

## **CABINET**

RECORD OF DECISIONS of the meeting of the Cabinet held on Friday, 16 March 2018 at 12.00 pm at the Guildhall, Portsmouth

### **Present**

Councillor Donna Jones (in the Chair)

Councillors Luke Stubbs  
Simon Boshier  
Jennie Brent  
Frank Jonas BEM  
Linda Symes

#### **8. Apologies for Absence (AI 1)**

Councillors Robert New and Hannah Hockaday had sent their apologies for absence. Councillor Ryan Brent was working but hoped to join the meeting, and Councillor Jennie Brent apologised for her late arrival due to a Housing engagement. The Leader and Chief Executive had been at another meeting that ended at noon so apologised for their late arrival.

#### **9. Declarations of Interests (AI 2)**

There were no declarations of members' interests.

#### **10. Record of Previous Decision Meeting - 12 February 2018 (AI 3)**

DECISION:

the record of decisions of the Cabinet meeting held on 12 February 2018 were approved as a correct record, to be signed by the Leader.

#### **11. Portsmouth Safeguarding Children's Board (PSCB) Annual Report (AI 4)**

Louise Boyle, Vice-Chair of the Portsmouth PSCB (accompanied by Lucy Rylatt, PSCB Business Manager) presented the annual report on behalf of the Portsmouth Safeguarding Children's Board and gave the apologies of their new independent Chair Richard John. The report set out the work that had been carried out during 2016/17, and Louise highlighted the work taking place in the priority areas of:

- 1) Neglect - the audit had shown improvements in good practice with the embedded use of tools and training
- 2) Missing exploited and trafficked - a strategy had been implemented and Operation Makesafe had taken place, linking with the night-time economy to raise awareness of how to support young people
- 3) Domestic abuse and bullying where a restorative approach was being taken

Also, regarding communication and participation, there had been greater attention to the website and doubling of accessing of resources by practitioners (seen by the number of 'hits').

Councillor Jones, as Leader, welcomed the positive approach and the successful uptake of the tools available. With regard to the Neglect objective, the rise in the local authority's Looked After Children numbers was in response to the need to take more vulnerable children into care. Councillor Jones also welcomed the valuable work taking place with taxi drivers and hotel workers, and she had attended a recent anti-bullying conference hosted in the Guildhall, and asked if bullying would be made a future priority? Louise Boyle responded that the impact of the training would need to be analysed before deciding on this, and Lucy Rylatt reported that the Department of Education was revising bullying guidance which Portsmouth was feeding into.

**DECISION: The Cabinet received the Portsmouth Safeguarding Children Board Annual Report and noted areas of progress and challenges in the work delivered by services to safeguard children and promote their well-being.**

**12. Special Educational Needs and Disabilities (SEND) Implementation Grant 2018-19 (AI 5)**

Julia Katherine reported on the employment of more staff to ensure the necessary transfer of existing statements and learning disability assessments were undertaken, with the need to allocate the grant funding which was not ring-fenced. There was also grant funding for work with young people to help prepare them for future employment.

**DECISION: The Cabinet approved the allocation of:**

- **The SEND reforms grant of £118,648 in 2018-19 to the Education portfolio;**
- **The Preparation for Employment grant in 2018-19 to the Education portfolio.**

**13. Health and Wellbeing Strategy (AI 6)**

Jason Horsley, Director of Public Health, presented his report on the Health and Wellbeing Strategy which looked at the wider determinants of health and non-communicative diseases for which individuals needed to be empowered to address these lifestyles (such as smoking, diet and lack of exercise). This document had been widely consulted upon and was being considered by the Health and Wellbeing Board partner members.

Councillor Jones, as Leader, welcomed this refreshed strategy which also reflected the national focus to tackle both mental health and isolation. This strategic document would be taken to the City Council for approval.

**DECISION: Cabinet recommended to Council the approval of the Health and Wellbeing Strategy (Appendix 1 of the report).**

#### **14. Treasury Management Policy 2018/19 (AI 7)**

Chris Ward presented his report which would be submitted to Council for approval. This set out the policies for borrowing, repayment of debt and investment. This included a debt repayment holiday for the Housing Revenue Account due to the national rent reduction for local authority housing and increasing the maximum term of bonds that can be purchased from Hampshire Community Bank from 6 years to 10 years.

The Section 151 Officer pointed out that on page 6 of the policy the dates of Cabinet and Council meetings needed to be corrected to refer to 16 March and 20 March respectively.

Councillor Jones, as Leader, was hopeful that the Chancellor would be increasing public spending from 2019, and was happy to support the report which had also been considered by the Governance & Audit & Standards Committee.

#### **RECOMMENDED to Council**

**1a that the following changes to the Treasury Management Policy Statement be approved:**

- (i) that provision is not made for the repayment of borrowing to fund the Housing Revenue Account (HRA) Self Financing payment or any other HRA debt from 2017/18 to 2019/20 (paragraph 8.4 of the Treasury Management Policy);**
- (ii) that the maximum duration of specified investments be increased from 364 days to 365 days (paragraph 11.1 of the Treasury Management Policy);**
- (iii) that the maximum duration of investment categories 11 (corporate bonds with a BBB+ credit rating) and 14 (unrated building societies that are in a strong financial condition) be increased from 364 days to 365 days (paragraph 12.2 of the Treasury Management Policy);**
- (iv) that the maximum term of bonds purchased from Hampshire Community Bank be increased from 6 years to 10 years (paragraph 12.2 of the Treasury Management Policy);**

