

BRIGHTON & HOVE CITY COUNCIL

POLICY & RESOURCES (RECOVERY) SUB-COMMITTEE

4.00pm 24 JUNE 2020

VIRTUAL MEETING - SKYPE

MINUTES

Present: Councillor Platts (Chair) Mac Cafferty (Opposition Spokesperson), Bell, Gibson and Yates.

PART ONE

7 PROCEDURAL MATTERS

(a) Declarations of Substitutes

- 7.1 Councillor Bell declared that he was attending the meeting as a substitute for Councillor Miller.

(b) Declarations of Interests

- 7.2 There were no declarations of interest.

(c) Exclusion of the Press and Public

- 7.3 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).

- 7.4 **RESOLVED-** That the press and public not be excluded from the meeting.

8 MINUTES

- 8.1 The minutes of the last meeting held on the 29 May 2020 were approved as a correct record of the meeting.

9 CHAIR'S COMMUNICATIONS

- 9.1 The Chair stated that this was the second meeting of the Recovery Sub-Committee and I hope we will begin to see how the city is starting to move on from the pandemic and working on economic recovery. We hope that the committee will eventually find it has become redundant as we reach a new normality and can look back and see how far we have come and how we have improved the well-being of all those who live and work in the city.

The Covid-19 pandemic has made digital inclusion ever more important, with digital technology keeping people connected whilst shielding, isolating or staying indoors. In a crisis where, digital access and skills are even more essential to get support, food, medicines, benefits, and remain in contact with family and friends, it is essential that organisations and sectors work together to reduce the digital divide, so I hope members will back plans to support Digital Brighton & Hove continue their vital digital inclusion support and coordination in the city.

We have a report coming forward on emergency food provision today. In light of the public health crisis, we have seen demand for emergency food support multiply, with the children's centre food bank, for example, seeing a 200% increase in demand since March. We have provided an additional £124,500 of funding for emergency food provision for a further 12 weeks to help keep the city fed. I want to take this opportunity to pay tribute to the tireless work of the Brighton & Hove Food Partnership and all the staff and volunteers at food hubs and food banks across the city who are supporting vulnerable residents through this difficult time.

We have a report today proposing measures to support the continued working cashflow of the i360 during the Covid-19 pandemic. The report identifies the need to support the i360 to prevent future additional costs to the city council.

We also have a report on our support for local businesses. At the last Policy & Resources Recovery Sub-Committee I announced plans for local Councillors to play a role in identifying remaining businesses that could be eligible for the Small Business Grants programme, and I want to thank all of you who have been round your wards and contacted those businesses. As of 12th June, the council had paid out over £65 million in these grants. I want to thank officers who have worked round the clock to process applications and get vital financial support to local businesses in need, including their work processing discretionary grant applications, which have far exceeded our allocation. I would urge any small businesses who have not yet sought help to check the council's web pages and find out if they are eligible for government support and to work with the council to ensure they are best placed to re-establish themselves and open for business.

We are continuing to ask government for greater flexibility to target support to local businesses. I am asking the government to make all the remaining small business grant fund available to spend on discretionary grants so that we can help more businesses survive the public health crisis and rebuild a thriving local economy. Our discretionary grant fund is oversubscribed by £7m so you can see that it is now urgent that the Government allow us to transfer nearly £6m over from unclaimed grants in the small business grants scheme. These small independents are the lifeblood of our city

and its communities. People have put their heart and soul into setting up their businesses and keeping them going. We cannot stand by and watch them go under, so I hope members agree to us continuing to press government on this.

We have a report coming forward today on the progress of the Recovery Programme. As a council we have worked hard to put in place a range of measures to support businesses and residents interact safely. As more government restrictions are lifted, we're introducing a number of changes to the city's public spaces and transport network which we hope will mean shops can reopen safely, stay open and flourish in a Covid-19 secure environment. The measures include the widening of footways, new cycle lanes, banners and signage and engagement with local businesses about signs and outside seating. They will also help our residents and visitors to move safely around the city and encourage them to maintain physical distancing. Creating more space for people to visit shops, particularly in narrower parts of the city like Old Town and The Lanes, is important to keep people safe and support businesses in those areas to reopen safely. We have also produced advice for retail businesses outlining measures to protect staff and public safety and minimise the spread of Covid-19.

