

BRIGHTON & HOVE CITY COUNCIL

PLACE OVERVIEW & SCRUTINY

2.00pm 19 FEBRUARY 2026

HOVE TOWN HALL - COUNCIL CHAMBER

MINUTES

Present: Councillor Evans (Chair) Cattell, Oliveira, Goddard, Mackey, Meadows, Sykes, Winder, Earthey and Sheard

Other Members present: Mark Strong (CVS), Bernadette Kent (OPC), Jasmine Oquosa-Withers (YC)

PART ONE

60 PROCEDURAL BUSINESS

60. Procedural Business

60a Declarations of substitutions

60.1 Cllr Earthey attended as a substitute for Cllr Fishleigh

60.2 Cllr Sheard attended as a substitute for Cllr Fowler

60b Declarations of interest

60.3 Cllr Sykes declared that he is on the Board of the Brighton & Hove Food Partnership

60c Exclusion of the press and public

60.4 The press and public were not excluded

61 CHAIR'S COMMUNICATIONS

60.1 The Chair gave the following communication:

Today we are holding the second special Place Overview & Scrutiny meeting to look at the budget. The minutes of this meeting and any specific comments made by committee members will be shared with Cabinet.

At the last special budget meeting, we looked at the draft plans. Today, we will be looking at the final budget plans being proposed to Full Council on the 26th February for approval. We have already scrutinised much of the budget so today we will be focussing on changes made

to the budget since our last meeting. This includes the Housing Revenue Account which had not been part of the papers last time.

We are joined by Cllr Jacob Taylor, Deputy Leader of the Council and cabinet member for Finance & City Regeneration, and John Hooton, Interim Director of Property and Finance, who is only able to join us online today. They will be talking to us about the budget and then taking questions from members. We are also joined by Cabinet members and officers who are on hand to help with any questions, and I'd like to welcome them all to the meeting.

We will start with Cllr Taylor who will give a brief overview of the changes made to the budget since our last meeting. Following that, I'd like to open up for questions on the HRA first as our colleagues from Housing need to leave early. Then I will open up to questions on everything else.

Although we only have one item on the agenda, this is an important subject for scrutiny, so I imagine there will be a lot of questions to get through. Can I therefore please request that both those asking and answering questions are as brief and to the point as possible.

62 PUBLIC INVOLVEMENT

62.1 There were no public questions.

63 MEMBER INVOLVEMENT

63.1 There were no member questions.

64 SCRUTINY OF BUDGET 26/27: GENERAL FUND REVENUE BUDGET, MTFs, HRA PROGRAMME AND CAPITAL & TREASURY MANAGEMENT STRATEGY

64.1 Cllr Taylor gave a summary of the current budget position; back in December they reported a budget gap of £25 million and a set of proposals for just over £12 million of savings, and noted that they would come back with a final budget once they had received the settlement from central government and understood the true financing picture. They noted the Fair Funding Review that did not benefit Brighton & Hove that much but the settlement from the government ended up being slightly higher than they were previously led to believe. They have now produced a further set of proposals which is what is being scrutinised at today's committee and is going to Budget Council next week for approval. Cllr Taylor talked about the application for additional funding from the government through a programme called Exceptional Financial Support (EFS) and they have asked for £15 million specifically to deal with the pressures from temporary accommodation and emergency accommodation. The costs for this have increased sharply; in the current budget they are working with £8 million which is forecast to go to £20 million next year due to more families needing support and a rise in general costs. It is a targeted request for support to fix the underlying issue, which is a huge problem for the city especially the families who are impacted; people need to live in settled accommodation, and we need more public and Council housing. The Council can't keep throwing money at private landlords who are the ones benefitting from people living in temporary accommodation. The Council is rapidly buying as many properties as possible to bring it back in-house, which is cheaper. The application for EFS is to help facilitate this plan, bridge the gap and fix the underlying issue. Cllr Taylor briefly

summarised the in-year position as forecasting a £4.8 million overspend which is significantly down from month 8 that predicted a £9 million overspend. In the medium term, there is a forecasted gap of £25 million which is what this budget seeks to address. They are currently working on a plan to become financially sustainable, part of this is to invest in digital means in order to be more efficient.

