

# **CABINET ADDENDUM 3**

**2.00PM, THURSDAY, 19 MARCH 2026**

**COUNCIL CHAMBER, HOVE TOWN HALL**

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# ADDENDUM

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**BRIGHTON & HOVE CITY COUNCIL**

**CABINET**

**2.00pm 12 FEBRUARY 2026**

**COUNCIL CHAMBER, HOVE TOWN HALL**

**MINUTES**

**Present:** Councillor Sankey (Chair) Taylor (Deputy Chair), Alexander, Allen, Daniel, Miller, Muten, Robins, Robinson, Rowkins and Williams

**PART ONE**

**117 PROCEDURAL BUSINESS**

**117a Declarations of interests**

- 117.1 Councillor Muten declared an interest in Item 125: General Fund Revenue Budget, Capital & Treasury Management Strategy 2026-27 as an allotment holder. Councillor Muten added that his spouse was a Trustee of Hangleton & Knoll Project that received community grants. Councillor Muten stated that he had been provided legal dispensation to participate and vote on the item.
- 117.2 Councillor Robins declared an interest in Item 125: General Fund Revenue Budget, Capital & Treasury Management Strategy 2026-27 as an allotment holder. Councillor Robins stated that he had been provided legal dispensation to participate and vote on the item.
- 117.3 Councillor Alexander declared an interest in Item 125: General Fund Revenue Budget, Capital & Treasury Management Strategy 2026-27 as a member of the Brighton & Hove Food Partnership. Councillor Alexander stated that they had been provided legal dispensation to participate and vote on the item.
- 117.4 Councillor Daniel declared an interest in Item 125: General Fund Revenue Budget, Capital & Treasury Management Strategy 2026-27 as a member of a Third Sector organisation that received council funding. Councillor Daniel stated that they had been provided legal dispensation to participate and vote on the item.

**117b Exclusion of the press and public**

- 117.5 In accordance with Section 100A of the Local Government Act 1972 ("the Act"), the Committee considered whether the public should be excluded from the meeting during consideration of any item of business on the grounds that it is likely in view of the business to be transacted or the nature of the proceedings, that if members of the public were present during it, there would be disclosure to them of confidential information as defined in Section 100A (3) of the Act.

117.6 **Resolved-** That the public and press are excluded from the meeting from items listed on Part 2 of the agenda.

## 118 MINUTES

118.1 **Resolved-** That the minutes of the previous meeting be approved as the correct record.

## 119 CHAIR'S COMMUNICATIONS

119.1 The Chair provided the following Communications:

Good afternoon, colleagues. We have a big agenda today.

Today's agenda reflects our determination to keep Brighton & Hove fairer, safer and more sustainable despite the pressures facing councils everywhere.

The centrepiece is our 2026/27 Budget – a net General Fund of £341 million, with a proposed 2.99% council tax rise and a 2% Adult Social Care precept. This is our Council Plan in financial form: targeting investment where it matters most – tackling homelessness and inequality, driving climate action, and improving neighbourhood services.

The challenge is real. We began this process with a £25 million gap next year and over £80 million across the medium term. Our reserves remain among the lowest of any unitary authority, so returning to financial sustainability must remain our top priority.

We're delivering £12.4 million of savings, and launching a transformation programme to close the medium-term gap through reducing temporary accommodation costs, managing social care demand, increasing income, and investing in digital and service redesign.

To manage short-term pressures, we are also seeking £15 million of Exceptional Financial Support from government – not additional funding, but a vital flexibility to protect services and rebuild reserves while our transformation work takes root.

We'll also consider the Housing Revenue Account and Capital Programme, supporting over 12,000 council homes. The focus is on safety, energy efficiency and new affordable homes, with every investment tested for value and sustainability.

Alongside the HRA, we have reports on the Transport Maintenance Programme, the A259 seafront arches – vital infrastructure for the city's economy – and a proposed Lane Rental Scheme to reduce roadworks disruption.

Our Adult Social Care Improvement Plan sets out how we'll strengthen prevention, stabilise the provider market and improve outcomes for residents, helping deliver both quality and financial stability.

We were deeply concerned to learn, as a result of the amended notice of motion passed last October and my letter to the East Sussex Pension Committee that (as per paragraph 3.10 of today's report) the East Sussex Pension Fund holds approximately £29.8 million (0.58% of total fund assets) in companies identified by the Office of the United Nations High Commissioner for Human Rights (OHCHR). The list compiled by the OHCHR currently contains 158 'involved companies', with involvement being defined as operating in illegal settlements in the West Bank. They are predominantly Israeli companies – construction organisations, banks, and financial institutions, but also include some multinational companies, for example AirBnB, Booking.com, Expedia and Motorola.

