

CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Thursday, 24 September 2015 at 1.00 pm at the Guildhall, Portsmouth

Present

Councillor Donna Jones (in the Chair)

Councillors Ken Ellcome
Lee Mason
Robert New
Linda Symes
Steve Wemyss
Neill Young

47. Apologies for Absence (AI 1)

Councillor Luke Stubbs had sent his apologies for absence due to being on council business at the LGA.

48. Declarations of Interests (AI 2)

Councillor Wemyss, during discussion of the Standing Order 58 decision, made a disclosable pecuniary interest when Skye Close was mentioned, as this is in proximity to his home property. For the Ethical Care Charter he did not have a pecuniary interest but is a member of UNISON and works for the NHS and his mother had previously received domiciliary care (self-funded).

49. Record of Previous Decision Meeting - 3 July 2015 (AI 3)

DECISION: the record of decisions of the of the Cabinet meeting held on 3 July 2015 were agreed as a correct record, for signature by the Leader.

50. Matter Arising from Record of Decisions of 3 July (AI 4)

Minute 42 - Flood Prevention Works

Alan Cufley as Director of Transport, Environment and Business Support, gave an update on the North Portsea Flood Defence works, with Phase 1 having been completed at Anchorage Park on budget, and there would be some limited planting over the winter. The open day on 7 September had been well attended. Phase 2 works at Great Salterns would take place from April to November 2016.

He would be visiting the Treasury the following day to discuss funding for the Southsea scheme, as their approval was needed for the scheme of over £100m, and he would report back regarding timescales.

Councillor Donna Jones, the Leader, felt this was an outstanding example of partnership working with the Environment Agency and was pleased that the

Environment Agency has awarded this and award for the high detail business plan for the scheme¹. She thanked the coastal team and Councillor New as Cabinet Member for Environment and Community Safety for their work and involvement in the schemes.

Councillor New as the Cabinet Member for Environment and Community Safety reiterated the success of the North Portsea scheme, for which the local residents had been very pleased with the interaction with the council and contractors, and he wished to thank Guy Mason and his coastal protection team for their hard work in achieving these accolades.

51. ECYP Scrutiny Panel - A review into progress against the Youth Offending Team Improvement Plan - with response report (AI 5)

Stephen Kitchman presented the response report to the ECYP Scrutiny Panel's detailed review and final report.

Councillor Donna Jones, Leader, welcomed the YOT inspection report which was very encouraging, and the implementation plan was comprehensive. Thanks were extended to Superintendent Murray who had stood down as Chair and Superintendent Schofield, current Chair of the Youth Offending Board. Councillor Young, as Cabinet Member for Children & Education, praised the hard work of the staff at the YOT working to address offending behaviour of young people, and congratulated them on the progress made since the disaggregation of the Wessex YOT. The Leader thanked the staff who were in attendance for this item - the inspection report was a credit to the staff involved. She further asked that sincere thanks to Stephen Kitchman be placed on record as he was attending his last Cabinet meeting for the authority.

- (1) Cabinet thanked the panel for its work in undertaking a thorough review.**
- (2) Cabinet noted and supported the recommendations in that report.**
- (3) Cabinet noted the further inspection report of HMIP published 2nd September 2015, with corresponding endorsement of service improvement and development made within the Youth Offending Team.**

52. Review of the HMIP (Probation) Inspection report and Inspection Improvement Plan (AI 6)

Stephen Kitchman, Director of Children's Social Care, presented the report which outlined the progress made since the previous HMIP inspection report in 2013 - the recent inspection had been very positive on the progress made and HMIP inspectors had commented positively on the rapid improvement since the previous inspection. He thanked the Partnership, Jon Gardner and his management team and all the staff involved who had helped to achieve this outcome.

¹ Best Business Case 2104

Councillor Donna Jones, Leader, welcomed the report and the results of the inspection and was aware that work was continuing in all areas to address the inspector's comments. Councillor New, Cabinet Member for Environment and Community Safety, also welcomed the multi-agency work taking place to protect young people from pursuing criminal activity.

DECISION: the Cabinet noted the achievements made by the Youth Offending Team in improving practice and endorses the plan to make further improvements based upon the recommendations of the inspectorate.

