

CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Thursday, 8 December 2016 at 1.00 pm at the Guildhall, Portsmouth

Present

Councillor Donna Jones (in the Chair)

Councillors Luke Stubbs
Ryan Brent
Jim Fleming
Lee Mason
Robert New
Linda Symes
Steve Wemyss
Neill Young

57. Apologies for Absence (AI 1)

Councillor Stubbs had sent apologies for a late arrival due to attending a Hampshire Fire & Rescue Service meeting.

58. Declarations of Interests (AI 2)

There were no declarations of members' interests.

59. Record of Previous Decision Meeting - 10 November 2016 (AI 3)

DECISION: that the record of decisions of the Cabinet meeting held on 10 November 2016 be approved as a correct record to be signed by the Leader.

60. Appointments - Heritage Champions (AI 4)

Councillor Donna Jones explained that the aim was to have a cross-party representation for Heritage Champions.

DECISION: Councillors Steve Hastings and John Ferrett were appointed as additional PCC Heritage Champions to join Councillor Stephen Morgan in this role.

61. Portsmouth Safeguarding Children Board (PSCB) Annual Report (AI 5)

Lucy Rylatt, PSCB Business Manager, presented the Board's sixth annual report, setting out achievements from the second year of a three year business plan cycle. The report set out the priorities, including the additional priority regarding sexual exploitation. She reported that a 'missing, exploited and trafficking strategy' had been brought in across Hampshire. Within the 'neglect' priority, a tool had been developed for practitioners, to improve measurement of this. There would be further drive to take forward the 'female

genital mutilation strategy', working with the voluntary sector. The Board had also highlighted the need to reflect children's views in agency reports.

Councillor Donna Jones, Leader, welcomed the report which had also been discussed at the Health & Wellbeing Board the previous week and thanked all those involved in its production. Councillor Young as Cabinet Member for Education also welcomed the report and raised the issue of how PCC and the agencies could meet emerging issues, such as the recent abuse cases in football. Lucy Rylatt confirmed that the strategy and business team were in place to deal with these, and she had been in contact with Pompey in the Community and the football club, and a confidential helpline had been set up by the NSPCC, showing an appropriate multi-agency response.

Councillor Ryan Brent, as Cabinet Member for Children's Services, also thanked Lucy Rylatt and Reg Hooke as the PSCB Chair for the report and he was involved in the board meetings which were tackling issues effectively.

Councillor Robert New, as the Cabinet Member for Environment & Community Safety, was also involved with the work of the PSCB through the Safer Portsmouth Partnership and was pleased to see progress on the issue of data sharing with the police.

DECISION: The Cabinet received the Portsmouth Safeguarding Children Board Annual Report and noted areas of progress and challenges in the work delivered by services to safeguard children and promote their well-being.

62. Budget and Performance Monitoring 2016/17 (2nd Quarter) to end September 2016 (AI 6)

Chris Ward, Director of Finance & S.151 Officer, presented his report which was also being submitted to Council, which showed a broadly on-line forecast outturn position.

Councillor Donna Jones, as Leader, welcomed the report which showed mitigation of the overspends that had been carried over, with a focus on income from property investments and improved deals on the Ferry Port and the Wightlink lease. She thanked all the staff involved, including Chris Ward and his financial team and entrepreneurial staff attracting income for PCC.

The Cabinet Members were pleased to have achieved this position moving towards a balanced budget, with the help of the officers and welcomed the approach that had been taken, with support being given to the most vulnerable children and adults, with work taking place with families at the right point.

RECOMMENDED to Council that:

(i) The forecast outturn position for 2016/17 be noted:

(a) An overspend of £418,600 before further forecast transfers from/(to) Portfolio Specific Reserves & Ring Fenced Public Health Reserve

(b) An overspend of £33,300 after further forecast transfers from/(to)

Portfolio Specific Reserves & Ring Fenced Public Health Reserve.