A further range of measures to support the city's continued recovery from Covid-19 and encourage active travel across the city were agreed by the Environment, Transport and Sustainability Committee last night. This will see some further temporary schemes introduced to increase walking and cycling provision. Since the start of the pandemic, the way people have travelled around the city has changed. More people have chosen to walk and cycle for short journeys and, partly due to an increase in home working, we have seen fewer vehicles on our roads.

We are responding to government guidance asking us to move quickly to make the city safe and Covid-secure as the lockdown restrictions are eased, and the economy reopens. But, we also want to ensure that residents have the chance to have their say on the temporary changes that we are making. We're now inviting residents to comment on these changes through a survey on the council's website. We're also keen to hear whether these changes have altered residents' travel habits and behaviours. Anyone responding will be able to comment on each change individually. I urge people to have their say and I look forward to seeing the results.

Although government is relaxing the social distancing rules from 4th July, the guidance for when we're outside our homes still recommends that we should maintain a 2m distance and this should only reduce to at least 1m when people cannot be 2m apart. When social distancing is less than 2m we should be doing everything we can to mitigate transmission. Social distancing is still key to slowing the spread of Covid-19. Public safety, health and wellbeing will remain at the heart of our economic recovery plans.

If anyone has Covid symptoms, they should self-isolate and get tested and make sure they follow the advice of NHS Test and Trace if they are contacted.

Thank you.

10 PUBLIC INVOLVEMENT

- 10.1 The Chair noted that there was one public question from Mr. Kapp regarding the i360 but that he was having difficulty in joining the meeting. She was aware that he could hear the conversation and apologised for the inconvenience of not being able to fully participate.
- 10.2 She therefore read out his question and gave her response as follows:
- “What is the current indebtedness of the British Airways i360 company, and what steps is the Council taking to recover the money owed?”
- 10.3 To date the i360 has made £5.9m loan payments to the council but, due to the level of debt interest, the current debt has increased from £36.2m to £38.9m as at 31st March 2020. However, in addition to the loan payments, it should be noted that the council has benefitted from business rates paid by the attraction and annual Section 106 ‘planning gain’ payments. Up until the June 2020 payment, the council has agreed to £4.134m deferred payments pending long term restructuring of the loan. As the report to Policy & Resources (Recovery) Sub-Committee sets out, a wide range of options have been considered and are still under consideration by a Member Working Group. However, independent advice to date has confirmed that supporting the current operation, focussed on income generation, is expected to deliver higher returns than the council exercising its step-in rights and therefore the report recommends that discussions on loan restructuring should recommence once the attraction is able to re-open.
- 10.4 The Chair thanked Mr. Kapp for his question and confirmed that he would be sent a copy of her response.

Note: The Chair then adjourned the meeting for a short break at 5.00pm and reconvened the meeting at 5.10pm.

11 MEMBER INVOLVEMENT

- 11.1 The Chair noted that there were no items from Members for consideration.

12 COVID-19 CITY RECOVERY PROGRAMME PROGRESS UPDATE

- 12.1 The Executive Director for Economy, Environment & Culture introduced the report which provided an update on the development and delivery of the city’s Covid-19 recovery programme. He noted that officers were working with partner organisations to plan for the city’s economic recovery as lockdown was eased and he would bring regular updates to the committee.
- 12.2 The Chair noted that there was an amendment from the Green Group and invited Councillor Mac Cafferty to move the amendment.
- 12.3 Councillor Mac Cafferty formally moved the amendment and stated that he wished to thank all the officers for their work during the pandemic and that it was felt that their

efforts should be recognised in some way. Everyone had been through a huge change in terms of working arrangements and ways of working at break neck speed.