- 64.2 Cllr Sykes asked a question about the rent collection rate which is down and what plans there are to help with this. Cllr Williams said that a significant number of residents are in the process of moving to the new Universal Credit system which is making rent late. They don't want to penalise anyone for this and know that the money is coming. Martin Reid said the transfer to the Universal Credit system has caused rent to go into arrears in some cases and the housing income team has a recovery plan to deal with this. Part of this plan is to set up direct payments of Universal Credit, introduce automation to make processes more efficient, enhance early intervention and strengthen links with Money Advice.
- 64.3 Cllrs Cattell, Goddard, Sykes, Earthey and Meadows asked questions about the EFS. John Hooton said that they have not had confirmation on the extra funding yet and hope to hear very soon. Cllr Taylor was fairly confident that they would be successful in getting this funding but if they weren't, then they would look to amend the budget. Cllr Taylor said the plan for the £15 million if received, would be to accelerate the rapid acquisition of properties. Building new properties is not a quick process but it is the right time to buy back properties quickly as some landlords are exiting the market due to the Renters Rights Reforms and the Council can benefit by using them as temporary accommodation. Genette Laws explained that their ambition is to transform homelessness through early prevention, offering effective and good quality temporary accommodation and create more secure tenancies. Cllr Sykes put forward a recommendation that they reduce the amount of EFS they are asking for to the amount required to balance the budget for next year. This would avoid the Council ending up borrowing large amounts just to recharge the reserves, that £15 million at 6% is high and questioned whether the Council actually wants to do that. Cllr Taylor said this is the right thing to do to protect services and build up a level of resilience to make investments in other areas. John Hooton said the reserves are at a critically low level and below the recommended amount for a Council this size, there are significant budget pressures in social care and the LGA and external auditor have raised concerns about this; he would not recommend this suggestion.
- 64.4 Cllr Earthey said he had concerns that the amounts being borrowed would end up increasing each year as he didn't fully understand the financial cost of the EFS. Cllr Taylor said that the money comes at a cost but as long as it sits as cash, it will then be part of the treasury management function and they will get a yield on it. The recommendation for reserves is £9 million but John Hooton has revisited this and put it closer to £18 million. This is a one-off application for EFS and they do not intend to apply again next year. A big chunk of the borrowing is for the HRA to put into new stock and repairs; this will be paid back via rent. When comparing with other local authorities of a similar size, Brighton & Hove are below average when looking at overall debt. Most of this comes from investing in things like Madeira Terrace, a new swimming pool etc, which all come at a cost. They could deprioritise projects to reduce the costs, but they feel they have got the balance right.

- 64.5 Mark Strong (CVS) and Cllrs De Oliveira, Meadows, and Earthey asked questions about the proposed cut to child pedestrian training. The cost is £165k, which is high but there have been 150 children seriously injured on the roads and around 100 with minor injuries in the last 5 years. He said that effectively it is outsourcing the costs to the NHS and to the families of those children who were injured. The Council isn't measured on child pedestrian training in the same way that they are for bikeability training so it looks like they're cutting the pedestrian training due to that. Once it has been cut, it will be difficult to start it again and this valuable service will be lost. He suggested looking at the transport income fund to see if the money could be saved. Cllr Muten said that they have invested in a lot of initiatives other councils have cut such as the School Streets programme and crossing patrols and that pedestrian safety is valued. They will be communicating with schools about including information on pedestrian safety in assemblies and PSHE programmes. They are committed to the Safer School Streets Programme and will target schools in more deprived areas. They encourage young people to cycle safely but are aware that some families don't have access to bikes and the training encourages them to learn the skills and confidence to do so in the future. Councillors had received a letter from 2 schools on this subject asking them to reinstate this. Cllr Muten said that many parents do teach their children these skills but they need to provide something for those that don't.
- 64.6 Cllrs Meadows, Earthey and Sykes and Mark Strong asked questions about parking charges. Cllr Taylor said that the income from parking charges is presented as savings in the paper. Some parking charges have been frozen, there is a 3% increase on resident parking permits, in some areas visitor parking permits remain the same except for the city centre where it makes sense to increase them, and there has been an expansion of some parking zones. Cllr Muten said that parking charges are more flexible with more options of how long people want to stay. Efficiencies with staffing have been achieved through digitalisation of the service and some long standing vacancies can be lost. Carers' permits and those for doctors' etc have been frozen. Cllr Muten said that the charges have been based on modelling every single scenario which is very complex. If charges are put too high then it puts people off parking there and they need to balance the needs of the city.
- 64.7 Cllr Cattell asked about staffing and whether the ambitious programme of repairing the roads is still possible. Cllr Muten said they have grant funding from the government to fix the roads. Ali McManamon said they were increasing the number of apprenticeships in City Operations as there are some areas it is hard to recruit to. They have internal staff taking some of these on to learn new skills.
- 64.8 Cllrs Evans, De Oliveira, Sykes, Goddard and Mark Strong asked questions about the proposed cuts to the Community Composting programme. There are 1400 households and 150 volunteers affected by a cut of £35k. Councillors had received a letter from the Food Partnership and Cllr Sykes asked whether it really is a cut once the cost of displaced food waste and extra transport have been factored in, it could end up costing the Council. The Community Composting programme can help with the transition and they should be looking at how this works together with citywide composting. He has put forward a recommendation to remove this cut. Cllr Taylor said they have been in correspondence with the Community Composting group and are exploring options, there might be a way to find the funding. Cllr Taylor agreed that the third sector can lever in

more funding via match funding etc and the Brighton CVS is very strong; they will look at mitigations for this proposal.