53. Ethical Care Charter - response to Notice of Motion (AI 7)

Robert Watt, Director of Adult Services, presented his report which was in response to UNISON's Ethical Care Charter, which had been highlighted in a Notice of Motion to Council. He outlined the issues raised by the charter and reported that some other Local Authorities were not signing this, wishing to have member-lead policy and it was reported that Hampshire County Council had not signed up to it.

Lee Sprake of UNISON made a deputation on behalf of the union's charter which was also supported by Unite. The union felt that 15 minute visits gave little chance for personal interaction and building relationships to see what had changed since the last visit to the client. There was now NICE guidance favouring 30 minute visits and he asked that the government be lobbied for further funding to implement longer visits. He also outlined the problems for workers with zero hour contracts which lead to uncertainty. The charter also contained provisions for more training and interaction between carers and he asked for the Cabinet to adopt the charter.

Councillor Gerald Vernon-Jackson made a deputation in support of the notice of motion to sign up to the charter, which he had moved at Council. He reported that Reading Council had already signed up and Southampton would be doing so and the NICE announcement the previous day had been in support of longer than 15 minute visits. He was concerned that 15 minute appointments could be rushed or be even shorter as staff rushed to their next appointments as they were not paid for travel time. He would favour the use of the 'Systems Thinking' approach to homecare, as this could potentially save money and provide better quality interventions.

Councillor Ben Dowling then spoke also in support of signing up to the charter, as a spokesperson for Health & Social Care he stressed the duty to give the best quality of care to residents and felt improvements could be made for the city to lead the way in the sub region.

Councillor Donna Jones, Leader, commented on the personal touch issues - she was not aware of feedback on rushed visits or lack of care, and reported that lobbying was already taking place to request more funding from the government to meet the extra burdens of the Care Act. She was supportive of

extending Systems Thinking in Adult Social Care and this was already being planned. There was the need to have clarification on the NICE recommendation of 30 minute visits, to see if this would become mandatory as there would be cost implications - in the city there were approximately 61 people receiving care packages in multiples of only 15 minute durations. Portsmouth City Council was already paying travel time within the contracts. Councillor Wemyss felt that Zero hour contracts allowed flexibility which was attractive for some workers and it was not for the council to be prescriptive in the contracts of other organisations and it was important for costs to be controllable.

The Cabinet would note the report and watch with interest how other Local Authorities chose to implement the charter, and would in the meantime extend the Systems Thinking methods to Adult Social Care.

DECISION: The Cabinet noted the report.

54. St.George's Day Celebration - Notice of Motion (AI 8)

Claire Looney, Partnership and Commissioning Manager, presented the report which outlined the celebrations planned for 2016 which centred on the 400th anniversary of the death of Shakespeare and the 90th birthday of the Queen.

Councillor Donna Jones, as Leader of the Council, would encourage communities to have their celebrations and hoped that these could be promoted through Flagship and also the 'Love your Street' initiative. Councillor Linda Symes, as Cabinet Member for Culture, Leisure & Sport, supported the communities arranging their own events as the Events Budget was already under pressure.

DECISIONS:

- (1) That the date of St George's Day and those of the other UK's patron saints be promoted more widely for information.**
- (2) That communities be encouraged to lead their own events, using the Council's Events process, to mark St George's Day should they wish.**
- (3) That the specific UK country flags are flown in front of the Civic Offices to mark the relevant county saint's days e.g. the St George Cross on 23rd April, the Welsh flag on St David's Day (1st March) etc.**
- (4) That the Events Team continue to co-ordinate any activities as part of the national celebration of the 90th birthday of Her Majesty the Queen and to develop and work with the University of Portsmouth to commemorate the 400th anniversary of the death of William Shakespeare.**

55. Response to Notice of Motion - regarding the Administration's handling of the Emirates Tower Deal (AI 9)

Councillor Ben Dowling made a deputation requesting that there be an explanation for residents as to what mistakes had been made and why processes had been carried out in the way that they had.

Councillor Donna Jones, Leader, responded that the handing of the deal had been reviewed and that the current budget consultation highlighted the need to address the financial deficit and the opportunity had been taken to create income, with the Emirates deal being worth £5m over 3 years. She was confident that the correct and due, legal processes had been followed and there had been the need to deal sensitively with a commercial operator. Whilst the initial idea had been started under the Liberal Democrat Administration they had looked at a sponsorship deal worth approximately £80k per annum whilst the current deal was worth over £700k per annum. The public reaction had been regarding the red colour and not the legal process, and if the deal had not been successful the council would have needed to find £750k extra in cuts for the budget this year.