This means that that there exists almost £30 million of exposure to companies that operate in illegal settlements in the West Bank. Against this context it is important to understand Brighton and Hove City Council's role in investments held in the East Sussex Pension Fund. The council does not have its own Pension Fund and has no representation on the East Sussex Pensions Committee, and therefore no control whatsoever on investment policy and strategy. Nonetheless, given this concerning disclosure, I will be writing to the members of the East Sussex Pension Fund Committee: Conservative Councillor Gerard Fox (Chairman), Green Councillor Georgia Taylor, Conservative Councillor Ian Hollidge, Conservative Councillor Paul Redstone and Liberal Democrat Councillor David Tutt to ask them to divest of funds that expose the pension scheme to the companies identified by the OHCHR.

We have watched in horror at the violence that has ensued in Gaza the many thousands that have been killed and the disturbing statements by Israeli Government Ministers suggesting blanket persecution. We have also watched in horror at the terror unleashed on Israelis during the Hamas attacks of 07/10 and since. Our Labour Administration was among the first to call for a ceasefire in November 2023 and we have backed the Labour Government's actions to get aid into Gaza, to apply arms embargos on Israel and to recognise the State of Palestine.

This agenda shows a council that is honest about the scale of the challenge but ambitious about the city's future – restoring resilience, investing in the essentials, and improving outcomes for those who rely on us most.

Thank you to all Cabinet colleagues, opposition Members and officers for their hard work in bringing these reports forward. I look forward to our discussions and the decisions we'll take this afternoon on behalf of the city we serve.

## **120 CALL OVER**

120.1 All items on the agenda were reserved for discussion.

## **121 PUBLIC INVOLVEMENT**

### **(b) Public Questions**

#### **(1) A259 (King's Road) Seafront Highway Structures ('Arches') Phases 4& 5**

121.1 Mark Strong read the following question:

Item 129 sets out plans for major works on the A259 Kings Road Arches. While I fully support the intentions of this work, there are concerns about impact on users during construction, especially on Active Travel. Previous phases (listed in para 3.12) had significant effects on people walking, wheeling and cycling for long periods, especially during works at the Shelter Hall.

I note that the stakeholder list does not include representatives of any user groups including those representing Disabled People. In addition, the EqIA does not address the period of the works but just the outcome.

Can the Cabinet give an assurance that a much more inclusive approach will be taken during the works (using experience of other projects in the city) and that the stakeholders will expressly include Active Travel and Disability Groups. In addition, could there be a place for a stakeholder rep on the Project Board?

121.2 Councillor Muten provided the following reply:

Thank you for your question, Mark. May I reassure you that we have fully considered active travel needs and the requirements of disabled users. This was also presented and discussed at the Travel & Transport Partnership, where representatives from several active travel groups and representatives from other stakeholders and community groups shared their views.

Assessments have been carried out on the working area during the construction phase. The plans clearly define the areas for highway traffic, cyclists and pedestrians, and all designated routes will be clearly marked. While some sections of the promenade will be temporarily segregated for safety reasons, the plans provide safe, accessible routes through the construction area.

All widths have been assessed to ensure safe passing and adequate manoeuvrability for mobility aids, prams and buggies along designated pedestrian routes. Similarly, routes for cyclists in both directions through this works will be carefully considered.

The works will require temporary arrangements I am sure you appreciate. However, we have a commitment to keep traffic flowing, including motor vehicles, cyclists and pedestrians, safe and accessible throughout the planned works,

Contractors will ensure that all signage is clear and appropriate, and staff will be trained to recognise issues and to ensure compliance with the Equalities Act 2010, including making reasonable adjustments whenever required. We will work closely with the principal contractor to ensure communication and community engagement throughout each stage of the planned works.

## 122 ISSUES RAISED BY MEMBERS

122.1 A copy of the questions received was circulated ahead of the meeting. Responses provided both at the meeting and in writing are as follows:

### 1. **Councillor Hill- Adult Social Care Improvement Plan**

Does the administration accept that a 2016 Adult Social Care restructuring process was a key contributor to the lack of capacity to assess care packages in 2024 which meant only 29% of people's care packages were assessed that year? The 2016 proposals cut non-registered assessors and my understanding is the aim now is to reach a 55% assessment rate.

#### **Response: Cllr Alexander**

Thank you for the question. The redesign in 2016 at that time reduced the number of non-registered posts, and while the intention was to streamline pathways and strengthen professional practice, in reality it may have contributed to reduced flexibility within the workforce and a reduced overall capacity to undertake reviews at scale.

