

BRIGHTON & HOVE CITY COUNCIL
STRATEGY, FINANCE & CITY REGENERATION COMMITTEE

4.00pm 13 JULY 2023

COUNCIL CHAMBER, HOVE TWON HALL

MINUTES

Present: Councillor Sankey (Chair) Taylor (Deputy Chair), Cattell, Davis, McNair, Muten, Pumm, Robins, Rowkins and Williams

PART ONE

18 PROCEDURAL BUSINESS

18(a) Declarations of substitutes

18.1 Councillor Davis was present as substitute for Councillor Shanks.

18(b) Declarations of interest

18.2 There were none.

18(c) Exclusion of press and public

18.3 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(I) of the Act).

18.4 **Resolved-** That the press and public be excluded from the meeting during consideration of those items listed as confidential on the agenda.

19 MINUTES

19.1 **Resolved-** That the minutes of the previous meeting held on 22 June 2023 be approved as the correct record.

20 CHAIRS COMMUNICATIONS

20.1 The Chair provided the following communications:

“Welcome all to the second Strategy, Finance and City Regeneration Committee of our Administration. This Committee is being held in quick succession to our last Committee at the end of last month.

Particular thanks therefore to the officers who have helped prepare for today’s Committee, Will, Abraham, Nigel, Rima, Donna and John.

Since we last met our corporate parenting shadowing programme has got underway and I was delighted to be shadowed this week by one of our care leavers. They were interested, interesting and full of insightful and tough questions about what we do. Our Administration is clear that as well as safeguarding and protecting the welfare of our looked after children, as corporate parents we will also strive to provide opportunities, guidance and support as our care leavers grow into adulthood and need to navigate the world of work. At the suggestion of my companion on Tuesday, I’ve asked officers to explore a more formalised internship programme for our children in care.

Today’s agenda covers key Finance papers, as well as papers on parking charges, customer service and key performance indicators and housing.

The Target Budget Monitoring report at month two assesses the position as regards the Council’s income and expenditure for this financial year. Alarmingly this report indicates an overspend risk of £11 million. The report details the many reasons for this which include, inflationary pressure, increasing costs in demand-led areas such as adult social care, failure of local market to service demand leading to escalating costs, such as home to school transport. Escalated spending controls have therefore been applied since 3rd July for an initial 8 week period. I’m sure we’ll discuss this important report in much more detail.

Today’s agenda also includes a Budget Planning and resource update with ideas on short to medium to long term financial planning to get this LA back on track. We are in a serious financial position and we’ve been made further vulnerable to the external challenges we face by bad past-decision-making.

Which brings me on to parking charges. This year’s budget, set by the previous Administration proposed moving four areas of our City – including Kemp Town which hosts the main hospital for our region - from low tariff to high tariff meaning the cost of parking for one hour jumping from £1.50 per hour to £5.60 or from £8.40 for 11 hours to £22.70. Central Brighton already operates as high tariff. Our financial challenges are stark. But my Labour Administration knows, in our bones, that you don’t increase parking charges by over 300% in a cost-of-living crisis. Something any party which claims to be of the “Left” should know but apparently not. And you don’t solve our climate crisis on the backs of low paid nurses already relying on foodbanks as a result of cruel Tory austerity.

Scrapping these charges as we will seek to do today, will be a huge relief to our residents, businesses and visitors and it is the right thing to do. It will also leave us with further budget shortfalls. But so flawed was the approach to parking by the last Admin, we are not convinced that the projected income from these increased parking charges would be realised. For the 2023/24 financial year we already know an underachievement of £0.83 million is forecast for parking. Which is why we’ve tasked officers with a whole new remodelling of our parking charges across the City. The high charges in Central Brighton are undoubtedly affecting our business and I know from

speaking to hundreds of residents that people now shop elsewhere in Worthing or Eastbourne because they can't afford to come to Brighton.

Improving customer service, ensuring our residents can have face to face meetings, receive timely, supportive and polite communication will be central to our Administration's objectives and reforms. We are also committed to having clear targets by which we can measure progress against our corporate plan which we will be bringing to Full Council next week.

The KPIs where we are performing well or have seen improvement relate to: Education, Health & Care Plans issued within 20 weeks including exceptions. Municipal waste landfilled. People aged 18+ who smoke. Workforce demographic representation/profile indicators. Planning indicators

The KPIs where performance improvement is required relate to: · Bus services running on time. · Working days / shifts lost due to sickness absence (not including schools). · Routine housing repairs completed on time. · Missed refuse collections. · Rate of deaths from drug use.

As our Deputy Leader of the Labour Party made clear at the LGA conference last week, we need to build more houses. Our Administration is wholeheartedly committed to accelerating housebuilding and to using creative means to increase our housing stock. Which is why today we bring a report and recommendation from our new Housing & New Homes Committee asking us to approve the purchase of a block of new flats on Whitehawk Way which will be ideal for those seeking to downsize".