DECISIONS: The Cabinet -

- (1) welcomes the city's association with Emirates Airlines as a result of the Tower deal;**
- (2) notes that the payments to the City Council that will be generated exceed all expectations and that the promotion of Portsmouth on Emirates' flights should boost the tourist trade and raise the city's profile among potential investors;**
- (3) further notes that while some members of the council have criticized the deal, none has put forward any additional savings to offset the loss of income that would have resulted from not proceeding. Furthermore no-one from the Liberal Democrat group has ever explained why, if finding alternative sponsors is so easy - they never managed to do so during their ten years in charge of the council;**
- (4) therefore considers that the deal was well handled.**

56. Forward Plan Omission (AI 10)

The Cabinet noted the omission to the Forward Plan for September 2015 and that the necessary public notice had been published. The Chair of Scrutiny Management Panel, Cllr Hastings, had been consulted and was present at this meeting.

57. Disposal of property on Isambard Brunel Road, including Chaucer House (AI 11)

Tom Southall, the Corporate Asset Manager, presented the report which proposed that following a period of marketing the Corporate Asset

Development Board select the appropriate method of disposal of the properties, with the preference for PCC to participate in the future income streams.

Councillor Donna Jones reported that she and Councillor Luke Stubbs, as Cabinet Member for Planning, Regeneration & Economic Development, had been working on this project for over a year and dialogue was taking place with all the tenants. This was a key site in the city centre close to student accommodation developments and there was already substantial interest in the site. The Leader was keen to develop this income stream and would be meeting with the developers.

DECISIONS:

- (1) That, Chaucer House, Great Western House, and the former Navigators Resource Centre be declared surplus to Council requirements and marketed for redevelopment.**
- (2) That following the marketing of the site the Corporate Asset Development Board in consultation with the Director of Finance, be empowered to select an offer including the method of disposal for redevelopment, which could include but not be limited to;**
 - **Freehold or leasehold sale**
 - **Entering a Joint venture arrangement with a third party**
- (3) The Director of Property, the Director of Finance & Section 151 Officer, and the City Solicitor, be given authority to secure vacant possession of the site (as identified in Appendix 1) and to complete all necessary documentation required to complete the transaction as per (2) above.**

58. Treasury Management Outturn 2014/15 (AI 12)

Chris Ward, the Director of Finance and S151 Officer, presented his report which was obligatory to report on the Treasury Management activities of the previous year.

The Cabinet supported the recommendations within the report which are forwarded to Council for approval.

RECOMMENDED to Council

That the following recommendations relating to Appendices A and B of this report be approved:

Appendix A - that the following actual prudential indicators based on the unaudited draft accounts be noted:

- (a) The actual ratio of non-Housing Revenue Account (HRA) financing costs to the non HRA net revenue stream of 8.7%;**

- (b) The actual ratio of HRA financing costs to the HRA net revenue stream of 13.4%;
- (c) Actual non HRA capital expenditure for 2014/15 of £41,960,000;
- (d) Actual HRA capital expenditure for 2014/15 of £26,370,000;
- (e) The actual non HRA capital financing requirement as at 31 March 2015 of £250,599,000;
- (f) The actual HRA capital financing requirement as at 31 March 2015 of £153,391,000;
- (g) Actual external debt as at 31 March 2015 was £462,566,096 compared with £441,970,134 at 31 March 2014.

Appendix B - That the following actual Treasury Management indicators for 2014/15 be noted:

- (a) The Council's gross debt less investments at 31 March 2015 was £140,649,000;
- (b) The maturity structure of the Council's borrowing was

	Under 1 Year	1 to 2 Years	3 to 5 Years	6 to 10 Years	11 to 20 Years	21 to 30 Years	31 to 40 Years	41 to 50 Years
Actual	1%	4%	3%	4%	15%	11%	20%	42%

- (c) The Council's sums invested for periods longer than 364 days at 31 March 2015 were:

	Actual £m
31/3/2015	158
31/3/2016	126
31/3/2017	45

- (d) The Council's fixed interest rate exposure at 31 March 2015 was £252m, ie. the Council had net fixed interest rate borrowing of £252m
- (e) The Council's variable interest rate exposure at 31 March 2015 was (£198m), ie. the Council had net variable interest rate investments of £198m

59. Revision of Investment Strategy and Treasury Management Monitoring Report for 1st Quarter of 2015/16 (AI 13)

Chris Ward, Director of Finance and the Section 151 Officer, presented the report which sought revision of the investment strategy and broadening of the investment portfolio.

