BRIGHTON & HOVE CITY COUNCIL

PLACE OVERVIEW & SCRUTINY

11.00am 28 JULY 2026

MINUTES

Present: Councillor Evans (Chair) Goddard, Lademacher, Meadows, Miller, Sykes, Winder, Mackey and Parrott.

Other Members present: Mark Strong (CVS),

PART ONE

11 PROCEDURAL BUSINESS

11 Procedural Business

11a Declarations of substitutions: Cllr Parrott for Cllr Cattell. Cllr Mackey for Cllr Wilkinson.

11b Declarations of interest:

11c Exclusion of the press and public:

Amongst the papers circulated to elected members were confidential (Part 2) papers from the Cabinet Meeting. Any discussion of these papers will need to be in confidential session and will need to exclude the press & public from these discussions. We will move into a Part 2 confidential session towards the end of the meeting, if members indicate that they wish to discuss information shared in the Part 2 papers. All committee members are reminded not to raise matters contained in the Part 2 documentation during the public meeting.

11.1 Cllr Miller raised that she had not received the Part Two documents. Giles Rossington, Scrutiny Manager, said that members had been sent the documents and any access issues were down to individual member access issues.

11.2 Mark Strong raised a point of order regarding public engagement for call-in meetings as the meeting was arranged and the agenda published after the deadline for public engagement. Giles Rossington said that as with any public engagement submitted after the deadline it would be at the Chair’s discretion to accept any public engagement.

11.3 Cllr Miller raised that Appendix three was missing from the report. Giles Rossington said that Appendix three was the minutes of the cabinet meeting and was due to be published this morning but was held up due to technical issues. He said that the minutes of the cabinet meeting were skeletal and essential said that a discussion was held, and a decision was made and therefore would not add much to the committee's decision-making process today.

11.4 Cllr Sykes noted that the chair had said that discussion had been held with key people regarding the timing of the meeting, and wanted to know who it had been discussed with. The Chair said that those who were essential for the meeting to be held had been in discussion, including herself, Cllr Taylor as the relevant cabinet member, and officers who had worked on the decision. She added that most members had not been consulted and that the meeting had to be held within seven days of the acceptance of the call-in request and so it was a challenge to fit in a meeting.

11.5 Cllr Goddard said that due to the short notice of the meeting he was grateful to the substitutes who had come and to Cllr Taylor who was actually on annual leave but had come in to answer the call-in. He made the point that scrutiny's role was to look at the process of decision making not the history of New England House and that he was interested to hear what was wrong with the decision-making process. The Chair said that the grounds for the call-in request were set out in the appendices and included a lack of information on which to base the decision.

12 CHAIR'S COMMUNICATION

12.1 The Chair gave the following communication:

I'd like to thank everyone for attending this urgent call-in meeting at such short notice. This was unfortunately the only possible slot for a meeting that fitted with constitutional requirements and the availability of key people.

I'd like to start off by briefly explaining the purpose of a call-in meeting. If anyone has any questions, I'm sure that Giles will be happy to respond.

Call-in is an essential, and legally required, part of any Leader & Cabinet governance model. The council has to have a process in place that allows non-executive members to challenge a decision of the executive, after it has been taken but before it has been implemented.

Call-in is not intended to be used frivolously or simply because members disagree with a decision. For a call-in request to be accepted, the members requesting the call-in must detail why they think the executive decision was flawed. The Council's procedure rules list a number of legitimate grounds for call-in, as well as requiring that a call-in request be signed by at least 6 members from at least 2 political groups.

If a call-in request is made, and if the request is accepted by the Chief Executive, after consultation with the council's Monitoring Officer, then a meeting of the relevant Overview & Scrutiny committee must be arranged within 7 days of the submission of the call-in request. We are here today because a call-in request has been submitted and accepted.

At the call-in meeting, the committee will hear from one of the members who submitted the call-in request – in this instance Cllr Sykes. As Ollie is also a member of this committee, he is able to present the call-in request and play his normal role in the meeting.