It is important to note, however, that the 2024 position cannot be attributed solely to decisions taken in 2016. A combination of factors has influenced assessment and review activity, including sustained demand growth, increased complexity of need, workforce shortages across the social care sector, and the significant impact of the covid pandemic in 2021-22. These pressures have affected our ability to consistently maintain review levels at the rate we would wish.

The review rate in 2024 was not where we want to be. This is why a comprehensive improvement programme is now in place, including investment in reviewing capacity which does include non-qualified staff, redesign of workflow and triage processes and improved use of digital tools.

Our current improvement trajectory means our reviewing performance stands at 41% currently and sets a target of reaching approximately 45% of care packages reviewed in 25/26 and 55% in 26/27, we believe is realistic and deliverable given the combination of additional staffing, new practice models and improved oversight. The administration's focus is on ensuring a sustainable and resilient service going forward, supported by the right mix of skills, staffing, and practice support to meet statutory duties and the needs of residents.

## 2. **Councillor Hill- Adult Social Care Improvement Plan**

How does the proposed closure of Wellington House fit with this plan? My residents have told me this will have a devastating impact on the city's most vulnerable adults with learning disabilities and their families.

### **Response: Cllr Alexander**

Thank you for the question. We fully recognise the concerns raised by residents about Wellington House. We acknowledge how important and valued it is by those who attend the service as well as their family and friends and we have spoken with families about the proposal.

The proposal forms part of a broader transformation programme designed to modernise our learning disability services and ensure services are sustainable, personalised, and focused on supporting people to be included in their communities, while maintaining statutory Care Act duties and improving long term resilience across Adult Social Care.

The independent day service sector in the city for Adults with Learning Disabilities supports 134 people – this represents 86% of the market share of adult day services. Unit costs for independent day sector providers are significantly lower than Wellington House and we need to consider this within the challenging financial position the Council faces. This approach contributes to the wider financial context in which the Council must deliver significant savings—around £10 million within Adult Social Care as part of the 2026/27 budget.

Wellington House requires significant ongoing revenue to operate and maintain.

Releasing building based costs for reinvestment into a wider set of community based, not-for-profit organisations that provide flexible daytime opportunities. The reinvestment will be based on people's assessed needs and the alternative arrangements will continue to fulfil the outcomes agreed with service users and their loved ones.

The proposal is subject to a full and formal consultation to ensure that no individual will lose support as a result of the structural change. The question is not whether support is provided, but how it is provided in future.

## 3. **Councillor Lademacher - Brighton & Hove Outdoor Events Strategy**

Residents living in the Valley Gardens and St Peter's Church area have expressed the significant impact that the low-level background noise at late night events has on their quality of life. Will the administration commit to reviewing alternatives to the current low-

level background noise, including a fixed cut off time after which no background music can be played?

**Response: Cllr Miller**

In 2025 this concern was heard by the outdoor events team and has been taken very seriously. In response to this Brighton & Hove City Council have taken the decision to surrender the existing licence of the entirety of the Valley Gardens area and have applied for 3 discrete licences to cover specific areas of the Valley Gardens with varied conditions and operating times to reflect the specific challenges of each location. Included in these applications is a condition stating that any recorded sound must be inaudible to the nearest sound sensitive receptor after 23:00.

Continued use of public space, specifically in the city centre remains key to supporting the creative communities of Brighton and fostering new and emerging artists. This must, however, be delivered in partnership and balance with the needs of local communities and all relevant stakeholders. Brighton & Hove City Council's Outdoor Events Team remains committed to achieving this balance.

**4. Councillor Shanks- Brighton & Hove Outdoor Events Strategy**

Residents suggested a levy for their communities from outdoor events. Is this part of the strategy and how will it be run?

**Response: Cllr Miller**

This does form part of the proposals within the new events strategy but currently does not detail the mechanism for delivery of the money. Ensuring the scheme is designed to give residents a voice in how levies are applied to specific areas will take careful consideration to ensure the best possible outcomes. This is subject to ongoing conversation, and a full detailed methodology will be devised and published as a priority when the strategy is adopted after Cabinet on 12 February.

**5. Councillor Shanks- Targeted Budget Management (TBM) 2025/26 Month 9 (December)**

The council has recently received government money for Youth Hubs but it is using this to prop up existing youth services and family hubs. Is this legal?

**Response: Cllr Taylor**

Thank you, Councillor Shanks. I mean, first of all, it's obviously worth saying what great news it is that as a city, we've been selected as one of the eight pilot sites for the Young Futures Hub programme. I think that's a testament to some of the great voluntary sector bodies in the city already doing great work on youth services and youth futures and also to officers in the council and to, you know, lobbying efforts around this.

