

## RESOURCES PORTFOLIO

RECORD OF DECISIONS taken by the Cabinet Member for Resources, Councillor Hugh Mason, at his meeting held on Thursday 29 September 2011 scheduled for 8.45am in Executive Meeting Room, the Guildhall, Portsmouth.

### Present

Councillor Hugh Mason  
Councillor Donna Jones  
Councillor David Horne

### Officers Present

Louise Wilders, Head of Customer, Community & Democratic Services  
Mandy Lindley, Third Sector Partnerships & Commissioning Manager  
Rosie Penlington, Voluntary Sector Support Assistant  
Tony Nicholas, Head of Asset Management Services  
Sue Page, Finance Manager  
James Fitzgerald, Group Accountant

The Cabinet Member for Resources apologised to those in attendance at the Resources decision meeting for the late start of the meeting which had been caused by an overrun of the Twinning Advisory Group's inaugural meeting.

### 29 Apologies

There were no apologies for absence.

### 30 Declarations of Members' Interests

There were no declarations of members' interests.

### 31 Twinning Matters

The following items had been agreed at the Twinning Advisory Group and the Cabinet Member for Resources made the following formal decisions:

#### DECISION:

**1) To formally agree to establish a twinning committee for Caen and that Honorary Alderman Robin Sparshatt be invited to Chair it.**

**(2) To agree the following grants for twinning**

**(i) the sum of £1,000 to Customer Community & Democratic Services to cover modest printing, postage and telephone costs for the remainder of the Municipal Year on behalf of all the City Council's Twinning, Sister and Friendship links**

**(ii) the sum of £1,500 to the Haifa Committee to facilitate the visit to Portsmouth by the City engineer from Haifa municipality and also to support a tourism exhibition of works in Portsmouth being produced by Tiltan College, Haifa.**

## Voluntary and Community Sector Report

(TAKE IN REPORT)

The Third Sector Partnerships & Commissioning Manager introduced the report and explained that its purpose was to present the findings of the counselling review, to confirm the arrangements for PCC's grant programme for 2012/13 and to receive an update regarding voluntary and community sector issues. The Third Sector Partnerships & Commissioning Manager went on to explain that Appendix 1 contained the counselling review summary report, Appendix 2 contained the counselling review survey results and Appendix 3 contained the grants timetable 2012/13.

During discussion the following matters were raised:

- With regard to accommodation charges, it had come to light in discussions with Asset Management that lease arrangements were in place for Off The Record and for the scout hut so the planned accommodation charge cannot commence in April 2012 for these two organisations as planned. The charges will be delayed until the lease terms had expired. Currently the Resources portfolio pays £5,000 and the scouts pay £1,500.
- The Cabinet Member and Opposition spokespersons felt that the counselling services offered represented good value for money which was particularly important given that there was an expectation of an increase in the number of users.

### **DECISION:**

**that the Cabinet Member**

**(1) noted the counselling review and next steps**

**(2) agreed the timescale for the corporate grants programme for 2012/13 and considered the proposal to look at options for the future of the corporate grants programme**

**(3) noted the progress made with accommodation charges from the last meeting and**

**(4) requested a further report on progress to come to a future meeting of this portfolio**

## Disability Discrimination Act (DDA) Works to Corporate Property

(TAKE IN REPORT)

The Head of Asset Management introduced his report and explained that it identified the proposed DDA programme of work for 2011/12 and sought authorisation from the Resources portfolio to incur capital expenditure funded from the approved capital budget. He went on to explain that the MAS access auditor and disability advisor has undertaken surveys of corporate properties to establish barriers to their use by disabled people and produced an access rating for the properties scored against the requirements of the national indicator (formerly Best Value Performance Indicator 156 –

accessibility of buildings to disabled people). The access survey has resulted in a programme of priority schemes to cost effectively improve access and raise accessibility ratings within the constraints of existing property; this programme has been discussed and agreed with the Head of Cultural Service on the basis of his identified service priority needs.

During discussion the following points were clarified:

- With regard to the Charles Dickens Museum improvements, it was confirmed that these would be ready for the Charles Dickens bicentenary.
- The Head of Asset Management said that although ideally all public buildings would be 100% accessible by disabled people, there was a backlog which had built up over many years and the priority was currently to get the best return on investment made.

#### **DECISION:**

**that the Cabinet Member approved the programme of access improvements for disabled people at an estimated cost of £50,000 funded from the DDA Works to Corporate Property Portfolio budget contained within the capital programme.**

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#### **Asset Management Service Business Plan 2011-14**

(TAKE IN REPORT AND BUSINESS PLAN)

The Head of Asset Management introduced the Asset Management Service business plan for 2011-14 and explained that it was a corporate document that sets out the service's medium term objectives, strategies and risks at a time of significant change both for the council and for the service itself. He went on to explain that a number of the objectives in the plan were influenced by the council's transformation agenda, the changing role of the asset management service and a need to significantly reduce property-related costs across all services. He explained that the plan sets out the risks associated with the achievability of these objectives and the challenge to meet statutory responsibilities whilst faced with significant financial pressure on revenue and capital funding.

The Head of Asset Management said that one major change is a strategy to introduce business partners and a centralised AMS helpdesk. This should lead to greater efficiencies and economies of scale. He explained that one of the major risks faced by Asset Management results from the way in which the service is funded. Two thirds of AMS's funding comes from capital projects and any reduction to the income generated from these projects would lead to an automatic downsizing of what the service could achieve. In particular reductions in funding could reach a point where the service would have very limited capability to re-grow.

The Head of Asset Management said that it would not be a realistic aim for all properties owned by PCC to be perfect. Whilst there are few buildings with health and safety issues, he accepted that buildings may look shabby.