The committee will then hear from the relevant cabinet member, in this instance Cllr Taylor; and from officers if a detailed explanation of issues is necessary.
After this, committee members will have the opportunity to ask questions of the Cabinet Member to assist the Committee in reaching its decision on the call-in. The Cabinet Member may refer to officers to provide the response as they consider appropriate.

Having heard from the member requesting call-in and from the Cabinet Member and officers, and having had the opportunity to ask questions of the Cabinet Member and officers, committee members will then debate whether to accept or reject the call-in.

Members will note that one of the possible actions for the call-in committee is to refer the Cabinet decision to full Council. Just so we're clear, an O&S committee can refer a decision that has been called in to Council, but only if the committee believes that the decision was contrary to the budget and policy framework previously agreed by Council. There is no role for Council in determining call-in requests other than in this context. As today's call-in request does not suggest that the New England House decision was contrary to the budget and policy framework, I think it's unlikely that we'll want to refer to Council.

There are two other options. The committee can decide that the original executive decision was properly made, in which case the decision may be implemented immediately. Or it can decide that the original executive decision was not properly made and refer it back to Cabinet for re-consideration. If the committee chooses to refer the decision back to Cabinet, members must agree reasons for the referral.

It is very important for members to bear in mind that they are not being asked to debate the merits of the original executive decision. Rather, they are being asked to consider whether the Cabinet decision was properly made, given the concerns about process outlined in the call-in request.

I appreciate that members will need some context in order to make the decision on whether to refer the decision back to Cabinet or not, but I do ask that we try to limit questions to the process of decision-making. I will stop questioners if they are veering too far from the brief of the committee.

Also, the call-in request is clear that the decision that members have concerns about is the decision to sell New England House. However, the asset strategy report considered by Cabinet also includes decisions around the disposal of the Hove Park site and some other sites. I don't want to keep people here today for longer than necessary, so I want to be clear that the focus of today's meeting is New England House.

I am also keen that we conduct as much of this meeting as possible in public session. When we come to questioning Cabinet members and officers, I would therefore strongly request that members think carefully and reserve any questions about confidential papers until there are no more questions that can be taken in public session. This is not to impede the democratic process, but rather to ensure that we do nothing that might compromise the completion of contractual negotiations.

If members do need to discuss confidential papers, this will need to be in Part 2 session. This means that the press and public will be excluded from this part of the meeting. Members have had the confidential report from the Cabinet meeting shared with them. A decision was taken by the Monitoring Officer that this report should be redacted to remove particularly sensitive information that was not considered relevant to the call-in. This is in accordance with the Council's Constitution Part 3E Point 23.3 which states that confidential documents should not be shared with scrutiny members unless this information is relevant to their enquiry. The information redacted relates to the non-New England House elements of the asset strategy report which are not relevant to this meeting which is focused on New England House. No material relating to New England House has been redacted.

Finally, when the committee comes to decide whether or not to refer the Asset Strategy decision back to Cabinet, only voting members, that is Councillors, will vote. Non-voting members are otherwise welcome to play a full part in questioning and debating the issue.