- 64.9 Jasmine from the Youth Council asked about charges for public toilets, where the £70k saving comes from, what the cost will be for buying and implementing the new charging stations and how long it will take to break even. She asked what evidence there was that people would take up alternative toilet schemes and how the flat rate can be justified for everyone when it will affect the more vulnerable people in society. Bernadette Kent from the Older Peoples' Council said they had been active in the campaign to reopen public toilets, and these charges will prevent older residents from using the city centre. Cllr Meadows said that reducing access to toilets could affect how confident people feel venturing out and that it's putting obstacles in peoples' way, such as the homeless who need free access to wash and may end up having to urinate in the streets. Cllr Taylor agreed that public toilets are really important and that the charges are limited to those with a very high volume of tourists using them and the small charge will help with the running costs. The EIA sets out the considerations and that they may remain free to some people. Ali McManamon said the £70k figure came from the analysis of high footfall areas which are generally where most tourists visit. There is no final decision yet and it won't be a flat rate for everyone. Cllr Taylor said the city has a high day visitor tourist economy which incurs lots of costs such as cleaning the beaches and there is no tourist tax levy in place. There are some groups who are keen to help such as those who run the Park Run and the suggestion of using toilets in cafes. They will look at this again.
- 64.10 Cllr Goddard said that the economic development function has been put into the Cabinet Office and has been under-resourced for too long; he wanted to know how it will flourish and whether it is being invested in. Cllr Taylor said that Visit Brighton has been brought into the Cabinet Office and a restructure is currently taking place. Economic development sits in Cllr Taylor's portfolio and that the activities that were set out in the economic plan remain important, including via the economic growth board but he would have also liked to see more investment and resources in this area.
- 64.11 Cllr Goddard asked a question about murals; that the city is falling behind others in using murals as anti-graffiti devices, to celebrate the city and potentially to generate income. It has been 3 years since the last mural strategy and Brighton & Hove Football Club have been wanting to put murals around the city for a year but has had no contact with Council officers. Cllr Miller said it has been a complicated process with the respective teams having gone through restructures but there has been progress on the mural for the Albion. There is a lack of Council-owned spaces in areas that they would like to put a mural so they are looking at ones under private ownership. Cllr Goddard said the Albion were willing to sponsor 10 murals to celebrate their 125 years in the city. This should be easily facilitated by one Council officer.
- 64.12 Mark Strong asked a question about waste collection charges for charities and that they get 100% rate relief but not waste relief and it shouldn't be a blanket charge. He also asked about Christmas tree collection proposals and that 2 providers already exist for this which is a valuable income stream for those charities; they are essentially setting themselves up as competition. Ali McManamon said they are not looking at a blanket approach for charging charities and will consider the size of the charity and number of

employees etc. They are looking into Christmas tree collection and possibly incorporating it into the garden waste service.

64.13 Cllr Meadows asked about the additional savings and whether they are looking into other ideas to make up the shortfall while waiting for confirmation from the government. Cllr Taylor said the budget gap in December was £25 million and the government settlement was what was assumed, however, there had been a small increase in overall funding. The additional savings is flagged in the paper.

64.14 Cllr Sykes asked about investment in AI and concerns at a national level around moving away from US technology companies, performance, cost, impact on the environment and safety. He asked whether the investment is fit for purpose or could be used elsewhere to alleviate pressures. Cllr Allen said that this is how staff are equipped to do more with less resources and help with budget pressures. They have done an AI pilot supporting staff in housing and adult social care, and there are other areas to explore with more time and investment such as predictive analytics for homelessness. There is particular investment being put into cyber security. Cllr Sheard asked whether it would make more sense to undergo organisational changes once the new Council is in existence following Local Government Reorganisation. Cllr Allen said Brighton & Hove will be a continuing authority and teams will undergo restructures to be more adaptable.

64.15 Cllr Sykes introduced the 3 recommendations from the Green Party:

1. Remove the £35k cut to Community Composting as this is unlikely to provide a real world saving once transport and treatment of displaced food waste is taken into account.
2. Reduce the quantum of borrowing under EFS Exceptional Financial Support from £15m (at an assumed 6% over 20 years) to only that required to balance the 2026-27 budget.
3. Consider whether the extent of investment in AI (under transformation budget /Digital and AI, and items such as individual Copilot licences) is appropriate and safe given multiple concerns, and consider whether a proportion of these recurrent and transformation funds could be better invested elsewhere.

64.16 John Hooton said that the reserves level is well below the recommended level and the application for EFS enables funding to go into budget pressures; he would not support recommendation 2. Cllr Evans explained that if any recommendation is approved, it is not binding but it will be formally shared with Cabinet for their consideration. Cllr De Oliveira seconded the recommendations. Members approved recommendation 1 and rejected the others.

64.17 **RESOLVED** – (i) That Place Overview & Scrutiny Committee recommends that the £35k cut to Community Composting is removed as it is unlikely to provide a real world saving once transport and treatment of displaced food waste is taken into account.

(ii) That Place Overview & Scrutiny Committee note the report.

The meeting concluded at 4.16pm

Signed

Chair

Dated this

day of