During discussion the following points were raised:

- The city council is considering sharing premises with for example the police and also possibly with the NHS. However this is not an easy thing to arrange and PCC needs to ensure that any such arrangements would be in its interests.
- With regard to sharing services, reforms are needed internally and this is being pursued by a network of people although discussions are at a relatively early stage.
- There are some services that are already shared for example Housing buy services from AMS with regard to Legionnaires' disease and carbon management for properties. But further shared arrangements could be pursued, for example, lease management is currently carried out in two different places whereas it probably could be concentrated in one location.
- The general aim is to reduce the amount of property costs in proportion to council cuts. If a property is to be kept, it needs to be used to its maximum potential. With regard to acquisitions and disposals, if the size of the asset base could be reduced there would be a corresponding reduction in the landlord's maintenance backlog.

There followed a general discussion on the merits or otherwise of local asset backed vehicles and the Head of Asset Management said that he was happy to be involved in discussions about local asset backed vehicles as well as considering the more traditional approach to disposals.

#### **DECISION:**

**That the Cabinet Member for Resources approved the objectives set out in the Business Plan and noted the performance and financial risks that have been identified.**

**35 Disposal of Merefield House, Relocation of Children’s Social Care (CSC) to Civic Offices & Refurbishment of Ground Floor Reception Facilities**

(TAKE IN REPORT)

The Head of Asset Management explained that the disposal of Merefield House, Children’s Social Care (CSC) client access and office accommodation was agreed by formal Cabinet in 2010. The decision endorsed the relocation of the service to the Civic Offices. The Head of Asset Management said that the project objectives outlined in the report were being met and the report listed the achievements to date. Moving people out of Merefield House and into the Civic Offices meant that Merefield House could be disposed of. There would be an immediate saving once the premises had been vacated in terms of there being no further utility bills. There would be no corresponding increase in utility bills to the Civic Offices. Further, because of the moves within the Civic Offices to create space for those moving from Merefield House, a reduction in workspace per workstation was being achieved so that instead of having 11 to 12 square metres this was reduced to 8 square metres. The report confirmed that the project was on track and within budget.

In response to a question about Medina House, the Head of Asset Management said that no decision had yet been made on how to take this forward and there were more difficult issues to be addressed than there had been for Merefield House.

**DECISION:**

**That the Cabinet Member for Resources noted that the project was on schedule, within budget and on track to achieve its key objectives.**

**36 Monitoring of the First Quarter 2011/12 Revenue Cash Limits and Capital Programme**

(TAKE IN REPORT)

The Finance Manager said that the report compares the forecast revenue outturn 2011/12 with the cash limited budget for that year and the forecast capital expenditure with the approved capital programme and provides information to enable an understanding of the reasons for variances. Ms Page said that in summary the forecast outturn for the portfolio compared to the cash limit indicates a net overspend of £10,015. She explained that this sum included a forecast overspend of £140,800 on housing benefits. Variances within this budget heading are deemed to be windfall which means that they are largely outside the control of budget managers. Savings on windfall budgets accrue to the corporate centre. Overspendings on windfall budgets that cannot be absorbed within the portfolio budget are funded corporately. The main areas of variance are listed in 5.3 of the report.

The Cabinet Member for Resources queried 5.12 of the report concerning members' expenses and asked for a full report on this to come to a future meeting of this portfolio. The Cabinet Member asked that the report should provide details of where members' expenses were not fully funded and the effect this had on Customer Community and Democratic Services.

Ms Page advised that this could be identified as a budget pressure.

In response to questions, Ms Page advised that

- The formally approved programme still listed completed schemes such as the Guildhall Bells but that these would not appear in future reports.
- With regard to the overspend by Legal Services, Ms Page thought that a stable position should be reached in November once the vacant posts in the approved structure were filled and there was no longer a need to employ agency staff as interim cover. However, the reported overspend up to that point would not be retrieved as the implementation of the structure had been delayed and higher cost locums had been engaged in the interim.

**DECISION: That the Cabinet Member for Resources noted the contents of this report.**

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### **Indemnity for LINK Volunteers**

(TAKE IN REPORT)

The Head of Customer, Community & Democratic Services provided an overview of the report and explained that the city council is now undertaking support of the Portsmouth Local Involvement Network (LINK) because the contract with HAP UK had ended. Part of that support is to provide indemnity for LINK activities. The current financial implications of providing this indemnity are uncapped as at present this risk is not insured by the council. In the event that the risk could be added to our insurances, then the maximum liability would be £50,000 for each claim (the level of our deductible under the council's insurance policy) which would be funded from central council funds in the event of a successful claim. The Head of Customer, Community & Democratic Services explained that PCC is encountering difficulties with obtaining insurance.

The Cabinet Member for Resources said that at the present time PCC would have to indemnify the LINK volunteers in the event of an accident. He said that he would note the status quo but every effort was to be made by PCC to pursue insuring the activity in addition to the provision of the indemnity as outlined in recommendation (d). The Cabinet Member said that on that basis his decision would be as follows.

#### **DECISION:**

**that the Cabinet Member for Resources approved the following:  
that**

**a) PCC define the scope of legitimate LINK activity by reviewing LINK procedures in accordance with the Local Government and Public Involvement in Health Act 2007 and associated Regulations.**

- b) PCC communicate the results of the review referred to in (a) and formally communicate this to the residents participating in LINK activity.**
- c) PCC indemnify Portsmouth LINK Residents in the execution of legitimate LINK activity [as defined by the outcomes of (a) and (b) above] within the City of Portsmouth.**
- d) PCC pursue insuring the activity in addition to the provision of the indemnity.**

The meeting concluded at 10.40 am.

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Cabinet Member for Resources  
Councillor Hugh Mason

VJP/DMF  
7 October 2011  
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