13 PUBLIC INVOLVEMENT

13.1 There were no public engagement items.

14 MEMBER INVOLVEMENT

14.1 There were no member questions.

15 CALL-IN OF 16 JULY CABINET DECISION: ASSET STRATEGY

15.1 Cllr Sykes presented the call-in request to the committee. He said that the call-in was made on three specific grounds: to what extent was it a strategic decision and did we have enough information to make that strategic decision; New England House was a flagship proposal under the City Deal. He said that it was a major blow to lose New England House and was there a chance to rescue it, had all stones been overturned to seek a way forward to retain this asset. He said that the location and nature of the space was critical and some of the alternatives suggested were scattered, smaller, and not the same sort of spaces. Cllr Sykes said that there were questions about which legislation applied, either 2021 or 2026. He wanted to know what flexibility the council had to meet with and discuss ways forward with Friends of New England House to extend the period of consultation and meet some of the requirements under the 2026 legislation. He asked what the added value of the space and its contribution to the wider economic ecosystem of Brighton & Hove was. Cllr Sykes believed that the options in the cabinet paper and the information there was limited. He said there were two options, possibly do nothing was one of them, a £67m option and a £97m option. He said in his experience there should generally be more than that as a minimum set of options. He asked where the new minimum option that was available previously was. He said that he thought it was a bit of stretch that nothing could be done with New England House for less than £67m. He wanted committee to be reminded of the previous options and a do minimum option which combined with community involvement maybe there was a way through to perverse the asset. Cllr Sykes said that the potential contribution of the strategic authority should be considered and that this was not reflected in the report. He asked to what extent was New England House a strategic asset and if it merit approaches to the strategic authority in order to seek alternatives to disposal.

15.2 Cllr Jacob Taylor, Cabinet Member for Finance and City Regeneration responded to the call-in. He was joined by Jessica Hamilton, Interim Head of Strategic Property, and Nick Fishlock, City Regeneration Programme Manager. Cllr Taylor said that he would be brief as he did not feel there was much merit to the call-in and felt it had been thoroughly discussed in cabinet and full council.

He went through the grounds for the call-in saying that the lack of clarity of previous funding had been discussed in cabinet and that he could set out the full history of the funding for New England House, but that it was not germane to the decision of what to do with New England House. He said that when thinking about assets they didn’t necessarily set out when they were purchased and how they were financed. He spoke about the £4.9m of City Deal received back in 2014 and held for a while alongside a possible project to refurbish New England House. He said that interestingly the £4.9m was released to support other corporate pressures in the budget setting process in 2021/22 when the council had a Green administration with Cllr Shanks as Deputy Leader of the Council. Regarding the potential of community interest, he again said that it had been well covered in cabinet.

He said that an application was made for a potential asset of community value, and that there had been confusion on both sides about the current and statutory status of that because changes had been made in the English Devolution Bill, but that the new powers in legislation had not come into force as they were waiting secondary legislation. He said that therefore a decision was made on the existing statutory parameters, and at the cabinet meeting it was confirmed that a decision would be made. He said that the decision on the asset of community value was not a cabinet member decision, but a quasi-judicial decision made by the Head of Planning. He said that the decision had been turned down and the reasons for that set out to the group. He said that the application didn’t demonstrate social value but did demonstrate economic value. He said that it was not a decision that he would endorse or defend as it was not his decision but purely a planning process decision. He noted that the group would be looking to resubmit or appeal the decision. Cllr Taylor said that it was not noted in the cabinet report, but it mattered whether an asset was an asset of community value at the point that the council may dispose of it as the group would be contacted first and have a right to submit. He said that it was procedurally correct that they didn’t notify anyone at the time of the decision as it was not registered as an asset of community value.

On the lack of consultation Cllr Taylor said they wouldn’t generally consult on asset decision as in theory there could be a broad range of people that could be consulted. He said the council don’t really do consultation or public consultations with previous tenants or prospective tenants when it makes decisions on its asset portfolio in line with the Asset Management Plan. He said that this had no impact on the decision made and that the decision was subject to the usual public engagement for cabinet decisions and that people did come and ask questions or deputations at cabinet.

Cllr Taylor said that in his view the three grounds stated for the call-in were not relevant and don’t impact the decision whatsoever.

15.3 Cllr Miller raised the importance of the create maker space and light industrial space at New England House. She said that at 3.13 in the cabinet report it suggested that the city would be losing 16,000m^2 of light industrial space and 3.13 suggests that 30,000ft^2, which translates to about 2,500m^2 of office space without any loading bay access which would not be a suitable replacement. She said that the disparity between the two needed to be recognised because they were completely different in terms of volume and offering. Cllr Taylor said that the report did not say its replacement and that the reprovision of employment space sits within the planning system. He said that the council or anyone who was to purchase an asset it is then subject to planning policy. Cllr Taylor said that the report said that they would commission a developer brief alongside the potential disposal of the asset within which provision of a new space might be a combination of housing, creative employment etc. He said that this would be subject to a planning application and planning is where the space could be protected. He said that the other spaces were included as the decision aligned with a time when they had a fair amount of vacancies and it was deemed relevant to put those in and then actively market them to previous tenants. He wanted to be clear that the report did not say that it was a like for like replacement.

