

# NOTICE OF MEETING

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## CABINET

**TUESDAY, 1 OCTOBER 2024 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 Dave Ashmore (Cabinet Member), Councillor Chris Attwell (Cabinet Member), Councillor Kimberly Barrett (Cabinet Member), Councillor Peter Candlish (Cabinet Member), Councillor Suzy Horton (Cabinet Member), Councillor Lee Hunt (Cabinet Member), Councillor Hugh Mason (Cabinet Member) and Councillor Matthew Winnington (Cabinet Member)  
Councillor Darren Sanders (Vice-Chair)

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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 - 10 September 2024** (Pages 7 - 10)  
A copy of the record of the previous decisions taken at Cabinet on 10 September 2024 is attached.  
**RECOMMENDED that the record of previous decisions taken at the Cabinet meeting on 10 September 2024 be approved as a correct record.**
- 4 **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.)**

#### **Item 5 - Appendices A and B**

### **5 Portico Shipping Ltd Review (Pages 11 - 22)**

#### **Purpose**

As required by Full Council, Cabinet is required to undertake a periodic strategic review of the options for the use of the Portico site and therefore the continued operations of Portico Shipping Ltd (Portico).

**RECOMMENDED that Cabinet recommends that Full Council:**

**1.1 The Council approves Portico’s investment requirement of £20m over the next 10 years, to deliver an overall return at today’s value (net present value) of £4.4m during the period 2024/25 to 2033/34, and agrees to finance this, as follows (subject to recommendations 2.2.2, 2.2.3, 2.2.4 and 2.2.5 below):**

- **£1.9m funded from Portico’s existing loan facility;**
- **£13.6m funded from an increase in Portico’s loan facility; and**
- **£4.5m funded directly through the direct acquisition by the Council of equipment and lease to Portico on commercial terms.**

**1.2 That the Council's Authorised Limit (the maximum amount of borrowing permitted by the Council) and the Operational Boundary (the maximum amount of borrowing that is expected) approved by Full Council on 13 February 2024 is increased to accommodate the phasing of Portico's £20m investment requirement.**

**RECOMMENDED that the Cabinet approves that:**

**2.1 The Council retain Portico and that the amended budget (Section 6, Option 1) is adopted as the Council's preferred option.**

**2.2 Updated subsidy control advice is gained by the Council.**

**2.3 The Council loan is provided on terms and at a rate consistent with subsidy control legislation.**

**2.4 Any draw down on the loan facility by Portico is subject to the following:**

- i) A rolling annual review of the 20 Year Business Plan demonstrating the continuing viability of Portico and that the continued operation of Portico continues to deliver the best financial return compared with all other viable alternatives**
- ii) The Capital Investment is necessary either for the sustainability of existing income streams or for the generation of additional income.**
- iii) Any proposed Capital Investment itself represents the most favourable return when assessed against the balance of:
  - The financial return on a Net Present Value basis and over the whole life of the asset created versus other potential options for the same outcome.**
  - The relative risk of each alternative option.****
- iv) Approval by the S151 Officer.**

**2.5 Continued parent company support and the availability of the loan facility is subject to the annual review by the Company Advisory Board, and approval of a satisfactory Budget and 3 Year Business Plan, which must demonstrate to the shareholders satisfaction that:**

- The assumptions that underpin the 3 Year Business Plan are robust with a more than reasonable chance of being achievable.**
- That the 3 Year Business Plan is prepared to illustrate the financial effect of reasonable optimistic and reasonable pessimistic scenarios, in order that the shareholder is aware of the reasonable range of risk associated with the "Base Case" Business Plan.**
- Recognising the exposure of the company to cyclical trade factors and adverse weather, that the overall 3 to 5 Year financial results of the Company provide an overall net return to the Shareholder over the period taking into account all returns received by the Shareholder through rents, dues and all other income elements of services provided by the**

Shareholder (including the Portsmouth International Port (PIP)).

**2.6** The Council keeps under review the returns that would reasonably be expected to be achieved from alternative uses of the site, undertaking a formal review at the earlier of every 5 years or an expectation that the financial performance set out in recommendation 2.1.1 above is unlikely to be achieved.

**2.7** Portico is restructured, to include the creation of subsidiary companies and a holding company, as recommended by the independent review, to enable the business to remain competitive, and meet market needs.

**2.8** It is noted that the Portico operation provides additional volumes for pilotage and towage which supports the need for a dedicated service for both aiding PIP cruise and ferry.