I think the first thing to say is that what is included in the budget has a partial element of that funding, and as you say, £75K of that is allocated to fund a full time youth and commissioning service manager and that post will support the strategic oversight of the Young Futures hubs, including the development of an integrated youth service.

And then there's £24k used for a youth participation worker. The remainder of it is not allocated in the budget report but is being allocated separately and then will be submitted to the department.

to government. But overall, the answer is yes, both Director and Chief Financial Officer are confident this is exactly the appropriate use of the money and the further allocation is to come.

6. **Councillor Shanks- Targeted Budget Management (TBM) 2025/26 Month 9 (December)**

Will the administration ensure us that the ring-fenced grant for Public Health is being used correctly as it is being used to prop up existing services which it didn't previously fund

**Response: Cllr Alexander**

Thank you for your question, Councillor Shanks. I know this was also asked in the recent People Scrutiny Committee as well. I can assure you that any use of public health funding is done strictly in accordance with the public health grant conditions. Public health grant funding doesn't only have to fund the public health team or our public health contracts. There are many council services that contribute to public health outcomes for people in the city and provided they meet the public health grant criteria, they can be funded

by the public health grant. For example, our school's mental health programme was previously funded by another department, but good mental health for our children is a high priority for our administration. And for the year ahead, it will now be funded from the public health grants. So please don't worry, none of the public health grant is being used to fund anything other than public health matters.

7. **Councillor Shanks- Targeted Budget Management (TBM) 2025/26 Month 9 (December)**

What other options for the Arches were explored e.g. finding private money and not restoring to the original design?

**Response: Cllr Taylor**

Thank you, Councillor Shanks. Yeah, important question. I mean, we thought it was really important that we did proceed with the first phase of the arches. I mean, a real disaster really in the history of the city that the arches were left to decline so much over many decades, and that's not blaming any party. And a real sort of totemic symbol in the east of the city of neglect of the eastern seafront and we don't believe in neglecting the eastern seafront, we believe investing in it, so I think it was really important that we started that renovation, which is now ongoing.

It's great to see the lift shaft has now gone up and I can't wait for that lift to be ready so that our eastern seafront can be fully disability accessible to our residents in the city. At the moment, it's quite tricky to get to that bit of the seafront if you're a disabled resident. I'm glad we're putting that right.

In terms of the next stages, I mean, you're absolutely right. That is exactly what we're doing, is thinking about how can we fund the future phases. Now we're doing this

refurbishment. We know all the things about how the arches have to be restored, albeit at great cost. It would be very expensive to do the future phases of those arches. And so we're now exploring and as part of the work of what the Seafront Development Board will be doing is working out how can we fund that probably in conjunction with national funders, perhaps lottery bodies, etc, heritage funders, but also needing to look at the commercialisation, which is I think we do need to find ways to bring in commercial activity to that area of the city that can help fund and then looking at design, location, etc. Obviously, it's a listed structure and so we have to abide by the listing, but that will be an important part of the next stage.

**8. Councillor West- Transport Capital and Maintenance Programme 2026-27**

The new cycle lanes alongside Preston Park are very bumpy. They are uncomfortable and tiring for cyclists to use. When challenged with a request that the installation contractor improve them, Councillor Muten declared them good enough. They are far from good enough, they are a huge disappointment and discouragement to frequent use. They fail to meet the high standards of surfacing cyclists in the city expect, need and deserve. Cycling is a healthy, low carbon form of transport, which also helps reduce traffic congestion and air pollution - all matters the Council seeks to champion. In order to better support uptake and the safety of cycling, can councillor Muten assure us, please, that when future cycle lanes are laid, as part of the transport programme, that they will all be machine laid, and not laid like these, on the cheap, by hand?

**Response: Cllr Muten**

Thank you, Cllr West, for your question. I am pleased that the A23 active travel scheme has delivered improved conditions for both pedestrians and cyclists, and it is important to recognise the benefits this scheme provides over the previous layout—particularly regarding safety and surface quality.

Ahead of the scheme's completion, I attended the site with active travel partners, ward councillors, officers and contractors. During this visit, I intervened to ensure a better finish was achieved, including improvements to cycle lane width, vehicle crossovers, line marking, and the finish - informing the snagging process. Contrary to your suggestion, Cllr West, I acted to ensure this valued scheme was completed to a high standard by the contractor consistent with the scheme design as consulted up.

The surfacing has been inspected by BHCC supervisors, both on foot and by bike, prior to handover. The cycle lane surfaces are within an acceptable standard, and the Council is therefore not in a position to require the contractor to relay them.