(ii) Members note that any actual overspend at year end will in the first instance be deducted from any Portfolio Specific Reserve balance and once depleted then be deducted from the 2017/18 Cash Limit.

(iii) Directors, in consultation with the appropriate Cabinet Member, consider options that seek to minimise any forecast overspend presently being reported and prepare strategies outlining how any consequent reduction to the 2017/18 Portfolio cash limit will be managed to avoid further overspending during 2017/18.

63. New Sports and Leisure Contracts - Prudential Borrowing Requirement (AI 7)

Chris Ward, the Director of Finance & Section 151 Officer presented his report. He reported that the additional investment would be more than covered by the extra income that would be received from the operators.

Councillor Linda Symes, as Cabinet Member for Culture, Leisure & Sport, welcomed this proposal which as well as saving money for the council, offered better membership benefits. The Leader also supported the appointment of a key partner to operate the facilities, which would have health benefits for residents. Councillor Donna Jones thanked Councillor Symes, Stephen Baily and all the officers involved in this project.

RECOMMENDED to Council that the following be approved:

(1) The currently approved Capital Programme 2015/16 to 2020/21 is updated to include the capital scheme "Sports and Leisure Facilities Investment" at an estimated cost of £2.4m.

(2) Following completion of a comprehensive financial appraisal, approved by the Director of Finance & S151 Officer demonstrating that the additional reduction in cost arising from the investment can significantly exceed the associated borrowing costs over the life of the contract, that the cost of the scheme be financed from Prudential Borrowing.

64. Portsmouth City Council Revenue Budget 2017/18 - Savings Proposals (AI 8)

Chris Ward, Director of Finance and Section 151 Officer presented his report which would be considered at the Council meeting of 13 December. The proposals were predicated on a Council Tax rise of 3.99% (including the 2% Adult Social Care precept to support vital services). The budget papers for the February Council would then be prepared on the basis of this rise.

Councillor Donna Jones as Leader reported that the DCLG Financial Statement was due in the next couple of weeks regarding the Adult Social Care precept. She was pleased that the success of income generation had helped to reduce cuts and there would be new income streams in the next

year. The report also set out changes to the Voluntary Sector Transition Fund to help utilise this and attract bids to help in the provision of services.

RECOMMENDED to Council

- (1) That the following be approved:**
 - (a) The Medium Term Financial Strategy set out in Section 8**
 - (b) That the Council's Budget for 2017/18 be prepared on the basis of a 3.99% Council Tax increase**
 - (c) That in the event that the Council has the ability to increase the level of Council Tax beyond 2% in order to fund Adult Social Care pressures, and if the Council elects to do so, that any additional funding that arises is passported direct to Adult Social Care to provide for otherwise unfunded cost pressures.**
 - (d) The savings proposals for each Portfolio amounting, in total, to £9m for 2017/18 and continuing into future years as set out in Appendix A to enable appropriate consultation and notice periods to be given to affected parties**
 - (e) That the criteria for the use of the Voluntary Sector Capacity & Transition Fund be replaced with the following:**
 - i) Overall fit with the Council's objectives - providing services consistent with the Council's responsibilities that are not replicated elsewhere**
 - ii) Integration and/or collaboration with other voluntary sector partners - demonstrating a willingness to transform and build voluntary sector capacity on a sustainable basis**
 - iii) Deliverability - proposals are costed robustly and plans demonstrate that they can be confidently delivered**
 - iv) Sustainability - a single application for a 1 year, 2 year or 3 year award which demonstrates an operating model that will endure without further funding from the Council**
 - v) Cost Avoidance - illustration of how the proposal avoids costs elsewhere "in the system" and / or improves the integration and efficiency of the voluntary sector as a whole**
 - vi) Potential for further Transformation - the extent to which the proposal could drive further transformation and capacity of the voluntary sector in the future**
 - vii) Wider economic impacts**
- (2) That the following be noted:**
 - (a) The Budget Savings Requirement for 2017/18 of £9m approved by the City Council was based on a Council Tax increase of 3.99%; each 1% change (increase or decrease) in the Council Tax results in a change to the savings requirement of £652,000**
 - (b) The key themes arising from the budget consultation**
 - (c) The indicative savings proposals set out in Appendix B which are provided for the purpose of demonstrating to the Council that the Portfolio savings as recommended in paragraph 1 (d) above are robust and deliverable**
 - (d) The likely impact of savings as set out in Appendix B based on the scale of the Portfolio savings as recommended in paragraph 1(d)**