15.4 Cllr Miller said that she was concerned that City Plan did not require light industrial space to have adequate loading access, meaning that what planners deemed to be light industrial space was functionally unusable because machinery and equipment could not be moved in. Cllr Taylor said that was a planning policy question and not relevant for the call-in, but that he didn’t disagree with the point.

15.5 Cllr Goddard spoke about the many things that scrutiny wanted to talk about around the issue of New England House. He spoke about his time as economic advisor to cabinet saying that it was the most frustrating part of his brief, and asked who was in charge of the council when the £4.9m funding from the City Deal was redesignated. He said that a lot of the issues were being sorted out by Cllr Taylor. He said that cabinet were forced to make a big decision and that the building was dangerous having had to be evacuated. He said that people could romanticise the issue as much as they liked but it was not creative industry in the 1960s but light industry. Cllr Goddard said that he was convinced that this call-in was very confused and was playing politics. He said that we should lament the loss of the space but should put energy into the future use and developer brief. Cllr Taylor spoke about the do-nothing option mentioned by Cllr Sykes and said that there had been too much of the do-nothing option over many many years in the city, with a number of assets. He said that this was not pointed at Cllr Sykes or any administration in particular. Cllr Sykes made a point of order that he had not called for a do-nothing option, but a do minimum option. Cllr Taylor said that too much of the do-minimum option had been taken for many years. He said that any number of options could be put into a report but asked what the point would be in including an option to do-minimum or do-nothing in a fire safety report referencing the dangers. He said that Cllr Goodard was in many ways right and overall it had been a story of failure, which was why he had commissioned the lessons learned report. He said the lessons learned report was clear about organisational and project management failures and these were lessons that council needed to learn.

15.6 Cllr Lademacher asked about the process that had happened around the asset of community value application. Cllr Taylor said that cabinet had met of the 16th of July and no decision had been made, on the 24th of July a decision was made to reject the application. He said that the group had emailed to say that they would be resubmitting or appealing the decision and therefore it was not a live application in the sense that it was being considered.

15.7 Cllr Lademacher said that there was tension and interest in the community and asked what the council would give way on. Cllr Taylor said that in any asset disposal there were always trade-offs. He said that one option was to cut front line services to balance budgets. He said that they had tried to be transparent about using capital receipts to fund things out of the general fund or to fund proactive work. He said that there were a range of valuations and that they could get the largest capital receipts selling subject to planning consent, meaning that the money was only handed over when planning was approved, or they could sell assets where the same use would continue with a stable income, such as a row of shops. At the other end of the scale was selling with constraints such as a developer brief setting out what was needed on the site such as some housing, some creative spaces, or public realm. He said the more requirements that were in a developer brief the lower capital receipt would be received.

15.8 Mark Strong said that the biggest issue was about ownership. He said that Friends of New England House had been looking at the possibility of the Strategic Authority using funding. He said that the Friends of New England House think it is premature but want to be involved in the development brief. He made the wider point that in many instances consultations were seen a process to get through rather than a means of working together. Cllr Taylor said he wouldn't agree with everything that was said as although over the years the council had not been great at engagement, he felt it had got better and highlighted work on SEND reform and home to school transport as work where consultation and engagement had been good. He said that this does take time and resources. However, it does not change the decision. Mark Strong said that a new application for New England House to become an Asset of Community Value would be submitted.