The method of construction was strongly influenced by the design choices—particularly the decision, supported by the previous Green administration, to specify a green surface. This option is more costly and requires greater manual intervention.

While cost is an important consideration when designing and procuring schemes, it is not the only factor. The construction method will always depend on site-specific circumstances, including the available width of the cycle lane. Where feasible, officers do specify machine-laid surfacing, and this approach is being used elsewhere - for example, on the new cycle lanes being delivered as part of the Valley Gardens Phase 3 project. The value-engineered decision not to apply a green finish on this scheme means it is well suited to machine laying, as you explicitly prefer.

**9. Councillor West- Brighton & Hove Outdoor Events Strategy**

Worryingly, the report refers variously to the proposed strategy applying to the period 2026-36 but also 2025-35. Appendix 1 is neither included nor linked so it isn't possible to see the strategy when composing this question. However, from the table of priorities it seems clear that parks and open spaces are viewed as a commercial opportunity and the impact of events upon the primary purpose of parks - their quiet enjoyment by park users - is not seen as a concern. Parks are vital open spaces that support health and wellbeing and are especially important for many residents without access to private outdoor space. Loss of space to events, noise and disturbance, all impact negatively upon this benefit. We need policies for parks, set with their local communities, that protect their primary purposes and place acceptable limits on use for events. Why does this consideration not feature in this strategy?

**Response: Cllr Miller**

Outdoor Events are a central part of the identity of Brighton & Hove and remains a key driver of economic activity in the city generating an estimated £120m in positive economic impact to the city and region. Events also deliver great benefits in community cohesion and local identity with 79% of attendees at events reporting an increased sense of community spirit and pride in their community.

Events must, however, strike the balance of uses which is currently being reviewed through the planning application process for spaces used beyond the current 28-day change of use permissions. Wider impacts such as noise and damage to the ground are considered within the strategy and are part of the wider policy review that is being undertaken and is mandated as a priority within the new strategy.

The new strategy will run from 2026-2036. Any other dates are a clerical error.

**10. Councillor Goldsmith- A259 (King's Road) Seafront Highway Structures (Arches) Phases 4 & 5**

I'm pleased to see these necessary works going ahead, but businesses using these arches are understandably concerned about their future. Some of the businesses have been in place for many years – can the council confirm that as well as a fair compensation deal, all businesses will be given priority for either a return to their original location or, where appropriate, an alternative location to allow them to continue trading?

**Response: Cllr Muten**

Thank you for your question, Cllr Goldsmith.

The future and vibrancy of this seafront area are central to the council's approach. We must not let this area decline, or worse. The aging structures supporting the main road, cycle route and promenade are aging and at risk, and intervention is essential to prevent a potential catastrophic failure. That is exactly what this administration is doing. We must not leave these businesses to face such risks and thereby not have a future. We are working closely with every business affected so they are supported through the process. The majority of businesses impacted by Phases 4 and 5 will return to their original location or one close by. There are two tenants will not be returning because their existing units will no longer exist and there is no equivalent replacement to return to. Both these tenants, however, have businesses elsewhere on the seafront and will

continue trading there. They are entitled to statutory compensation under the Landlord & Tenant Act along with all the secure tenancies affected. Once completed, the new, larger and better-designed units will provide improved spaces that enable businesses to thrive.

#### 11. **Councillor Goldsmith- Response to notice of motion from October Council**

The motion passed at Full Council included an explicit reference to a document that defines 'Involved Companies' as “companies which aid or assist in the commission of Israel’s serious breaches of peremptory norms of international law, which may foreseeably assist in the commission of genocide and violations of the Geneva Conventions”, yet this report uses an alternative definition, going against the requests of the Council's supreme decision-making body. Will Cabinet ensure that a new report is created as soon as possible, using the correct definition, ensuring the requests made by Full Council are properly implemented, as constitutionally required?

#### **Response: Cllr Sankey**

Thanks for the question, Councillor Goldsmith. You seem to have misunderstood the terms of that notice of motion that was passed last October. The notice of motion was amended and the final version of the notice of motion did not include the footnote that you refer to. In fact, footnotes never make up notices of motion.

But more importantly, while the council can consider publicly available information, it would not be appropriate for the finance or legal teams to reach definitive judgement in this council about which companies are not involved in violence or have been involved in violence in Gaza, given the complex, contested and sensitive nature of such assessments. That's rightly a matter for international investigators and the international court system. However, what this council can do and has done is act in relation to the UN resolution, which provides specific information that we are able to act on, namely the OHCHR list, which I referenced in my Chair's comms and which was explicitly cited in the notice of motion.

