

# NOTICE OF MEETING

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## CABINET

**TUESDAY, 15 SEPTEMBER 2020 AT 12.00 PM**

## VIRTUAL REMOTE MEETING - REMOTE

Telephone enquiries to Joanne Wildsmith & Anna Martyn, Democratic Services Tel 9283 4057  
Email: [joanne.wildsmith@portsmouthcc.gov.uk](mailto:joanne.wildsmith@portsmouthcc.gov.uk)

If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

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## Membership

Councillor Gerald Vernon-Jackson CBE (Chair)

Councillor Steve Pitt (Vice-Chair)

Councillor Dave Ashmore

Councillor Suzy Horton

Councillor Lee Hunt

Councillor Darren Sanders

Councillor Lynne Stagg

Councillor Matthew Winnington

Councillor Tom Wood

Councillor Hugh Mason

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(NB This Agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

**Written deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.**

## AGENDA

**1 Apologies for Absence**

**2 Declarations of Interests**

**3 Record of Previous Decision Meeting - 14 July 2020 (Pages 7 - 18)**

A copy of the record of the previous decisions taken at Cabinet on 14 July 2020 are attached.

**RECOMMENDED that the record of decisions taken by Cabinet on 14 July 2020 be approved as a correct record.**

#### **4 Hampshire Community Bank - Treasury Loan (Pages 19 - 66)**

The purpose of the report by the Deputy Director of Finance and Resources (Deputy Section 151 Officer) is to:

- update Cabinet on progress for the Hampshire Community Bank (HCB) project, and approve a £10 million lending facility, subject to certain conditions, in accordance with the Council's approved Treasury Management Policy 2020/21. Previous reports and updates from HCB are listed in Appendix 1.
- provide the Council with a vehicle to stimulate the local economy and support the recovery from Covid-19. It will enable some of the strongest SMEs to sustain and grow their business, supporting employment and prosperity in the area.
- To help facilitate HCB through the final stages of the Bank Authorisation process, which, upon approval, will:
  - Enable the Bank to pursue its objectives to support and grow SMEs (the "backbone" of the UK economy), thus protecting and creating new local jobs for residents and, via the HCB Foundation, distributing grants to local charities
  - Protect the Council's £5m investment and as a consequence of authorisation, increasing the value of the Bank to circa £5m to £7m.

#### **RECOMMENDED**

- (1) That Cabinet note the progress of Hampshire Community Bank (HCB) towards Bank Authorisation contained within this report.**
- (2) That Cabinet approves a £10m lending facility between Portsmouth City Council (PCC) and Hampshire Community Bank (HCB) to enable Small and Medium Size Enterprises (SMEs) with the highest credit quality that operate within the greater Portsmouth and Hampshire area to access loans to support and grow their business**
- (3) That the £10m lending facility is subject to:**
  - i) A first tranche of £5m to be provided subject to satisfactory legal documentation being put in place that meets the requirements of the Council's approved Treasury Management Policy 2020/21.**
  - ii) A second tranche of up to £5m to be provided after a 6 month period and subject to the Deputy Director of Finance (Deputy Section 151 Officer) being satisfied that the performance of the HCB Loan Book is strong and within the delinquency limits set out in the authorised HCB Regulatory**

## **Business Plan.**

- (4) That delegated authority be given to the City Solicitor and Deputy Director of Finance (Deputy Section 151 Officer) to conclude all the necessary legal documentation for the lending facility.**

### **5 Seafront Masterplan Supplementary Planning Document (SPD) (Pages 67 - 458)**

The purpose of report by the Assistant Director, Planning and Economic Growth, is to:

- Report to Members the results of the February-March 2019 public consultation;
- Advise Members of the content of the draft Seafront Masterplan SPD;
- Advise Members on the engagement strategy on the draft Seafront Masterplan SPD and associated documents
- To seek Members' endorsement of the approach.
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#### **RECOMMENDED that:**

- (1) Members note the summary of representations received during the February-March 2019 public consultation on the options for the Seafront Masterplan and the issues raised;**
- (2) Members note the content of the revised draft Seafront Masterplan SPD; and approve the document and other associated documents for a period of 6 weeks of public consultation; and**
- (3) The Assistant Director, Planning and Economic Growth be authorised to, if necessary, make editorial amendments to the wording of the Seafront Masterplan SPD and any associated documents prior to publication, in consultation with the Cabinet Member for Planning, Policy and City Development. These amendments shall be restricted to correcting errors and formatting text and shall not alter the meaning of the document(s).**

