



Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
Treasury
SW1A 2HQ

By email

17 October 2024

Dear Rachel,

I am writing as you make your final preparations for your first Budget, with my proposals for good value capital investments and revenue spending, based on needs I have identified from my own constituency in Brighton Pavilion.

Although these are based on the specific situation of Brighton and Hove or the wider Sussex area, most of these proposals would have equal benefit for every part of the country if you were able to find the funding needed.

I appreciate that the broad shape of your budget is already with the OBR. With my Green MP colleagues, I have already written to you about the options you have for fair tax changes and investment in building a green and socially just economic transition.[1]

However, I also realise that your detailed tax and spending plans will be based on conservative estimates. An improving economic situation may well mean that, by the time of your final budget, you will have a small amount of headroom for the potential addition of a limited number of new initiatives.

Therefore, in the hope that you will find yourself looking for smaller, good value investments as you finalise your budget, I am asking you to look seriously at these ideas:

1. Capital investment in homes and active travel

a. A dedicated capital fund for the acquisition of council homes

The need for new council housing stock, in particular family homes, is incredibly acute in Brighton and Hove. Having been involved in the creation and evaluation of the Right to Buy Back Fund in London, I know very well how much benefit can be created quickly by the rapid acquisition from the market of new council housing stock, and how much evidence now backs this up.[2,3]

I have recently asked the Secretary of State for Housing, Communities and Local Government about making an assessment of the benefits of acquisitions, and I am awaiting an answer.[4]



Brighton and Hove City Council has also recently made a priority of making acquisitions of this kind, resulting in the first increase in net council housing stock numbers for many years.[5]

I believe that the Treasury must take seriously the potential for economic, social, health and wider benefits from a much larger, nationally supported programme of acquisitions – in addition to subsidy for building new council homes through the affordable housing programme.

A ‘Buy the Supply’ fund for acquisitions could have a large and rapid impact on preventing overcrowding and homelessness, along with reducing the many economic, social, educational and health harms caused by unsuitable, overcrowded, damp, cold and mouldy homes.

- **A new, separate national grant funding programme of £2 billion a year for council home acquisitions would be a small, but rapid and significant, start in realising this range of wider benefits.**

b. Investment in active travel

Brighton and Hove has been a leading council for active travel investment in the past, and its record has helped win bids for competitive funding from Government on several occasions. However, I am aware that the pace of progress of recent projects has slowed down, and that funding pressures have formed part of this issue.

Increased investment in active travel helps to generate momentum behind people making different travel choices, and ultimately giving up car use and investing in bicycles. These bring with them economic benefits in terms of clean air, physical health, reduced congestion and lower carbon emissions. I recently asked about these benefits in Parliament.[6]

I have also obtained a summary of total Government (revenue and capital) funding for walking and cycling, which shows this was provided only in fits and starts throughout the last Government’s tenure. The successful Local Sustainable Transport Fund was cancelled after just five years. After this, highly variable annual funding ended up at a low of £40 million immediately before the pandemic. Higher investment from 2020-21 until 2022-23 saw more than £250 million distributed per year, but this was cut back again – by more than half – by the last Government’s most recent decisions.[7]

Significant, reliable, non-bid-based, continuous funding for local authority active travel, delivered now, would allow cities like Brighton and Hove to plan ahead, carry out in-depth and regular engagement with residents, and create the momentum to avoid last-minute pauses in planned schemes. If spread right across the country, this investment would also be of benefit in maintaining a large pipeline of investment in successful schemes, giving confidence to those providing jobs in suppliers and delivery organisations, if spread right across the country.



I also hope that new powers for local councils outside London to enforce traffic offences, filters and timed school streets with cameras are in train from the Department for Transport. If delivered, these would create new demand from councils for investment in the infrastructure needed for these schemes, and add a further reason to boost funding now.

- **Your Government has already promised to invest ‘unprecedented’ amounts in active travel, so it is now time to deliver.**

2. Revenue spending to support fire safety, local authority support for young people, and teachers in further education

a. East Sussex Fire and Rescue Service work on tall and medium-sized residential buildings

I recently met with other local MPs and the East Sussex Fire and Rescue Service to hear about their work in our area, and I was shocked to find out the extent of their current and future obligations to provide fire safety assessment and enforcement for tall and medium-sized buildings.