We believe that the council should not have exposure to the companies identified in this list, and we will be making this clear to the relevant elected members in East Sussex. I would gently suggest that you could do the same, given that one of those elected members

belongs to your political party, the Green Party. Although, as far as I can see, this particular elected member has made no public comment on the atrocities that we've seen in Gaza. So rather than political point scoring, I would suggest that you take it up with the elected member that belongs to your party. We are committed to ensuring that this council's investments are ethical and we will ask partner councils in East Sussex to work with us towards an ethical investment framework.

#### **123 MATTERS REFERRED TO THE EXECUTIVE**

123.1 There were none.

#### **124 REPRESENTATIONS FROM OPPOSITION MEMBERS**

124.1 Cabinet received a representation from Councillor Shanks on Item 127: Targeted Budget Management 2025/26 Month 9 (December).

**125 GENERAL FUND REVENUE BUDGET, CAPITAL & TREASURY MANAGEMENT STRATEGY 2026-27**

125.1 Cabinet considered a report that sought approval for the proposed General Fund Revenue and Capital Budget 2026/27 together with a Medium-Term Financial Strategy (MTFS) covering the 4-year period 2026/27 to 2029/30.

125.2 Cabinet approved an Officer Amendment relating to a typographical error in the published report as set out in Addendum Two.

125.3 Councillor Taylor, Williams, Daniel, Rowkins, Alexander, Muten and Robins contributed to the debate of the report.

**125.4 Resolved to recommend:**

That Cabinet recommends to Council the following:

- 1) That Council approves the Administration's proposed General Fund revenue and capital budget and Council Tax increase on the Brighton and Hove element of the council tax for 2026/27, comprising:
  - i) A general Council Tax increase of 2.99%;
  - ii) An Adult Social Care Precept increase of 2.00%;
  - iii) The council's net General Fund budget requirement for 2026/27 of £341.476m;
  - iv) The 2026/27 budget allocations to services as set out in Appendix 1 incorporating budget savings proposals detailed at Appendix 2;
  - v) The one-off resource allocations as set out in the table at paragraph 6.8;
  - vi) A recommended working balance of between £12.000m to £15.000m (approximately 4% of the net budget) to be maintained over the period of the Medium Term Financial Strategy.
- 2) That Council approves the changes to Fees & Charges set out in Appendix 3 that relate to any non-executive functions which have not already been approved.
- 3) That Council notes that Exceptional Financial Support of £15.000m has been requested from the Ministry of Housing, Communities and Local Government to assist with the setting of a legally balanced budget in 2026/27;
- 4) That Council notes the plans to address future projected budget shortfalls set out in the 4-Year Medium Term Financial Strategy at Appendix 4.
- 5) That Council approves the Capital Strategy for 2026/27 at Appendix 5 comprising:
  - i) Funding for investment in transformation and change, supported by the flexible use of capital receipts as set out in paragraph 11.2;
  - ii) The capital resources and proposed borrowing included at Annex A of the Capital Strategy;
  - iii) The Capital Investment Programme for 2026/27 of £239.816m included at Appendix 5 incorporating allocations to strategic funds.

- 6) That Council approves the Treasury Management Strategy Statement as set out in Appendix 6 comprising:
  - i) The Annual Investment Strategy;
  - ii) The Prudential and Treasury Indicators;
  - iii) The Minimum Revenue Provision policy;
  - iv) The authorised borrowing limit for the year commencing 1 April 2026.
- 7) That Council notes and considers the Equalities Impact Assessments to cover all relevant budget proposals as set out in Appendix 7.
- 8) That Council approves serviced accommodation to be an exception to the council tax premium determination for second homes as described in Section 16 and Appendix 8.
- 9) That Council further notes that approval of the budget is an indicative resourcing decision to be taken in the context of the explanation given in the Legal Implications in Section 20.
- 10) That Council notes that supplementary information needed to set the overall council tax, including a detailed Budget Book, will be provided for the Budget Council meeting as listed in paragraph 14.1.

#### 125.5 Resolved-

That Cabinet agrees:

- 1) The changes to Fees & Charges set out in Appendix 3 that relate to executive functions
- 2) That the council's S151 Chief Financial Officer be authorised to make any necessary technical, presentational or consequential amendments to this report before submission to Budget Council.

#### 126 BUDGET & CAPITAL INVESTMENT HRA PROGRAMME 2026-27 AND MEDIUM TERM FINANCIAL STRATEGY

126.1 Cabinet considered a report that sought approval to recommend the proposed Housing Revenue Account (HRA) revenue and capital budget for 2026/27 as required by the Local Government & Housing Act 1989.