- 12.4 Councillor Gibson formally seconded the amendment and stated that councillors were aware staff were working extremely hard and going over and above what was expected. He therefore hoped that the amendment could be supported.
- 12.5 The Executive Director for Economy, Environment & Culture stated that senior officers were aware of the incredible work being undertaken by staff and were exploring ways of recognising that commitment.
- 12.6 Councillor Yates stated that he was fully aware of the sterling work being undertaken by council staff and that the need to recognise this had already been raised with the senior management team. He also noted that many staff had learnt new roles and had supported completely different areas of work but were now being asked to return to their original roles because of the easing of lockdown. This was likely to have an impact on those services which had received the support and those people who used the services. It was something that would need further consideration.
- 12.7 Councillor Gibson echoed the comments and asked what support was being given to homeless people who would have to move out of the current accommodation that had been provided and what action was being taken to manage the safer re-connection aspect for those who did not have a direct connection with the city.
- 12.8 The Executive Director for Economy, Environment & Culture stated that options were being looked at and the use of volunteers to support services and people was being considered. The recent use of specialist marshals for crowd control had worked well and it may be that this needed to be extended and he was happy to report back to the committee.
- 12.9 Councillor Bell stated that there had been discussions at the Leaders Group in regard to how to recognise staff and he felt that officers had done outstanding work and he was happy to wait for an update to the Leaders Group. He also asked if further information could be provided outside of the meeting in respect of the applications made for discretionary grants by local businesses, an update on the availability of university accommodation in September, an update on the potential events programme and whether the proposed funding for city marshals could be claimed as outlined in the report.
- 12.10 The Executive Director for Economy, Environment & Culture stated that he would ensure the information was provided to the Members of the Committee. He noted that additional support to local businesses had been given with a view to helping to manage the easing of the lockdown restrictions e.g. additional pavement space was being made available, shop-owners were working with officers to create a safe environment and museums and attractions were preparing to open on the 4 July.
- 12.11 The Assistant Director Development & Regeneration noted that the Discretionary Grants budget of £3.697m had been over-subscribed with applications amounting to £10.835m and that 305 applications had been approved with payments due to be made this week.

12.12 The Chair noted the comments and put the amendment to the vote which was carried unanimously. The Chair then put the recommendations as amended to the vote which were carried.

12.13 **RESOLVED:**

- (1) That the progress update report be noted;
- (2) That the Executive Director Economy, Environment & Culture be granted delegated authority to procure and award a contract for the deployment of city marshals to support the management of safe space on the seafront and in our retail high streets;
- (3) That officers be requested to bring a report to the September Sub-Committee on the impact of Covid-19 upon disadvantaged communities along with proposals for supporting community recovery, including consideration of the equalities' implications of the recovery planning process; and
- (4) That further to the work of the council's internal Ways of Working cell, a report be commissioned, in consultation with staff fora and Trade Unions, detailing options for recognising and rewarding all council staff for their efforts during Covid-19 pandemic.

13 COVID-19 EMERGENCY FOOD PROVISION - UPDATE

13.1 The Head of Communities & Equality introduced the report which provided an update on emergency food provision in the city during the Covid-19 health crisis. She noted that the council had been working closely with the Brighton & Hove Food Partnership and had ensured that no-one was going hungry in the city with around 4,000 people being supported. She also noted that it was important to continue to support people during the transition period to enable them to get back into employment and gain an income.

13.2 The Committee welcomed the report and noted that the work had provided a real life-line for people during the pandemic. Local communities had responded, and it was important to learn from those that had been successful and to ensure that level of community support remained going forward into the recovery phase and beyond. There were a number of excellent initiatives that could be supported and taken up in other areas. The Committee recognised that it would be important to consider how volunteers could be sustained and encouraged to continue to support their local communities and that may mean working with local businesses to ensure voluntary work was recognised.

13.3 **RESOLVED:**

- (1) That the exceptional work of the projects in the emergency food network and by Brighton & Hove Food Partnership be noted; and

- (2) That the Urgency Decision taken by the Chief Executive (attached as Appendix 4) to commit funding of £124,500 as outlined in paragraph 3.9 of the report be noted.

14 COVID-19: BUSINESS SUPPORT - UPDATE

- 14.1 The Assistant Director Development & Regeneration introduced the report which provided an update on the programme of work being undertaken by the Economy and Events Cell in response to the Covid-19 pandemic. He also noted that the report set out the latest position with regards to the issuing of small business grants and retail, leisure and hospitality grants.
- 14.2 The Committee welcomed the report and noted that a number of smaller grants in the main had been awarded to self-employed and freelance workers.
- 14.3 **RESOLVED:**
 - (1) That the work being undertaken to deliver business rates relief and business grants to local businesses be noted;
 - (2) That the work being undertaken to deliver discretionary business grants to local businesses be noted; and
 - (3) That the city council continue to press the government for any unspent grant money left in the small business grant fund to be reallocated to the discretionary grant fund, so it can be targeted at protecting the city's economy.