The Cabinet supported the recommendations within the report which are forwarded to Council for approval.

RECOMMENDED (1) That the Investment Strategy be amended to permit unsecured investments with a duration in excess of 2 years to be placed with banks

(2) That the Director of Finance and Information Services be given delegated authority to invest the Council's funds in equity trackers which follow the developed stock markets with a floor of 100% of the capital invested, ie. the Council's capital is guaranteed.

(3) That an investment limit of £70m be applied to equity trackers

(4) That the variable interest rate exposure limit be increased by (£70m) from (£278m) to (£348m), ie. that the limit for net variable interest rate investments be increased to £348m.

(5) That the investment limits applied to regions outside the United Kingdom be revised as follows:

Region	Current Limit	Region	Revised Limit
Asia & Australia	£40m	Asia & Australia	£60m
Americas	£40m	Americas	£60m
Continental Europe	£30m	Eurozone	£30m
		Continental Europe outside the Eurozone	£30m

(6) That the following actual treasury management indicators for the first quarter of 2015/16 be noted:

(a) The Council's debt at 30 June:

Prudential Indicator	Limit £m	Actual £m
Authorised Limit	503	461
Operational Boundary	484	461

(b) The maturity structure of the Council's borrowing was

	Under 1 Year	1 to 2 Years	3 to 5 Years	6 to 10 Years	11 to 20 Years	21 to 30 Years	31 to 40 Years	41 to 50 Years
Lower Limit	0%	0%	0%	0%	0%	0%	0%	0%
Upper Limit	10%	10%	20%	20%	40%	40%	40%	50%
Actual	1%	4%	3%	4%	15%	11%	20%	42%

(c) The Council's sums invested for periods longer than 364 days at 30 June 2015 were:

	Prudential Limit £m	Quarter 3 Actual £m
Maturing after 31/3/2016	243	126
Maturing after 31/3/2017	231	45
Maturing after 31/3/2018	228	5

(d) The Council's fixed interest rate exposure at 30 June 2015 was £228m, ie. the Council had net fixed interest rate borrowing of £228m. This is within the Council's approved limit of £304m.

(e) The Council's variable interest rate exposure at 30 June 2015 was (£258m), ie. the Council had net variable interest rate investments of £258m. This is within the Council's approved limit of (£278m).

60. Revenue Budget Monitoring 2015/16 1st Quarter to end June 2015 (AI 14)

Chris Ward, Director of Finance and Section 151 Officer, presented his report and reported that plans were in place to tackle the overspend in Childrens Social Care and plans were being worked on for that in Adult Social Care, as whilst there was some provision within contingency it was important to remedy this for future years.

The Cabinet supported the recommendations within the report which are forwarded to Council for approval.

RECOMMENDED

(i) The forecast outturn position for 2015/16 be noted:

(a) An overspend of £5,247,800 before further forecast transfers from/(to) Portfolio Specific Reserves

(b) An overspend of £5,381,100 after further forecast transfers from/(to) Portfolio Specific Reserves.

(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 2016/17 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 2016/17 Portfolio cash limit will be managed to avoid further overspending during 2016/17.

61. Standing Order 58 - Property in Priory Crescent Milton (information item) (AI 15)

David Williams as Chief Executive had taken the urgent decision, in consultation with the group leaders, to enable the implementation of the scheme. Councillor Donna Jones, as Leader, welcomed the decision

resulting in the purchase of the property and was grateful to the officers for their work on this scheme which would benefit the children in the care of the authority. When another Social Care property at Skye Close was mentioned Councillor Wemyss made a disclosable declaration of interest.

DECISION: The Cabinet noted that the Chief Executive exercised his powers under Standing Order 58.

The meeting concluded at 2.10 pm.

Councillor Donna Jones
Leader of the Council