**1b that the following risk appetite statement be approved:**

***To assist the achievement of the Council's service objectives by obtaining funding and managing the debt and treasury investments at a net cost which is as low as possible, consistent with a high degree of long term interest cost stability. Sums are invested with a***

*diversified range of counter parties using the maximum range of instruments consistent with a low risk of the capital sum being diminished through movements in prices.*

- 1c** that the prudential and treasury management indicators, including revisions to the 2016/17 outturn indicators contained in Appendix D be approved;
- 1d** that the attached Treasury Management Policy Statement including the Treasury Management Strategy, Annual Minimum Revenue Provision for Debt Repayment Statement and Annual Investment Strategy for 2018/19, and encompassing the amendments contained in recommendation 1a be approved;
- 1e** the Director of Finance and Information Technology (Section 151 Officer) and officers nominated by him have delegated authority to (paragraph 3.2 of Treasury Management Policy Statement):
  - (i)** invest surplus funds in accordance with the approved Annual Investment Strategy;
  - (ii)** borrow to finance short term cash deficits and capital payments from any reputable source within the authorised limit for external debt of £660m approved by the City Council on 13 February 2018;
  - (iii)** reschedule debt in order to even the maturity profile or to achieve revenue savings;
  - (iv)** release the over provision of MRP back into General Fund balances over a prudent period by reducing the MRP in future years;
  - (v)** to buy and sell foreign currency, and to purchase hedging instruments including forward purchases, forward options and foreign exchange rate swaps to mitigate the foreign exchange risks associated with some contracts that are either priced in foreign currencies or where the price is indexed against foreign currency exchange rates.
- 1f** that the Chief Executive, the Leader of the City Council and the Chair of the Governance and Audit and Standards Committee be informed of any variances from the Treasury Management Policy when they become apparent, and that the Leader of the City Council be consulted on remedial action (paragraph 17.1 of Treasury Management Policy Statement)
- 2** that the Director of Finance and Information Technology (Section 151 Officer) submits the following (paragraph 19.1 of Treasury Management Policy Statement):
  - (i)** an annual report on the Treasury Management outturn to the Cabinet and Council by 31 July of the succeeding financial year;

- (ii) a Mid-Year Review Report to the Cabinet and Council;
- (iii) the Annual Strategy Report to the Cabinet and Council in March 2019;
- (iv) quarterly treasury management monitoring report to the Governance and Audit and Standards Committee.

#### **15. Revenue Budget Monitoring 2017/18 (Quarter 3) (AI 8)**

Chris Ward presented his report which was an update on the third quarter revenue budget position, which showed the current forecast outturn position for 2017/18 as an underspend of £133,300. The budget included a £3.5m contingency provision to address pressures in services, which were also aided by forecast underspends in the Resources and Planning, Regeneration and Economic Development portfolios.

Councillor Jones, as Leader, welcomed the position, especially after 7 years of austerity measures nationally. She wished to acknowledge the collective effort to get to this position, and thanked the staff for successes in generating income and negotiating contracts to make savings.

Councillor Stubbs welcomed the transfer of funding from revenue to capital which had enabled more schemes to come forward including new school places, new public toilets and the provision of disabled beach buggies.

**DECISIONS: The Cabinet agreed that:**

**(i) The forecast outturn position for 2017/18 be noted:**

**(a) An underspend of £1,257,600 before further forecast transfers (from)/to Portfolio Specific Reserves & Ring Fenced Public Health Reserve**

**(b) An underspend of £133,300 after further forecast transfers (from)/to Portfolio Specific Reserves & Ring Fenced Public Health Reserve.**

**(ii) Members noted:**

**(a) 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 2018/19 Cash Limit.**

**(b) That on 13th February 2018 City Council approved that any underspending for 2017/18 arising at year-end outside of those made by Portfolio's (currently forecast at £133,300) be transferred to Capital resources.**

**(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 2018/19 Portfolio cash limit will be managed to avoid further overspending during 2018/19.

**16. Unaccompanied Asylum Seeking Children (UASC) Capacity Building Grant 2017-18 (AI 9)**

David Williams presented the report by the Director of Children, Families and Education, explaining that as this funding is not ring-fenced it needed the allocation to be approved by Cabinet. There were increasing numbers of unaccompanied children seeing asylum coming in from Calais and through Portsmouth International Port. The grant would not cover the associated costs for Portsmouth City Council.

Councillor Jones, as Leader, was concerned at the scale of this on-going commitment for the city, especially with the close of the camp at Calais. Councillor Jones would continue to raise this and the possible need for a review of the code of practice with the government and via the Local Government Association (LGA) Executive.

**DECISION: The Cabinet approved the allocation of the UASC capacity building grant of £188,126 to the Children's Social Care portfolio for use in 2018-19.**

**17. The Portsmouth Harbour One Public Estate Programme (Information Item) (AI 10)**

David Williams, Chief Executive, gave a brief verbal update (but no formal report has been circulated and no decision was taken on this item). He explained that the Cabinet Office programme sought the beneficial future use of surplus government land. This would give greater opportunity for both Portsmouth and Gosport councils in negotiations with the Ministry of Defence, the Ministry of Justice and health authorities. Further details would be made available. The local members of parliament for Portsmouth and Gosport were also being involved in developments. The Leader welcomed the collaborative approach being taken with Gosport BC. The Chief Executive would be keeping members briefed and a task force would be set up, with MoD representatives. This would provide the opportunity to unlock strategic sites.

The verbal update was noted with more information to be brought forward once available.

The meeting concluded at 12.50 pm.

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Councillor Donna Jones  
Leader of the Council