21 CALL OVER

21.1 The following items on the agenda were reserved for discussion:

- Item 25: Targeted Budget Management 2023/24: Month 2 (May)
- Item 26: General Fund Budget Planning and Resource Update 2024/25
- Item 28: Parking Fees & Charges 2023/24
- Item 29: Annual Customer Insight Report 2022/23
- Item 30: Corporate Key Performance Indicator Target Setting 2023/24
- Item 34: Purchase of Kubic Apartments, Whitehawk Way, Brighton
- Item 38: Requirement to Consult on Certain Procurement Decisions

21.2 The Democratic Services Officer confirmed that the items listed above had been reserved for discussion and that the following reports on the agenda with the recommendations therein had been approved and adopted:

- Item 24: Treasury Management Strategy Statement 2022/23- End of Year Review
- Item 27: Residential Leasehold Buildings Insurance Tender
- Item 31: Performance Update Corporate Key Performance Indicators
- Item 32: Brighton & Hove City Council 2022/23 Modern Slavery Statement
- Item 33: Housing Management Area Panel Review

22 PUBLIC INVOLVEMENT

No items were received.

23 MEMBER INVOLVEMENT

No items were received

24 TREASURY MANAGEMENT STRATEGY STATEMENT 2022-23 - END OF YEAR REVIEW**24.1 Resolved**

- 1) That the Strategy, Finance & City Regeneration Committee notes the key actions taken during the second half of 2022/23 to meet the Treasury Management Strategy Statement and practices (including the investment strategy) as set out in this report
- 2) That Strategy, Finance & City Regeneration Committee notes the reported compliance with the Annual Investment Strategy for the 6-month period up to the end of March 2023
- 3) That the Strategy, Finance & City Regeneration Committee notes that the approved maximum indicator for investment risk of 0.05% has been adhered to and the authorised borrowing limit and operational boundary have not been exceeded.

25 TARGETED BUDGET MANAGEMENT (TBM) 2023/24: MONTH 2 (MAY)

25.1 The Committee considered a report of the Chief Finance Officer that set out an early indication of forecast risks as at Month 2 on the council's revenue and capital budgets for the financial year 2023/24.

25.2 Councillors Taylor, Davis Cattell, Sankey and McNair asked questions and contributed to the debate.

25.3 Resolved-

- 1) That the Committee note the forecast risk position for the General Fund, which indicates a potential forecast overspend risk of £11.101m. This includes an overspend of £4.823m on the council's share of the NHS managed Section 75 services.
- 2) That the Committee note the escalated recruitment and spending controls summarised in Section 12 that have been applied from 3 July to assist in mitigating the overspend forecast over the remaining months of the financial year.
- 3) That the Committee note the forecast for the Housing Revenue Account (HRA), which is currently an overspend of £0.160m.
- 4) That the Committee note the forecast position for the Dedicated Schools Grant which is currently an overspend of £1.155m.
- 5) That the Committee note the forecast outturn position on the capital programme which is a forecast underspend of £2.470m and approve the variations and slippage in Appendix 5 and new schemes as set out in Appendix 6.

26 GENERAL FUND BUDGET PLANNING AND RESOURCE UPDATE 2024/25

26.1 The Committee considered a report of the Chief Finance Officer that provided a budget planning and resource update in preparation for the start of the 2024/25 annual budget setting and medium term planning process.

26.2 Councillors Taylor and Davis asked questions and contributed to the debate.

26.3 **Resolved-**

The Strategy, Finance & City Regeneration Committee:

- 1) Note the potential funding and net expenditure projections for 2024/25.
- 2) Note the Medium Term financial projections for 2024/25 to 2027/28 and the predicted budget gaps over the period.
- 3) Note the proposed budget development approach and that officers will use this to develop 4-year medium-term service and financial plans and proposals for Budget Council consideration, including specific budget proposals to manage the identified budget shortfall in 2024/25.

27 RESIDENTIAL LEASEHOLD BUILDINGS INSURANCE TENDER

28.1 **Resolved-**

That Strategy, Finance & City Regeneration Committee:

- 1) grants delegated authority to the Executive Director Governance, Finance & Resources to procure a contract for buildings insurance for residential leasehold properties.
- 2) grants delegated authority to Executive Director for Governance, Finance & Resources to grant an extension to the contract.

28 PARKING FEES & CHARGES 2023/24

28.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture that outlined proposals to take forward changes to the parking fees and charges which were due to be introduced in this financial year. This report responds to findings following the publication of public notices and the re-assessed impact on residents, businesses and other services of significant price increases being implemented in a single year.

28.2 Councillors Muten, McNair, Sankey, Davis, Taylor, Robins and Williams asked questions and contributed to the debate.

28.3 The Democratic Services Officer undertook a vote on recommendation 2.1 that failed.

28.4 The Democratic Services Officer undertook a vote on recommendation 2.2 that was carried.

28.5 The Democratic Services Officer undertook a vote on recommendation 2.3 that was carried.

28.6 The Democratic Services Officer undertook a vote on recommendation 2.4 that was carried.

28.7 Resolved-

1) That Committee agrees to the following change being advertised with a new Traffic Regulation Order or notice of intention as required:

- The 4 parking zones - London Road Station Area (J), Queens Park Area (C.), Central Hove (N) and the Royal Sussex County Hospital Area (H) will remain as low tariff (changed to new 2023/24 charges) as indicated in the table in para 5.8.