(e) The Local Council Tax Support Scheme for 2017/18 was approved by the City Council on 15 November 2016, the associated savings are now reflected in the overall savings requirement of £9m; the scheme itself has now been approved and that scheme is not the subject of this report, the proposals in this report simply reflect the associated budget position

(f) That the responsibility of the City Council is to approve the overall Budget and the associated cash limits of its Portfolios and Committees; it is not the responsibility of the City Council to approve any individual savings within those Portfolios / Committees

(g) That it is the responsibility of the individual Portfolio Holders (not the City Council) to approve the individual savings proposals and the Portfolio Holder can therefore, in response to any consultation, alter, amend or substitute any of the indicative savings proposal(s) set out in Appendix B with alternative proposal(s) amounting to the same value within their Portfolio

(h) Managers will commence the implementation of the approved savings required and any necessary consultation process or notice process

(i) That there is no general provision for Budget Pressures and that it is the responsibility of the Portfolio Holder to manage any Budget Pressures which arise from the overall resources available to the Portfolio (which includes their Portfolio Reserve)

(j) In accordance with the approved financial framework, it is the responsibility of the Portfolio Holder, in consultation with the Director of Finance & Information Services (S151 Officer), to release funds from the Portfolio Reserve in accordance with the provisions set out in paragraph 10.15 of the report

(k) The MTRS Reserve held to fund the upfront costs associated with Spend to Save Schemes, Invest to Save Schemes and redundancies currently holds a very modest uncommitted balance of £3.0m and will only be replenished from an approval to the transfer of any non-Portfolio underspends at year end into this reserve.

65. Exclusion of Press and Public (AI 9)

DECISION: that, under the provisions of Section 100A of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985, the press and public be excluded for the consideration of the following item on the grounds that the report(s) contain information defined as exempt in Part 1 of Schedule 12A to the Local Government Act, 1972:

Minute - 66 - Utility and Engineering Trading Company
(exempt appendices only)

66. Utility and Engineering Trading Company (AI 10)

Whilst the exclusion of press and public had been passed for the appendices, the Cabinet Members agreed to discuss the report in open session, without needing to refer to the confidential information contained in the exempt

appendices. Meredydd Hughes, Alan Barber and Andrew Waggott from Housing & Property Services presented the report, and explained the environmental benefits of the scheme already seen at the Civic Offices and other corporate buildings, which would be expanded to external organisations and outside of Portsmouth.

Councillors Lee Mason, Steve Wemyss and Robert New as the Cabinet Members who had been involved in the progression of the project all welcomed the report and congratulated the team for bringing this forward. It was noted that they were already working with schools and this could be extended to assist in social housing schemes. Councillor Jones, as Leader, also thanked all those who had been involved, and she would be discussing the future structure of the trading company with Councillor Lee Mason.

DECISIONS: The Cabinet gave approval:

(1) To instruct the City Solicitor, in conjunction with the Leader of the Council and the Cabinet Member for Resources, to form an arms-length energy and engineering services company as a group company under a wholly owned holding company, and capable of delivering and operating district heat and power schemes, as described in the Appendices to this report.

(2) That the City Solicitor, the Director of Finance and Section 151 Officer, in conjunction with the Leader of the Council and the Cabinet Member for Resources, be authorised to enter into such company constitutional documents and service and supply agreements with the company as are required by the company for its operation, and for the Council/holding company to most effectively manage its operation.

The meeting concluded at 2.05 pm.

Councillor Donna Jones
Leader of the Council