

Brighton & Hove City Council

Budget Council

Agenda Item 94

Date of meeting 22 February 2024

GENERAL FUND REVENUE BUDGET, CAPITAL & TREASURY MANAGEMENT STRATEGY 2024/25

Green Group Amendment 1

It is proposed to:

- Reduce the proposed cut to Third Sector Commissioning of £0.205m as shown on page 98 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.145m to £0.060m, in recognition that this fund supports community groups investing to deliver city responses to the climate and biodiversity crisis, poverty and inequality.
- Reverse the proposed removal of the city's 79 bus that serves the South Downs National Park to ensure continued sustainable, car-free access to nature and to facilitate good public health. This saving is £0.029m as shown on page 81 of Appendix 1 of the General Fund Budget report (Agenda Item 94) and described in EIA 15 on page 316.
- Support community action by investing £0.012m to allow community-led biodiversity initiatives that give neighbourhoods a say on means to alleviate issues with weeds on pavements in the city.
- Provide investment into the city's carbon neutral 2030 and circular economy programme by reducing planned cuts of £0.200m to the sustainability team as shown on page 84 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.060m to £0.140m as this is likely to negatively impact climate mitigation.
- Remove the proposed cut to the city's only Disability Advice Centre of £0.020m as shown on shown on page 73 of Appendix 1 of the General Fund Budget report (Agenda Item 94) and described in EIA 12 on page 294.

These proposals require funding of £0.266m. It is proposed to fund this by:

- Repurposing the £0.266m allocated for 'improvement in maintenance of pavements through investment in new weed management' by reintroducing glyphosate as shown on page 20 of the General Fund Budget report (Agenda Item 94).

Chief Finance Officer comments:

The £0.266m is included in the budget report for improvement in maintenance of pavements through investment in new weed management. This is not formally approved or currently contractually committed and is a new proposal to tackle the issue and therefore this funding could be redirected as proposed in this amendment.

Green Group Amendment 2

It is proposed to:

- Reduce the saving of £0.120m relating to prevention of Violence Against Women and Girls (VAWG) as shown on as shown on page 99 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.070m to £0.050m on a one-off basis to enable time for fundraising to apply for grant funding and bridge gaps.
- Provide an additional £0.077m to be used toward any further activities that redress the removal/reduction of the Household Support Fund for those who are not council tenants and therefore not able to access the above e.g. support for Food Banks and Warm Homes energy work.
- Remove the proposed cut of £0.115m to the Outreach Service for Young People with Disabilities as shown on page 51 of Appendix 1 of the General Fund Budget report (Agenda Item 94).
- Reduce the proposed cut of £0.072m to the city's Contact Service that enables children and young people receiving social work support to maintain safe contact with parents as shown on page 57 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.050m to £0.022m.
- Reduce the proposed cut to third party Hate Crime reporting centres of £0.060m as shown on page 99 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.045m to £0.015m.
- Reduce the proposed cut to the city's Communities Fund of £0.302m as shown on page 98 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.200m to £0.102m.
- Reduce the proposed cut to Trade Union Facility Time of £0.046m as shown on page 114 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.023m to £0.023m.

These proposals require one-off funding of £0.070m and recurrent funding of £0.510m from the General Fund. It is proposed to fund this by:

- Removing the proposed one-off investment of a combined £0.070m earmarked for an additional Business Improvement District (BID) and business prospectus as shown on page 20 of the General Fund Budget report (Agenda Item 94).
- Repurpose the £0.510m of additional resources as set out in paragraph in paragraph 3.3 of the Supplementary Information report (Agenda Item 95).

Chief Finance Officer comments:

The one-off resources of £0.070m are not formally approved or contractually committed and therefore could be reallocated. The availability of these one-off resources is subject to sufficient funding being available to cover diseased trees and school reorganisation as highlighted in table 3 of the budget report.

This proposal potentially provides one-off funding in 2024/25 to reduce the saving from £0.120m to £0.050m. If no alternative funding is identified for 2025/26 onwards the full £0.120m savings will be implemented.

There are additional resources of £0.510m from the Final Local Government Finance Settlement 2024/25 and these have been allocated as set out in the Supplementary Financial Information Report. For this amendment to be viable, those allocations would be replaced with the proposals in this amendment.

Green Group Amendment 3

It is proposed to:

- Reduce the proposed cut to Trade Union Facilities' Time of £0.046m as shown on page 114 of Appendix 1 of the General Fund Budget report (Agenda Item 94) by £0.023m to £0.023m.

This proposal requires funding of £0.023m. It is proposed to fund this by:

Increasing income through fees and charges as follows:

- Amend the proposed increase to the Brighton Centre Ticket Levy of £0.50p to £1.00 which will increase the levy cost to £2.50 and is estimated to generate £0.020m.
- Equalise proposed fees for hire of parks and open spaces so that small and medium commercial hires are subject to a similar rate increase to that of small community groups (circa 6.5%), generating an estimated £0.003m.

Hire of Parks & Open Spaces:	2023/24 Charge (£)	Agreed 2024/25 Charge (£)	Proposed 2024/25 Charge (£)	Proposed % increase over 2023/24 Charge
Commercial - small	1,400.00	1,450.00	1,490.00	6.4%
Commercial - medium	2,800.00	2,900.00	2,980.00	6.4%

Chief Finance Officer comments:

The increase in fees for the ticket levy would make this fee higher than the average for the industry but should generate additional income per ticket. However, for marginally profitable events this could potentially lead to promoters using other venues causing a net reduction in income overall. This is considered low risk but is an unquantifiable impact.

The increase in fees for small and medium commercial hires in parks could lead to cancellations of future year hires resulting in an overall loss of income. As the proposed additional increase is relatively low this is considered low risk.

HOUSING REVENUE ACCOUNT BUDGET & CAPITAL INVESTMENT PROGRAMME 2024/25 AND MEDIUM TERM FINANCIAL STRATEGY

Green Group Amendment 4

In recognition of the hardship experienced by council tenants due to the cost of living crisis, and the reductions in general welfare support in the current budget proposals alongside the expected cuts to the Household Support Fund it is proposed to:

- Create a fund of £0.397m for 2024/25 in order to provide targeted grant support for activities such as food banks and hot meals and other hardship-based welfare support measures to be agreed in consultation with area panels. The aim is for this funding to be for the benefit of council tenants only. Any marginal costs of staffing and administration of the grants should be funded from this resource.

This proposal requires one-off funding of £0.397m from the Housing Revenue Account.

- It is proposed to fund this by Reducing the HRA general reserves element of total HRA reserves by £0.397m thereby reducing the increase in total reserves in 2024/25 from £3.266m to £2.869m as shown in the Reserves Table in Appendix 1 on page 567 of the Housing Revenue Account Budget & Capital Investment Programme 2024/25 and Medium-Term Financial Strategy.

Chief Finance Officer comments:

The proposed allocation of £0.397m from HRA reserves to support council tenants is allowable however the HRA has, as set out in the HRA Budget Report, significant financial liabilities emanating from the new Building Safety Act and Fire Safety (England) Regulations together with a large increase in backlog repairs, disrepair claims and an unquantified cost of the future resolution of the issue of LPS (Large Panel System) buildings. The use of this reserve for this purpose will potentially reduce future home building and home purchase schemes but will also potentially move the HRA into deficit within 5 years, and therefore this reserve would need to be replenished.