2) That (other than the change agreed at either recommendation 2.1 or 2.2) Committee agrees to continue implementation of on-street paid parking, permit, off-street paid parking and other parking 2023/24 fees & charges agreed at Budget Council.

3) That Committee notes the reduction in income from recommendation 2.2 which is outlined in para 5.9 below and will have an impact on the council's 2023/24 budget.

29 ANNUAL CUSTOMER INSIGHT REPORT 2022/23

29.1 The Committee considered a report of the Executive Director, Governance, People & Resources that set out the results of performance monitoring against the council's Customer Promise and provided information relating to customer interactions with the council.

29.2 Councillors Pumm, Williams, McNair, Cattell and Muten asked questions and contributed to the debate.

29.3 Resolved-

1) That the Committee notes the Customer Insight Annual Report for 2022/23 as set out in Appendix 1 and provides support and challenge to officers to further improve customer experience and customer satisfaction with the council.

30 CORPORATE KEY PERFORMANCE INDICATOR TARGET SETTING 2023/24

30.1 The Committee considered a report of the Executive Director, Governance, People & Resources that presented draft Corporate Key Performance Indicators (KPI) and associated targets with rationales for the reporting year 2023/24 for approval. These targets had been developed by Directorate Management Teams (DMT) and reviewed by the Executive Leadership Team (ELT) in line with the development of the council's new Corporate Plan.

30.2 Councillors Rowkins asked questions on the report.

30.3 Resolved-

- 1) That Strategy, Finance & City Regeneration (SF&CP) Committee approve the Corporate KPI set and associated targets as set out in Appendix 2.
- 2) To note that target figures may change during the year if new benchmarking figures become available. Committee approval will be sought at a future date if there is a proposal to change the set itself or the rationale for a particular target.

31 PERFORMANCE UPDATE CORPORATE KEY PERFORMANCE INDICATORS

31.1 Resolved-

- 1) That Committee note the progress made in relation to Corporate KPIs, particularly the corrective measures outlined for 'red' and 'amber' indicators included in Appendix 2 and provide support and challenge to lead officers to bring performance back on track.

32 REQUIREMENT TO CONSULT ON CERTAIN PROCUREMENT DECISIONS

32.1 The Committee considered a report of the Executive Director, Governance, People & Resources that proposed new arrangements for consultation on procurement decisions following the decommissioning of the Procurement Advisory Board.

32.2 Councillor Williams and Davis asked questions and contributed to the debate.

32.3 Resolved-

- 1) That Committee agrees that previous committee decisions requiring consultation with the Procurement Advisory Board should be interpreted as requiring consultation with the Lead Members for Procurement.

33 BRIGHTON & HOVE CITY COUNCIL 2022/2023 MODERN SLAVERY STATEMENT

33.1 Resolved-

- 1) That Committee approves the Modern Slavery Statement (see Appendix 1) with the following change to Paragraph 3 of appendix 1:

In Brighton & Hove, we are aiming to achieve a fairer city with a sustainable future. The emerging-Corporate Plan for 2023 to 2027 will detail how we aim to create a fairer and sustainable city.

34 HOUSING MANAGEMENT AREA PANEL REVIEW

34.1 Resolved- That Strategy, Finance & City Regeneration Committee:-

- 1) Agree the revised Terms of Reference as set out in Appendix 1
- 2) Agree that the revised Terms of Reference come into force on 25th May (Annual Council).

- 3) Agree that the Monitoring Officer be authorised to amend and re-publish the Council's constitutional documents to incorporate the revised Terms of Reference.

35 PURCHASE OF KUBIC APARTMENTS, WHITEHAWK WAY, BRIGHTON

35.1 The Committee considered a report of the Executive Director, Housing, Neighbourhoods & Communities that sought approval to acquire Kubic apartments, a block of 38 flats in Whitehawk.

35.2 The Committee moved to confidential session at 17:55pm and returned to public session at 18:20pm.

35.3 **Resolved-** That Strategy, Finance & Regeneration Committee:

- 1) agrees the purchase of Kubic Apartments Whitehawk Way, Brighton, East Sussex, BN2 5FH and grants delegated authority to the Executive Director Housing, Neighbourhoods & Communities to negotiate the sale price up to the maximum set out in the Part 2 report.
- 2) agrees that funding is switched and part of the budget from the Home Purchase Policy 2023/24 is used to purchase Kubic Apartments as outlined in paragraphs 3.3. and 3.4 of the Part 2 report.

36 PURCHASE OF KUBIC APARTMENTS, WHITEHAWK WAY (EXEMPT CATEGORY 3)

As detailed in the Part Two minutes.

37 PART TWO PROCEEDINGS

37.1 **Resolved-** That the Committee agrees to retain those items listed in Part Two of the agenda as confidential.

38 ITEMS REFERRED FOR FULL COUNCIL

38.1 No items were referred to Full Council for information.

The meeting concluded at 6.20pm