**6** **Portsmouth Cemeteries Delivery Plan - Post-consultation** (Pages 23 - 116)

Purpose

To seek Cabinet approval to formally adopt the Cemeteries Delivery Plan.

**RECOMMENDED that the Cabinet formally adopt the Cemeteries Delivery Plan.**

**7** **Portsmouth Heritage Strategy 2024-2034** (Pages 117 - 170)

Purpose

To seek Cabinet's approval for the Portsmouth Heritage Strategy 2024-2034.

**RECOMMENDED that the Cabinet**

- 1. Adopt the Portsmouth Heritage Strategy 2024-2034 be adopted.**
- 2. Agree that progress reports be brought to the Cabinet Member for Culture, Regeneration and Economic Development.**

**8** **Holiday Activities and Food update (HAF Fun Pompey)** (Pages 171 - 182)

Purpose

- To provide an update on the HAF Fun Pompey programme that has been running in the city since 2021 across the Easter, Summer and Christmas Holidays.
- This report provides an update on activity since the previous report to Cabinet in November 2022, and therefore provides information about HAF activity in 2023 and 2024.
- To highlight the use of Household Support Funding to extend the reach of HAF.
- To record a note of thanks from Cabinet for the work of the HAF team working across directorates and with partners to deliver a successful HAF programme.

**9** **Approval of Corporate Plan 2024-2026** (Pages 183 - 196)

Purpose

To seek endorsement of Cabinet to the new medium term Corporate Plan and get the agreement of Cabinet that it can be passed to Full Council for approval.

**RECOMMENDED that the Cabinet**

- 1. Endorse the new medium-term Council Corporate Plan - 2024-26 (see Appendix 1) and agree that this should be taken to Full Council for approval.**
- 2. Note that the plan demonstrates the Council's commitment to supporting the achievement of the Vision for Portsmouth that has previously been agreed with partners.**
- 3. Agree that delegated authority be given to the Chief Executive to make minor changes to the draft document prior to publication.**

**10 Revenue Budget Monitoring 2023/2024 (First Quarter) to end June 2024**  
(Pages 197 - 206)

Purpose

To update members on the current Revenue Budget position of the Council as at the end of the first quarter for 2024/25, in accordance with the proposals set out in the "Portsmouth City Council - Budget & Council Tax 2024/25 & Medium Term Budget Forecast 2025/26 to 2027/28" report approved by the City Council on 13<sup>th</sup> February 2024.

**RECOMMENDED that the Cabinet**

- 1. Note the General Fund Forecast Outturn for 2024/25 (as at 30<sup>th</sup> June 2024) be noted:**

**The overspend is analysed as follows:**

<b>FORECAST OUTTURN 2024/25</b>		<b>£000</b>
Forecast Net Overspend (before transfers to/from) Reserves		6,417
Less Transfers From Portfolio / Cabinet Reserve:		
	Overspendings (in accordance with approved Council resolutions)	(732)
Add Transfers to Portfolio and Other Reserves:		
	Underspendings (in accordance with approved Council resolutions)	66
<b>Forecast Net Overspend 2024/25 (before Windfall Costs)</b>		<b>5,751</b>
Less Expenditure funded from Corporate Contingency:		
	Windfall Costs	(2,386)
<b>Forecast Net Overspend 2024/25</b>		<b>3,365</b>

2. **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 2025/26 Cash Limit.**
3. **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 2025/26 Portfolio cash limit will be managed to avoid further overspending during 2025/26.**

**11 Local Council Tax Support for working age residents - Permission to consult (Pages 207 - 230)**

Purpose

To request permission to undertake a consultation with both the public and the major precepting authorities (Police & Crime Commissioner for Hampshire, and Hampshire & Isle of Wight Fire & Rescue Service) in respect of proposed changes to the Council's working age Local Council Tax Support (LCTS) Scheme with effect from 01 April 2025. The proposed changes have no impact on the pension age LCTS Scheme. They seek to make the LCTS fairer and simpler, and in doing so, encourage those who are entitled to support to claim it. By simplifying the scheme as proposed, many claimants will receive an automated award without the need to make an application.

**RECOMMENDED that the Cabinet approves that**

1. **The Council undertakes a consultation with the public and major precepting authorities for the introduction of a new income banded / grid scheme for working age applicants with effect from 01 April 2025, intended to simply the application process, increase LCTS take up, mitigate frequent reassessment of council tax bills as a consequence of Universal Credit changes, and to increase the overall level of support for the lowest income families.**
2. **The results of the consultation and any recommended changes to the scheme are made to Full Council in January 2025 with a view to any revised scheme being adopted for 2025/26.**

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