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# NOTICE OF MEETING

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## CABINET

**TUESDAY, 28 NOVEMBER 2023 AT 2.00 PM**

**COUNCIL CHAMBER - THE GUILDHALL, PORTSMOUTH**

Telephone enquiries to Anna Martyn Tel 023 9283 4870  
Email: [Democratic@portsmouthcc.gov.uk](mailto:Democratic@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 Steve Pitt (Chair)	
Councillor Suzy Horton (Vice-Chair)	
Councillor Dave Ashmore	Councillor Hugh Mason
Councillor Kimberly Barrett	Councillor Darren Sanders
Councillor Ian Holder	Councillor Gerald Vernon-Jackson CBE
Councillor Lee Hunt	Councillor Matthew Winnington

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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)

**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 - 31 October 2023 (Pages 9 - 12)**  
A copy of the record of the previous decisions taken at Cabinet on 31 October 2023 is attached.
- 4 Appointment to Outside Organisation - Elementary Education Foundation (Pages 13 - 18)**

Purpose

To agree to appoint a member to the current vacancy on the Elementary Education Foundation.

**RECOMMENDED that the Cabinet appoint Councillor Darren Sanders as a trustee of the Elementary Education Foundation.**

**5 Hampshire Minerals and Waste Plan (Pages 19 - 28)**

Purpose

To provide an overview of the Hampshire Minerals and Waste Plan: Partial Update – Proposed Submission Plan including what changes have been made following the consultation on the Draft Plan. The Proposed Submission Plan will form the basis of the public consultation which is scheduled for winter 2023.

**RECOMMENDED that the Cabinet and Full Council**

- 1. Approve the Hampshire Minerals and Waste Plan: Partial Update – Proposed Submission Plan as set out in this report and will be subject to public consultation; and**
- 2. Give delegated authority to the Director of Hampshire 2050 to agree minor amendments to the Proposed Submission Plan prior to consultation.**

**6 Portsmouth Port Health Authority at the Portsmouth International Port (Pages 29 - 54)**

Purpose

To explore options in respect to a fully funded fit for purpose Portsmouth Port Health Authority (PPHA) function based at the Portsmouth International Port's (PIP) Border Control Post (BCP) in order to meet the deadline for implementation by His Majesty's Government's (HMG) of the 2023 Border Target Operating Model (BTOM).

**RECOMMENDED that the Cabinet**

- 1. Approves the adoption of proposal Option 1 (Section 5.1) as the preferred method of implementing the PPHA.**
- 2. Acknowledges that HMG has provided assurances of financial support to the delivery of the PPHA during its initial development "only" until April or July 2024.**
- 3. Acknowledges that HMG has "not" provided financial assurances beyond April or July 2024 and that should the PPHA not achieve full financial recovery through the implementation of charges beyond these dates that there is a significant risk of failing to achieve a cost neutral position and that therefore there is the potential for financial risks to the Portsmouth taxpayer.**
- 4. Requests that the Leader, in consultation with the Director of Culture Leisure and Regulatory Services write to HMG that their assurances in terms of delivering the PPHA function are considered unacceptable and are unlikely to meet the requirements of the BTOM in such a manner that the elements within Section 1.2 are met.**

5. Ensures that any such letter confirms that the council needs to be cautious with the use of public funds to press ahead with significant recruitment and cost implications given there have been numerous failed directions imposed this far and which clearly sets out this is an unfair burden being placed on local residents at significant cost and uncertainty, and request again that additional new burdens funding is provided.
6. Ensures any such letter shall continue to seek adequate assurances of support from HMG for the delivery of the PPHA beyond April or July 2023 should this be required.
7. Keeps the implementation and operation of the BTOM under continuous review, ensuring that an unfair financial burden does not fall to the Portsmouth taxpayers.
8. Recognises that this situation has been, and is likely to continue to be, subject to significant change by HMG at short notice, and therefore that further recommendations may be made. These recommendations were correct at the time of writing i.e., 18<sup>th</sup> November 2023.
9. Further considers the adoption of Option 2 (Section 5.2) or Option 3 (Section 5.3) as the preferred method of implementing the PPHA given "(b.) to (g.)" above and the uncertainty of further assurances being provided.
10. Adopts the suggestions made in Section 7.

## 7 **Unauthorised Encampments** (Pages 55 - 68)

### Purpose

1. Following a notice of motion at Full Council on the 18 July 2023 this report updates Cabinet on the location and duration of all PCC (Portsmouth City Council) land unauthorised encampments within the last 7 years with the following information:
  - i. To provide a breakdown of the costs associated to council services within each event, including clean-up thereafter.
  - ii. To provide an update on preventative measures put in place as a response to encampments.
  - iii. To highlight consultation and support conducted with residents in the locality and timeframe of both.'
2. For Cabinet to note, for onward submission to Full Council as requested in the Notice of Motion agreed on 18 July 2023.

## 8 **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. Members are reminded of standing order restrictions on the disclosure of exempt information and are invited to return their exempt documentation to the Local Democracy Officer at the conclusion of the meeting for shredding.)**

<b>Item</b>	<b>Paragraph</b>
<b>Housing Revenue Account Residential Stock Portfolio Acquisition</b>	<b>Appendices 1, 4 and 7</b>

**9 Housing Revenue Account Residential Stock Portfolio Acquisition  
(Pages 69 - 108)**

Purpose

1. To inform Cabinet and Full Council of the intention for Clarion Housing Group (Clarion) to transfer housing stock to a new registered social provider, being Portsmouth City Council, in line with Clarion's long-term asset and footprint strategy; and
2. To outline details of the opportunity for Portsmouth City Council (PCC), as a Registered Provider of Social Housing to acquire from Clarion Housing Group the transferring housing stock, referred to as Lot 1a. The acquisition has been known as Project Wren; and
3. To note that the proposed acquisition, like many commercially sensitive transactions, is subject to a Non-Disclosure Agreement (NDA) between the parties. Consequently, limited financial information is presented in this public report; the financial information prepared to support this proposal is an exempt paper and has been made available and presented to all Members separately.