15 I360: COVID-19 SUPPORT

- 15.1 The Assistant Director City Development & Regeneration introduced the report which set out measures necessary to support the continued working cashflow of the i360 during the Covid-19 pandemic. He noted that overall the visitor economy was suffering and that the proposed measures were being made to ensure that the council did not face additional costs associated with the running of the i360.
- 15.2 The Chair noted that there was a Green amendment and invited Councillor Mac Cafferty to move the amendment.
- 15.3 Councillor Mac Cafferty formally moved the amendment and stated that it was intended to draw down on the work and discussions of the i360 Working Group and hoped it would be seen as helpful.
- 15.4 Councillor Gibson formally seconded the amendment and reserved his right to speak.
- 15.5 The Executive Director for Economy, Environment & Culture noted that should the amendment be carried it would remove the December deferral and set monthly meetings. He suggested that it would be appropriate for the Working Group to set a work programme and that officers could undertake the actions and report to the Working Group as they had previously in 2019.

- 15.6 Councillor Appich stated that the Working Group had met in early June and accepted that when the Council had approved the loan the underlying figures for what is a weather dependent attraction had been overstated. It had been closed since March due to the pandemic and had suffered a significant loss of income and negative cashflows. However, the latest projections, assuming a reopening with safe distancing and the potential of more people taking a staycation were positive. It was therefore hoped that further support could be given, and the Working Group had agreed to recommend the deferral of remainder of last year's loan payment and the payments due at the end of June and December to give the i360 breathing space. She also noted that the Working Group were hoping to get more involved with the management team and work with them in developing an action plan for the attraction's recovery.
- 15.7 Councillor Bell stated that he felt it was important to give the attraction time to address the situation although he did feel it was more likely that the council would have to act. He also suggested that consideration be given to asking whether the owners would consider agreeing to Directors' guaranteed being put in place.
- 15.8 Councillor Yates stated that he did not feel the amendment was helpful and could not support it. He suggested that it would be better for the Working Group to take matters forward and work with the management team for the i360 and then report back to the committee.
- 15.9 Councillor Gibson referred to the amendment and stated that it would be helpful to see the cash-flow information and that Councillor Druitt as the Green Group's representative on the Working Group had not felt it was appropriate to waive the December payment. He hoped that the Working Group would receive the information and be in a position to make recommendations to the committee.
- 15.10 The Assistant Director Development & Regeneration noted that the management team hoped for a stronger summer and were yet to complete their long-term restructure and that the information would come to the Working Group. He also noted that he and finance officers attended the Working Group and it was hoped that a closer working relationship with the management team would be forthcoming.
- 15.11 The Chair noted the comments and put the amendment to the vote which was lost by 3 votes to 2. She then put the recommendations as listed in the report to the vote which were carried.
- 15.12 **RESOLVED:**
- (1) That it be agreed to defer £150,000 from the December 2019 payment in addition to the £880,304.25 which the Policy & Resources Committee agreed to defer on 5th December 2019, on the same terms;
 - (2) That it be agreed to defer the loan payments due in June and December 2020, but request that any funds over and above the cashflow necessary to keep the attraction operational are paid to the Council in part payment of the sums owed;

- (3) That the establishment of a pattern of regular meetings and information provision between the i360 management and board and the i360 Member Working Group, as set out at section 3.14 of the report be agreed; and
- (4) That it be noted that officers have not progressed the loan restructure or completed the novation of the Coast to Capital Local Enterprise Partnership (LEP) loan agreed at Policy & Resources Committee in December 2019 due to the impact of the Covid-19 pandemic on the i360 and that they will progress these once the attraction is able to reopen.

Note: The Chair took the item ahead of Item 10 because of the difficulties experienced by Mr. Kapp in joining the meeting.

16 DIGITAL INCLUSION SUPPORT DURING COVID19 AND RECOVERY

- 16.1 The Head of Library Service introduced the report which sought agreement to a funding contribution from the council to the Digital Brighton & Hove project to enable it to continue through to March 2021. The project supported vulnerable people in the city, providing devices and digital support to enable them to have access to online services and to be digitally included.
- 16.2 The Committee welcomed the report and offered its congratulations to all those involved in the project and noted the importance of continuing to address the issue of people being disadvantaged. It was important to breakdown barriers and this was an excellent example of what could be achieved.
- 16.3 **RESOLVED:** That a contribution of £51,809 to enable Digital Brighton & Hove to continue to provide the digital inclusion support and coordination in the city from July 2020 to the end of March 2021 be agreed.

The meeting concluded at 6.12pm

Signed

Chair

Dated this

day of