Officers told us that East Sussex has a much larger proportion of high-rise residential buildings (HRRBs) and medium-rise residential buildings (MRRBs) than current funding distribution would suggest. In the East Sussex area there are 307 HRRBs, the sixth highest in the country, and over 4,000 MRRBs, the second highest in the country. One third of the East Sussex population lives in Brighton and Hove.

It is vital that our fire services have the resources they need to ensure they can meet the post-Grenfell legislative changes, both to inspect blocks to ensure they are compliant and safe, and to take enforcement action against housing providers in instances where it would be appropriate to do so.

However, the current distribution of the Protection Uplift Grant does not properly reflect the risks we face or the burden on our local FRS. The ESFRS estimates that simply fulfilling the remaining duties of assessment and enforcement for HRRBs through the Building Risk Review (BRR) has a funding gap of £175,000, while a much larger shortfall will arise once work starts to make safe the thousands of MRRBs in East Sussex.

The Chief Fire Officer has written to me this week to outline how this is just one of the funding pressures faced by ESFRS, and setting out a total budget gap of between £2.4 million and £3.8 million in 2025-25 – a gap that would only partly be filled with more precept flexibility.



I have visited residents in a number of blocks with fire safety concerns in my constituency, both before the election and since. Many of these buildings are privately owned, with opaque ownership arrangements making responsibility for repairs less transparent. And with multiple Large Panel System council-owned blocks also needing further investigation, the building safety crisis legacy in Brighton and Hove is very real, and very urgent.

- **I urge you to look at the distribution of funding for each FRS compared with the actual number of buildings needing this essential work, and boost the funding for East Sussex to match the real needs of the service this year, and in future.**

b. Local authority work to support young people

Throughout all my meetings and visits with local services and third sector organisations, the issue of local authority funding has been an underlying issue that is clearly doing huge damage in my constituency.

The past year has seen even more cutbacks threatened. In Brighton and Hove, local youth homelessness support has faced serious funding uncertainty, while my surgeries and casework have been dominated by cases of families facing housing need and difficulties accessing support for SEND and mental health services.[8]

I was delighted recently to attend the launch of a £200,000 pilot initiative in Brighton and Hove for dedicated counsellors in schools across the city. This has gained cross party support through an effective public campaign led by school students and Brighton and Hove Citizens. The project will be evaluated fully, but there is already a wealth of evidence that this kind of provision is excellent value for money. A recent study by Public First says:[9]

“Universal access to school and college-based counselling for young people in England would generate lifetime fiscal benefits to the government of £1.9 billion, against an annual cost of about £250 million.”

Local authorities desperately need more funding support, and services that help young people during their school and young adult years have been particularly badly hit during austerity. I know that your Government appreciates the value of helping people at an early age – not just in a preventive way in terms of their future use of other public services, but also to help them thrive and achieve as part of a sustainable economy.

- **I therefore hope that, if you have any ability to help local authorities with overstretched revenue services, you will do so. And I hope that you can also provide particular help for young people through funding for universal, open-access youth provision, school counselling, mental health services, SEND support and housing needs.**



c. Pay awards for further education staff

I have received a number of concerned messages from constituents and staff about sixth form and further education staff pay. There are several hugely valued sixth form colleges serving my constituents, including BHASVIC, Varndean College and Brighton Metropolitan College, which have not been guaranteed funding to implement the 5.5 per cent pay award offered to school teachers. I understand that academised sixth form colleges have been guaranteed this funding but not non-academised sixth form colleges, and I believe that all sixth form and FE college teachers must be properly valued.

I have asked a question to the Secretary of State and have been told that:[10]

“My right hon. Friend, the [Chancellor of the Exchequer](#) will announce a Budget on 30 October, to be followed by a multi-year spending review in Spring 2025. Decisions about future post-16 funding and capital programmes will be subject to the outcomes of these fiscal events.”