126.2 Councillors Williams, Taylor, Rowkins and Robinson contributed to the debate of the report.

#### 126.3 Resolved-

That Cabinet:

- 1) Approves a rent increase of 4.8% in line with government legislation as detailed in paragraph 3.12 of the report.
- 2) Approves a 5% rent increase for all new and re-let tenants, in accordance with the rent flexibility policy as set out at paragraph 3.10 of the report.

- 3) Approves the service charges and fees as detailed in Appendix 2 to the report.
- 4) Notes the Medium-Term Financial Strategy (MTFS) and 30-year financial projections shown in Appendix 4 to the report.

**Resolved to recommend:**

- 5) Notes and recommends to Full Council for approval the HRA Revenue Budget for 2025/26 as outlined in table 1 of the main report and Appendix 1.
- 6) Notes and recommends to Full Council for approval the new Capital Programme Budget of £79.640m for 2026/27 be agreed as part of the revised capital budget of £126.339m (which includes reprofiles of £46.699m from 2025/26).
- 7) Notes and recommends to Full Council approval of the earmarking of £1m reserves against disrepair claims for 2026/27.
- 8) Notes and recommends to Full Council for approval the 5-year capital programme as set out in Appendix 3 to the report.

**127 TARGETED BUDGET MANAGEMENT (TBM) 2025/26 MONTH 9 (DECEMBER)**

127.1 Cabinet considered a report that set out an indication of forecast risks as at Month 9 on the council's revenue and capital budgets for the financial year 2025/26.

127.2 Councillors Rowkins and Sankey contributed to the debate of the report.

**127.3 Resolved-**

- 1) Cabinet notes the forecast risk position for the General Fund, which indicates a potential forecast overspend risk of £4.861m.
- 2) Cabinet notes the forecast overspend risk for the separate Housing Revenue Account (HRA), which is an overspend of £0.846m.
- 3) Cabinet notes the forecast overspend risk for the ring-fenced Dedicated Schools Grant, which is an overspend of £2.388m.
- 4) Cabinet approves deferring the planned reserve repayment of £1.125m in 2025/26 (paragraphs 4.10 and 7.8)
- 5) Cabinet approves the release of unrequired Reserves and Provisions of £1.109m (paragraphs 4.10 and 7.9)
- 6) Cabinet notes the forecast position on the Capital Programme which is an underspend variance of £7.714m.
- 7) Cabinet approves the capital budget variations and re-profiling requests set out in Appendix 6.

- 8) Cabinet approves the new capital schemes requested in Appendix 7.
- 9) Cabinet notes the Treasury Management update as set out in Appendix 8 and summarised in paragraph 8.

## **128 TRANSPORT CAPITAL AND MAINTENANCE PROGRAMME 2026-27**

128.1 Cabinet considered a report that sought approval of the £8.801m capital grant allocated in 2026/27 through the government's Local Transport Grant and Maintenance Block funding process. The report also sought endorsement of the indicative 2026/27 Planned Maintenance Programme and update to the schemes prioritised within the Council's Local Cycling and Walking Infrastructure Plan (LCWIP). This would inform the allocation of grant funding for scheme development.

128.2 Councillors Taylor, Sankey, Rowkins, Robins and Robinson asked questions and contributed to the debate of the report.

### **128.3 Resolved-**

- 1) Cabinet agrees the £8.801m 2026/27 Local Transport Grant capital budget is allocated as set out in Table 2.
- 2) Cabinet agrees to delegate authorisation of submissions to the Department for Transport on outline delivery proposals for 2027-2030 to the Corporate Director for City Operations in consultation with the Cabinet Member for Transport & City Infrastructure.
- 3) Cabinet agrees the indicative Planned Maintenance Programme for 2026/27 as set out in Appendix 1 and agrees the updated Highway Asset Management Policy and Strategy 2026 as set out in Appendix 2.
- 4) Cabinet agrees the 2026/27 Safer Better Streets priority schemes as set out in Appendix 3.
- 5) The Cabinet gives delegated authority to the Corporate Director for City Operations, in consultation with the Cabinet Member for Transport & City Infrastructure, to finalise the updated Local Cycling and Walking Infrastructure Plan (LCWIP) route prioritisation (Appendix 4) following engagement with members of the Transport & Travel Partnership and to use scheme development funding according to this prioritisation.

## **129 A259 (KING'S ROAD) SEAFRONT HIGHWAY STRUCTURES ('ARCHES') PHASES 4& 5**

129.1 Cabinet considered a report that requested various approvals for the A259 (King's Road) Seafront Highway Structures (Arches') Phases 4& 5.