**RECOMMENDED that the Cabinet**

**1. Cabinet endorses the contents of this report.**

**2. Full Council Recommendations:**

**2.1 Subject to the approval of the recommendations below, delegate authority to the Director for Housing, Neighbourhood and Building Services; Director of Finance & Resources and Section 151 Officer, taking advice from the Council's externally appointed legal advisors, and in consultation with the Leader of the City Council and Cabinet Member for Housing and Tackling Homelessness, to acquire Lot 1a; and**

**2.2 To approve that the 'Residential Stock Portfolio Acquisition' scheme be added to the Housing Revenue Account (HRA) section of the Council's Capital Programme with a budget set out in Appendix One to cover the purchase of the housing portfolio, associated fees and planned refurbishment works, and financed by borrowing, subject to the satisfactory completion of:**

- i. The outstanding due diligence; and**
- ii. A financial appraisal, approved by the Director of Finance & Resources and S.151 Officer that demonstrates (based on the completed due diligence) that the financial impact and risks are affordable and manageable by the Council; and**

**2.3 To approve the following amendments to the Treasury Management Limits, to facilitate the additional capital expenditure for this acquisition:**

- i. To increase the authorised limit for external borrowing to £1,176m; and**
- ii. To increase the operational boundary to £1,143m; and**

**2.4 That in order that advance treasury management preparations can be made for the transaction should the acquisition proceed:**

- i. The sector limit for investments in money market funds is temporarily increased to £105m.**

**2.5 Note that in approving the temporary changes to the treasury management limits, no obligation to acquire the housing portfolio Lot 1a has been entered into and no long-term financial liabilities have been incurred. The changes simply enable the Council to accumulate the necessary funding in a risk managed and cost-efficient manner and have funds available should the transaction be completed; the risks are considered negligible; and**

**2.6 Note that the acquisition is subject to Clarion completing a successful formal stock transfer consultation of Clarion residents and Clarion Housing Group Board approval.**

**10 Revenue Budget Monitoring 2023/24 (Second Quarter) to end September 2023 (Pages 109 - 118)**

Purpose

To update members on the current Revenue Budget position of the Council as at the end of the second quarter for 2023/24, in accordance with the proposals set out in the "Portsmouth City Council - Budget & Council Tax 2023/24 & Medium Term Budget Forecast 2024/25 to 2026/27" report approved by the City Council on 28<sup>th</sup> February 2023.

**RECOMMENDED that the Cabinet**

**1. The General Fund Forecast Outturn for 2023/24 (as at 30<sup>th</sup> September 2023) be noted:**

**The underspend is analysed as follows:**

<b>FORECAST OUTTURN 2023/24</b>	<b>£000</b>
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Forecast Net Overspend (before transfers to/from Reserves)		2,034
Less Transfers From Portfolio / Cabinet Reserve:		
	Overspendings (in accordance with approved Council resolutions)	(1,190)
Add Transfers to Portfolio and Other Reserves:		
	Underspendings (in accordance with approved Council resolutions)	612
<b>Forecast Net Overspend 2023/24 (before Windfall Costs)</b>		<b>1,456</b>
Less Expenditure funded from Corporate Contingency:		
	Windfall Costs	(1,251)
<b>Forecast Net Overspend 2023/24</b>		<b>205</b>

2. Note that the pay award for 2023/24 has been agreed at a level which is £1.8m greater than the budget provision. Whilst this can be funded from the Council's Corporate Contingency in the current financial year, it will have a negative impact on the Council's overall financial position for future years.
3. Note that in accordance with approved policy as described in Section 6 any actual overspend at year end will in the first instance be deducted from any Portfolio Reserve balance and once depleted then be deducted from the 2024/25 Cash Limit.
4. Agree that Directors, in consultation with the appropriate Cabinet Member, consider options that seek to minimise any forecast overspending presently being reported and prepare strategies outlining how any consequent reduction to the 2024/25 Portfolio cash limit will be managed to avoid further overspending during 2024/25.

## 11 Treasury Management Mid-Year Review 2023/24 (Pages 119 - 130)

### Purpose

The purpose of the report is to inform members and the wider community of the Council's Treasury Management position, i.e. its borrowing and cash investments at 30 September 2023 and of the risks attached to that position. Whilst the Council has a portfolio of investment properties and some equity shares which were acquired through the capital programme, these do not in themselves form part of the treasury management function.

**RECOMMENDED that the Cabinet notes that:**

1. The Council's Treasury Management activities have remained within the Treasury Management Policy 2023/24 in the period up to 30 September 2023.
2. The actual Treasury Management indicators at 30 September 2023 set out in Appendix A be noted.
3. The report goes to Full Council on 12 December 2023.

**12 Exclusion of Press and Public**

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Item	Paragraph
Application for research funding	Appendix A

**13 Forward Plan Omission Notice - Application for research funding (Pages 131 - 132)**

The Application for research funding by the Assistant Director, Strategic Intelligence & Research, was omitted from the Forward Plan covering 30 October 2023 to 30 January 2024. The Chair of the City Council's Scrutiny Management Panel has been notified and a public notice published.

**14 Application for research funding (Pages 133 - 134)**

Purpose

To seek Cabinet approval for a proposal in relation an application for research

funding.

**RECOMMENDED** that the Cabinet consider the contents of the exempt appendix and agree to proceed with the proposal.