### **6 Exclusion of Press and Public**

**“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”.**

**The public interest in maintaining the exemption must outweigh the public interest in disclosing the information.**

**Under the Local Authorities (Executive Arrangements) (Meetings and**

**Access to Information) England Regulations 2012, regulation 5, the reasons for exemption of the listed item is shown below.**

**Members of the public may make representation as to why the item should be held in open session. A statement of the Council's response to representations received will be given at the meeting so that this can be taken into account when members decide whether or not to deal with the item under exempt business.**

**(NB The exempt/confidential committee papers on the agenda will contain information which is commercially, legally or personally sensitive and should not be divulged to third parties.**

<b>Item</b>	<b>Paragraph</b>
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7 - Leamington House and Horatia House Update and Next Steps (appendix 1 only - Ridge & Partners report)	3*
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\*Exempt Paragraph Number

3 - Information relating to financial or business affairs of any particular person (including the authority holding that information)

**7 Leamington House and Horatia House Update and Next Steps (Pages 459 - 576)**

**Purpose:** The joint report by the Director of Regeneration & Director of Housing, Neighbourhood and Building Services provides Cabinet with a progress update report including:

- \* Deconstruction Options Appraisal & Soft Market Testing
- \* Design Team Appointment
- \* Telecommunication re-siting
- \* Peregrine Falcons

Also to note the continued commitment to engage the wider community to explore the 'wider area improvements' and the incorporation into the design brief of all the feedback from the community engagement work undertaken in 2019 including the seven key themes that emerged from all the feedback.

1. Build appropriate homes
2. Make better use of green space and space for children
3. No more student accommodation
4. Consider wider area improvements
5. Better parking options
6. No tower blocks
7. Re-provide the social housing lost when the tower blocks go

To report back the initial financial viability assessment of a development on the 'foot prints' of the two tower blocks based on an overall development of 440 units and including 272 social housing units to be held within the Housing Revenue Account

To seek permission from Cabinet to tender and appoint a contractor to undertake the deconstruction of the two tower blocks

To seek permission from Full Council to proceed with the wider development (described in paragraph 1.3 above) at an estimated total cost of £120m subject to:

\* the development remaining viable through the design stages and remaining within certain other financial parameters

\* the development remaining sustainably within the administrations agreed principles (section 5)

## **RECOMMENDATIONS**

### **a) That the Cabinet:**

- (1) Notes the progress since the October 2019 Cabinet report.**
- (2) Notes the output of the soft market testing for the deconstruction of the tower blocks.**
- (3) Notes that the outline financial appraisal for an initial phase consisting of the two footprints is positive with the caveats noted in the financial implications.**
- (4) Approves a change to the Capital Programme for the use of the Housing Revenue Account's (HRA) Major Repairs Reserve (MRR) to fund the deconstruction and site preparation of the two towers up to a value of £10m.**
- (5) Delegates authority to the Director of Regeneration in consultation with the Director of Housing, Neighbourhood and Building Services and the Section 151 Officer to tender and enter into contract with the preferred bidder for the deconstruction work following full evaluation of the tender.**

### **b) That City Council approves the following:**

- (1) That the full deconstruction and redevelopment scheme for the two tower blocks is added to the capital programme in the sum of £120m.**
- (2) That the scheme is funded by a suitable mix of HRA and General Fund Prudential Borrowing as determined by the S.151 Officer.**
- (3) That the scheme can only proceed, including through its**

**procurement gateways, if a satisfactory financial appraisal which demonstrates viability is approved by the Section151 Officer.**

- (4) That, given the early stage of design, delegated authority be given to the Section151 Officer to vary the overall scheme cost and borrow as required but subject to the Section 151 Officer being satisfied that the associated financial appraisal demonstrates continued viability and acceptable risk and that the gross cost of the scheme does not exceed £145m.**
- (5) In the event that the scheme varies significantly from the design parameters (described in section 5) and/or the gross cost exceeds £145m, even if viability can still be demonstrated, the scheme will not proceed without further approval from the City Council**

This meeting is webcast (videoed), viewable via the Council's livestream account at <https://livestream.com/accounts/14063785>