b>
<b>2011</b>	<b>£12,787</b>	<b>£170,000</b>	<b>13.29</b>	<b>0 - 100</b>
<b>2012</b>	<b>£13,874</b>	<b>£150,000</b>	<b>10.81</b>	<b>0 - 100</b>
<b>2013</b>	<b>£14,373</b>	<b>£150,000</b>	<b>10.44</b>	<b>100</b>
<b>2014</b>	<b>£14,759</b>	<b>£150,000</b>	<b>10.16</b>	<b>117</b>
<b>2015</b>	<b>£15,144</b>	<b>£150,000</b>	<b>9.90</b>	<b>228</b>
<b>2016</b>	<b>£15,941</b>	<b>£151,500</b>	<b>9.50</b>	<b>300</b>
<b>2017</b>	<b>£16,302</b>	<b>£153,015</b>	<b>9.39</b>	<b>350</b>
<b>2018</b>	<b>£16,881</b>	<b>£156,075</b>	<b>9.25</b>	<b>450</b>
<b>2019</b>	<b>£17,364</b>	<b>£159,197</b>	<b>9.17</b>	<b>576</b>

\* Source: Brighton & Hove Living Wage Campaign

### 9. Councillor Gibson

Can you provide a detailed breakdown on how much of the £129K additional funding for the sustainability team (agreed at budget council in February 2019) for the staff and resources has been spent to date, giving indication of what additional activity any staff and resources provided by the money has enabled to take place?

#### Chair's Response

Budget Council on 28 February agreed £190k in new funding to the council's Sustainability Team to provide staff and other resources required to expand activity in climate change mitigation and biodiversity protection and enhancement, following Council's unanimous declaration of climate and biodiversity emergencies in December 2018.

In 2019/20 all of the additional funding has been focused on a budget for sustainability initiatives as there are particular costs around the emerging Carbon Neutral 2030 programme which will help to develop our city response to the Climate Emergency, including supporting the development and delivery of a Citizens Assembly on climate change. A minimum £75k has been allocated to this. In addition, there is going to be modelling work required to inform the development of options for the Citizens Assembly.

In addition to this, approximately £25-30k of the funding is being used to develop the Circular Economy framework that is required by the Economic

Strategy, which will present opportunities to understand how better use of materials, resources and space can help to significantly reduce our carbon footprint. The framework will start by focusing on two sectors initially: the built environment and construction, and the visitor economy, and it is anticipated that the framework could be approved in spring 2020. £20k is also going to be spent on developing new planning policy around the Natural Environment to ensure that planning policy delivers the most sustainable development possible. There is also going to be a future report to ETS recommending that £25k is assigned to the ChAMP project, which seeks to protect the city's Chalk Aquifer and the water supply.

From 2020/21 much of this initial work will be underway and funded, and then most of the funding will be allocated to new sustainability posts and a restructure of the Sustainability team will take place in the coming months. Roles are likely to include an additional Sustainability project manager and a Biodiversity officer.

#### **10. Councillor Gibson**

For the answer provided on 24th October full council to the question on actual borrowing in new homes for neighbourhoods modelling in which an average actual borrowing rate of 2.17% was applied to the models can you clarify if this average rate was applied to the modelled borrowing amounts at the time of scheme approval or to the actual quantity of borrowing that was undertaken in practice?

#### **Chair's Response**

The response provided on 24<sup>th</sup> October, included the re-modelling of all previously completed projects using an average rate of 2.17% as the discount rate. This was applied to the borrowing amounts assumed at the time of scheme approval. At scheme approval HRA borrowing is assumed to be required to fund the investment, however due to other areas of capital investment being re-profiled over a number of years this borrowing may not have been actually taken out. The work which has been re-profiled on the capital investment programme will still need to be carried out so the borrowing which the projects were supporting in the initial scheme approval will still be required in future financial years.

#### **11. Councillor Mac Cafferty**

What is our officers' understanding of percentage spend on section 117 between that for BHCC and other comparable authorities; what is our officers' understanding of percentage spend on hospital discharge costs compared to other comparator authorities. If neither of these are available, what is the projected percentage increase in spend in the next year?

#### **Chair's Response**

The contribution from BHCCG for section 117 has been static at £3.4m for some years the total forecast costs of Section 117 aftercare in 2019/20 for BHCC is £12.823m therefore BHCC are contributing 73% to section 117 compared to 50% in most other comparable authorities

The percentage spend on hospital discharge costs as a proportion of all Adult Social care expenditure for BHCC in 2019/20 is 7%. Information on this spend is not available from other authorities so we are unable to make a comparison.

**12. Councillor Mac Cafferty**

With regard to adopted Green Group amendments for budget council in February, can we have detail on the implementation of the agreed £0.033m to create a recurring Community Clean-up Fund – to be used for anti-graffiti and other community clean-up work?