### **129.2 Resolved-**

- 1) Cabinet delegates authority to the Corporate Director City Operations with consultation with the cabinet member to submit the completed Full Business Case (See Appendix 1)

for the Phases 4 and 5 Scheme to the Department for Transport (DfT) for approval and release of the Major Road Network (MRN) Funds amounting to £22.2 million.

- 2) Subject to approval of the Full Business Case for the release of the MRN Funds by the DfT to the Council, Cabinet delegates authority to the Corporate Director City Operations with consultation with the cabinet member to take all steps necessary to implement the Phases 4 and 5 Scheme including to award the two suitable construction contracts for the Phases 4 and 5 Scheme to the preferred bidders of Knights Brown Construction Limited and to enter into the contracts and any associated warranties and documents..
- 3) Cabinet approves a Capital budget for phases 4 and 5 of the programme totalling £24.850m. This represents the total scheme costs less costs incurred to date, funding arrangements are included within the financial implications of the report.
- 4) Cabinet agrees to provide approval to undertake a play area feasibility study for the future of the wet and dry play areas in front of Phase 4 once construction is complete. This is detailed in section 3.13.

### **130 LANE RENTAL SCHEME**

130.1 Cabinet considered a report that set out the benefits of introducing a Lane Rental Scheme (LRS) and sought approval to introduce an LRS within Brighton & Hove.

130.2 Councillors Rowkins, Williams and Sankey asked questions and contributed to the debate of the report.

#### **130.3 Resolved-**

- 1) That Cabinet agrees that an application to the Secretary of State should be made to secure the required powers to introduce Lane Rental to Brighton and Hove City Council.
- 2) That Cabinet delegates authority to the Corporate Director of City Operations to develop the Lane Rental Scheme in consultation with the Member for Transport and City Infrastructure, carry out stakeholder consultation on this scheme and apply to the Secretary of State for approval to introduce Lane Rental.
- 3) That the Committee delegates authority to the Corporate Director of City Operations, in consultation with the Member for Transport and City Infrastructure implement the Lane Rental Scheme following the Secretary of State approval.

### **131 ADULT SOCIAL CARE IMPROVEMENT PLAN**

131.1 Cabinet considered a report that sought endorsement of the Adult Social Care in Brighton & Hove.

131.2 Councillors Daniel, Robins, Alexander and Sankey asked questions and contributed to the debate of the report.

#### **131.3 Resolved-**

- 1) Cabinet notes the report, outcome of the inspection and endorses the Adult Social Care Improvement Plan.

### **132 RESPONSE TO NOTICE OF MOTION FROM OCTOBER COUNCIL**

132.1 Cabinet considered a report that provided an update following the motion agreed at Council in October 2025 requesting officers to bring a report to Cabinet detailing any exposure of the East Sussex Pension Fund, of our treasury management and of our freehold landholdings to 'involved companies'. The report also provides further information on governance arrangements for the East Sussex Pension Fund and national legislative changes that impact on Local Authority Pension Funds across the country.

132.2 Councillors Sankey, Muten and Taylor asked questions and contributed to the debate of the report.

#### **132.3 Resolved-**

- 1) Cabinet notes the information set out in section 3 of this report, setting out exposure of ESPF, the Councils treasury investments, and our freehold landholdings to 'involved companies'. 'Involved companies' refers to the United Nations Office of the High Commissioner for Human Rights (OHCHR) list that has been compiled of companies that operate in illegal settlements in the West Bank.
- 2) Cabinet agrees that, as part of the implementation of Local Government Reorganisation in Sussex, we will recommend that Brighton and Hove City Council has more representation on governance and oversight arrangements for the East Sussex Pension Fund or any replacement Fund.

### **133 BRIGHTON & HOVE OUTDOOR EVENTS STRATEGY**

133.1 Cabinet considered a report that sought endorsement of the strategic direction for outdoor events in Brighton & Hove for 2026–2036.

133.2 Councillors Muten, Miller, Robins and Robinson asked questions and contributed to the debate of the report.

#### **133.3 Resolved-**

- 1) Cabinet agrees the Outdoor Events Strategy 2026–2036 (Apx n1).
- 2) Cabinet endorses the ongoing development and delivery of the programme, including strengthened partnership working, enhanced community engagement, and the actions intended to protect the natural environment and maximise economic benefit.

### **134 PART TWO MINUTES OF THE PREVIOUS MEETING**

134.1 **Resolved-** That the Part Two minutes of the previous meeting be approved as the correct record.

**135 PART TWO PROCEEDINGS**

135.1 **Resolved-** That Cabinet agreed that the confidential items listed on the agenda remain exempt from disclosure to the press and public.

The meeting concluded at 5.00pm