- **Ensuring that all FE colleges have the funding they need as part of your budget now would match and reinforce your Government’s decisions to date on public sector pay.**

I would be happy to speak to your officials to give more information or clarification about any of these ideas. I hope you will consider them seriously and that you will write back with your conclusions.

Yours sincerely,

Siân Berry MP, Brighton Pavilion

References

1. Letter to the Chancellor of the Exchequer. Carla Denyer MP, Adrian Ramsay MP, Ellie Chowns MP, Siân Berry MP, Jul 2024 <https://sianberry.org.uk/2024/07/26/letter-to-the-chancellor-calling-for-fairer-taxes-on-the-most-wealthy/>
2. Siân Berry AM. Oral MQ 2023/4797 Dec 2023 <https://www.london.gov.uk/who-we-are/what-london-assembly-does/questions-mayor/find-an-answer/acquiring-existing-homes-social-housing>



3. Buying back better. How social housing acquisitions in London can tackle homelessness and help councils avert bankruptcy. New Economics Foundation, Mar 2024
<https://neweconomics.org/2024/03/buying-back-better>
4. Written question to the Ministry of Housing, Communities and Local Government. Jul 2024 <https://questions-statements.parliament.uk/written-questions/detail/2024-07-30/2676>
5. Third of Brighton council homes lost due to Right to Buy. The Argus, Jan 2024
<https://www.theargus.co.uk/news/24066528.third-brighton-council-homes-lost-due-right-buy/>
6. Topical oral question to the Secretary of State for Transport. Oct 2024
<https://www.theyworkforyou.com/debates/?id=2024-10-10a.449.5>
7. Written question to the Department for Transport. Sep 2024 <https://questions-statements.parliament.uk/written-questions/detail/2024-07-30/2679>

Answer:

The table below outlines Departmental funding for active travel for the period 2011/12 to 2023/24. It is not possible to disaggregate this into separate amounts for walking, cycling, healthy streets and so forth. Comparable data for 2010/11 is unavailable. The figures do not include funding from wider sources within the Department such as the City Region Sustainable Transport Settlements (CRSTS) or the Levelling Up Fund.

<i>Year</i>	<i>Capital (£ million)</i>	<i>Revenue (£ million)</i>	<i>Combined* (£ million)</i>	<i>Total (added from figures to the left by Sian Berry)</i>
<i>2011-12</i>	<i>39</i>	<i>64</i>	<i>54</i>	<i>157</i>
<i>2012-13</i>	<i>72</i>	<i>59</i>	<i>54</i>	<i>185</i>
<i>2013-14</i>	<i>131</i>	<i>63</i>	<i>54</i>	<i>248</i>
<i>2014-15</i>	<i>50</i>	<i>54</i>	<i>54</i>	<i>158</i>
<i>2015-16</i>	<i>74</i>	<i>57</i>	<i>54</i>	<i>185</i>
<i>2016-17</i>	<i>43</i>	<i>44</i>	<i>0</i>	<i>87</i>
<i>2017-18</i>	<i>72</i>	<i>30</i>	<i>0</i>	<i>102</i>
<i>2018-19</i>	<i>29</i>	<i>36</i>	<i>0</i>	<i>65</i>
<i>2019-20</i>	<i>3</i>	<i>37</i>	<i>0</i>	<i>40</i>
<i>2020-21</i>	<i>187</i>	<i>118</i>	<i>0</i>	<i>305</i>
<i>2021-22</i>	<i>205</i>	<i>74</i>	<i>0</i>	<i>279</i>



2022-23	200	73	0	273
2023-24	54	58	0	112

**Local Sustainable Transport Fund including wider sustainable transport spend.*

8. Labour votes to ignore young people amid widespread and damaging cuts to vital local services. Brighton & Hove Green Party, Feb 2024
<https://www.brightonhovegreens.org/2024/02/02/labour-votes-to-ignore-young-people-amid-widespread-and-damaging-cuts-to-vital-local-services/>
9. The economic case for counselling in schools and colleges. Public First, Jun 2024
<https://www.publicfirst.co.uk/the-economic-case-for-counselling-in-schools-and-colleges.html>
10. Written question to the Department for Education. Sep 2024
<https://www.theyworkforyou.com/wrans/?id=2024-08-30.3627.h>