**Chair's Response**

The exact wording of the amendment was “for CityClean to create a recurring city centre Community Clean-up Fund to be used for graffiti materials to be available for community groups and towards sustainable street cleansing innovations such as hot foam technology to remove gum, grime and weeds”

Cityclean launched Community Clean Up inbox in September which we have promoted to inform people that they can contact us for materials for community clean ups. We were previously providing materials on requests made to individual officers. The Community Clean up inbox will make access to the community clean-up fund easier and more accessible to a wider range of people.

We have only started logging the specific costs of materials issued for community clean ups since we set up the new inbox at the end of September. We therefore can only provide an estimated expenditure on materials used for this purpose which is £16k. This has provided paint, cleaning products; equipment; community storage units for materials which includes 6 community ‘Superbins’ and a strongbox. The demand for community strongboxes (for storing materials) is high and they are also more efficient as we can keep them stocked with materials rather than making special journeys. This also gives the groups greater independence and flexibility, so we are looking to invest another £5k for 5 more boxes in the near future to meet demands. This does depend on us finding a suitable location and key holders.

We have taken the opportunity of the additional funds for material to expand the ‘tidy up team’ approach from working in parks to working across the city wherever volunteers want to hold a tidy up event. We have now have more than 100 Tidy Up Team volunteers and a large number of community groups and individual who regularly clean up their area and paint out graffiti. So far this year there have been 163 beach cleans supported by the council and the community clean-up fund. We are grateful to all of the volunteers and community groups who make such a valuable contribution to their communities.

We are researching new street cleansing equipment to steam clean pavements. We have trialled hot foam technology, but we have further research to do.

Any remaining funding from the additional £33k will be used as a contribution towards the cost of hiring temporary staff in the summer to manually remove weeds.

**13. Councillor Mac Cafferty**

Further to an oral question at P&R in the summer, I received some information about waste PFI one off resources being used to inflate the base budget. Are they being used elsewhere?

**Chair's Response**

Waste PFI reserves are held to meet future unitary PFI payments under the terms of the contract and in accordance with the latest financial model. The reserves are reviewed at least twice each year as part of the budget setting and annual closure of accounts processes. They may also be reviewed whenever variations to the contract affecting the financial model are negotiated and agreed by the parties. Any release of PFI reserves provides one-off funding which can be used for revenue or capital investment or, alternatively, used to mitigate financial pressures such as in-year overspends or collection fund deficits. For example, the 2019/20 budget included the use of £400,000 released Waste PFI reserves to provide one-off funding over a period of two years to augment services to 'high support homeless people.' Waste PFI reserves cannot be used to increase the council's base budget on a permanent basis.

**14. Councillor Mac Cafferty**

I asked about the insurance fund in the summer. A full list of what the insurance fund covered wasn't available can I have the list of what is covered?

**Chair's Response**

The council's internal insurance fund is used to finance the settlement of claims relating to self-insured risks including agreed excesses or 'deductibles'. This includes cover for current claims for which we will have an estimate of the likely settlement figure, but the fund also needs to be maintained at a level sufficient to cater for claims relating to incidents that have occurred but have not yet been reported as well as potential future incidents giving rise to claims. In this respect, the fund is reviewed every two years by an independent actuary to assess the levels of risk across the whole sphere of council assets and activity. The levels of self-insurance currently provided for by the fund are as follows:

Liability insurances: The first £100,000 of each and every claim is payable against the following externally procured insurance policies:

- Public Liability
- Employers Liability
- Officials Indemnity
- Professional Indemnity
- Libel and Slander
- Public Health Act
- Local Land Charges

Education Property Loss or Damage (Buildings and contents): The first £100,000 of each and every claim.

All Risks Insurance: The first £10,000 of each and every claim. This includes loss of or damage to items such as the collections in the museums and Royal Pavilion, The Mayor Regalia and goods seized by Trading Standards.

Housing Property Loss or Damage to buildings: The first £25,000 of each and every claim.

Motor insurance: The first £150,000 of each and every claim.

**15. Councillor Mac Cafferty**

In July's P&R I raised concerns about carry overs, specifically that sums could be carried over for a number of years with the rationale for spending changing dramatically over time. Although I was given some information that BHCC does indeed have a 'Carry Forward' figure which is part of the TBM provisional outturn report, in terms of good financial housekeeping I would be interested in more detail on the totals especially for very large amounts and what budget lines those relate to.

**Chair's Response**

Each year full details of all proposed carry forwards are reported to Policy & Resources Committee as part of the TBM Provisional Outturn report, usually in June or July. Every Carry Forward is listed and detailed including those supported by specific government grants. There are no other carry forwards allowed other than very minor amounts of under £50,000 (fifty thousand) that the Chief Finance Officer may authorise under the council's scheme of delegation. For example, the 2018/19 carry forward list identified £2.745m carry forwards which were approved by Policy & Resources Committee in July 2019. Some items can be carried forward for more than 1 year, but this is usually only where the source of funding is from a range of strategic partners and the council is committed to using the funds for a designated purpose.

**(16) Councillor Gibson**

In the November 2018 rough sleeper count, how many of the rough sleepers found were not known to St Mungo's?

**Chair's Response**

There were 19 individuals identified in the 2018 street count who were not previously known to outreach services.