15.9 Cllr Parrott asked about the minimum that the council could do on New England House. Nick Fishlock said the in March 2025 cabinet had been presented with six options including: a full refurbishment in an empty building, full refurbishment with tenants in occupation, full refurbishment with three storey extension, and demolition with either small, medium, or large size building. He said that they had gone through the options and options paralysis by going further and further. He said that the minimum would have been a full refurbishment in an empty building which would have cost nearly £29m but included risks such as only a 20-year life span. He said that the £67m option included more improvements, a greater life span, and changes to accessibility. Cllr Parrot asked if in his professional opinion the options given were a responsible minimum option to the council.

15.10 Cllr Sykes said that he was worried by Cllr Taylor's response to him regarding the do nothing or do minimum options. He said he understood about the six options, but the question for scrutiny was whether there had been enough information in the cabinet paper, which only included two options. Cllr Taylor said that a fire safety report had highlighted a catastrophic fire risk and they therefore couldn't do nothing or just do the minimum. He said that there was no legal ability to do nothing and that cabinet had been given the two most reasonable option. Cllr Sykes said that the 'do minimum' was very clear: 'the lowest cost intervention necessary to meet fundamental legal, safety, or operational requirements when absolutely inaction is impossible'. He said it was not do nothing and was clearly defined in the Green Book. The Chair said that that had been covered by the previous cabinet paper of March 2025 mentioned by Nick Fishlock.

15.11 Cllr Meadows said that the council has the responsibility to seek value for money, and that the concern of the call-in was that cabinet did not have all the information required to make the decision. She said in 3.15 it mentioned the site being disposed of with a developer brief and asked if it would require changes to the City Plan, and if the money raised would go to housing. She said the best value they could get for the asset hadn't been included and that information would have helped them to make the decision. Cllr Taylor said that they didn't need to change City Plan and could proceed as it is. On best value he said that implied in the report is that the council's recommendation for best value is to proceed on this basis. He said it isn't as simple as that because they could sell things for the best value but that they had other considerations such as economic factors, housing factors, etc. Jessica Hamilton said when considering best consideration they also had to think about the impact of social, environmental, and economic benefits in any asset disposal and it would be a balance.

15.12 Cllr Winder asked about making decisions based on one building when the wider area was crying out for investment and attention. She spoke about the need to look at the wider area surrounding New England House. Cllr Taylor said that he agreed 100% and that they did need to think about the wider area and not just one building. He said that there was a whole area of possibility that may get turned into a master plan.

15.13 Cllr Goddard said that the question should be: was this a properly made decision. In his view, he said, the answer was yes.

15.14 Mark Strong spoke about the strategic authority, the spatial economic strategy, and that Cllr Sankey and Cllr Taylor were Chair and Co-Chair of the strategic authority, which had not been mentioned in the report. He also said that the wider Elder Place corridor plans had gone quiet. Cllr Taylor said that the plans had not gone quiet, that Elder Place was proceeding, and that New England House did not prevent this. He said that the strategic authority's spatial economic strategy the timing was different as it would not come until after the adoption of the new City Plan.

15.15 The chair said "We are now ready to consider the report recommendations.

Having regard to the grounds for call-in and the information supplied in response:- Does the committee agree:

2.1 To determine that the challenge to the decision called-in should be taken no further and the decision may be implemented; or

2.2 To determine that that the decision called-in is contrary to the policy framework or contrary to or not wholly in accordance with the budget framework and that is should therefore be referred to full Council. In such a case the Committee must set out the nature of its concern to full Council; or

2.3 To refer the decision called-in back to Cabinet for reconsideration. In such a case the Overview & Scrutiny Committee must set out the nature of its concerns for Cabinet." The Chair asked for opinions from committee members.

15.16 Cllr Sykes said that he believed that they should approve recommendation 2.3 as the options put to cabinet were not the full options.

15.17 RESOLVED – Place Overview & Scrutiny Committee determines that the challenge to the decision called-in should be taken no further and the decision may be implemented.

The meeting concluded at 12.25pm

Signed Chair

Dated this day of