

CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Tuesday, 6 November 2018 at 12.00 pm at the Guildhall, Portsmouth

Present

Councillor Gerald Vernon-Jackson CBE (in the Chair)

Councillors Steve Pitt
Dave Ashmore
Ben Dowling
Suzy Horton
Darren Sanders
Jeanette Smith
Lynne Stagg
Rob Wood

48. Apologies for Absence (AI 1)

Councillor Matthew Winnington had sent his apologies for absence.

49. Declarations of Interests (AI 2)

There were no declarations of members' interests.

50. Record of Previous Decision Meeting - 9 October 2018 (AI 3)

DECISION: the record of decisions of the previous Cabinet meeting held on 9 October 2018 was approved as a correct record to be signed by the Leader.

51. Treasury Management Mid-Year Review 2018/19 (AI 4)

Julian Pike, as Deputy Section 151 Officer presented this report. The Director of Finance's report sought approval to amendments to the Council's MRP policy, set out actions if investment property values fall (as specified in the report), requested that MPR be provided on equity shares over 25 years and asked that it be noted that there and been no breaches of the Treasury Management Policy in the period to 30 September 2018.

In answer to questions from the Leader, Julian Pike confirmed that the intention was to keep these properties in the long term.

RECOMMENDED to Council:

- (1) If the carrying (market) value of an investment property falls below the original value of unsupported borrowing incurred to acquire the investment property excluding fees and other associated costs, minimum revenue provision (MRP) will be charged over the residual life of the property on the shortfall between the current property value and the value of borrowing.**

- (2) Minimum revenue provision (MRP) be provided on equity shares over 25 years on an annuity basis.**
- (3) It be noted that there have been no breaches of the Treasury Management Policy 2018/19 in the period up to 30 September 2018.**
- (4) The actual Treasury Management indicators for September 2018 in Appendix A be noted.**

52. Healthy Child Programme - future commissioning arrangements (AI 5)

Alison Jeffery, Director of Children, Families & Education, presented her report. With this contract due to end in June 2019, 3 options were examined in the report, with the recommendation that the third option of a Section 75 agreement with Solent NHS trust be pursued.

Deputations are not minuted in full but can be viewed as part of the webcast meeting here:

<https://livestream.com/accounts/14063785/Full-Cabinet-06Nov2018>

Councillor Stubbs spoke as Deputy Leader of the Conservative Group, supporting the way forward but questioning the target level for savings which he felt should be greater.

In response Councillors Gerald Vernon-Jackson, as Leader and Councillor Rob Wood, as Cabinet Member for Children and Families commented on the government cuts to the Public Health budget and the need to set a realistic savings target, which could be reviewed. In response to a question from Councillor Jeanette Smith, Julian Pike the Deputy Section 151 Officer reported that if the Council held the budget this would be an appropriate outcome as the commissioning authority.

DECISIONS - The Cabinet:

- (1) Approved that the preferred option be selected to secure future provision of the Healthy Child Programme for Portsmouth families. The preferred option is, subject to the appropriate statutory consultation, to establish a partnership agreement between Portsmouth City Council and Solent NHS Trust under Section 75 of the National Health Service Act 2006 from 1st July 2019 for a term of three years, with possible further extension;**
- (2) Delegated authority to the Director, Children, Families and Education, in consultation with**
 - the Cabinet Member for Health, Wellbeing and Social Care,**
 - the Cabinet Member for Children and Families,**
 - the Director of Public Health,**
 - the Section 151 officer (or their representative) and;**

- the City Solicitor (or their representative) to enter into negotiations with Solent NHS Trust and to approve the terms of the Section 75 agreement; and

(3) Authorised the City Solicitor to prepare and to execute the Section 75 Agreement to give effect to the terms approved as above.

53. Income Generation Strategy 2018/19 to 2023/24 (AI 6)

Julian Pike, the Deputy Section 151 Officer, presented the Director of Finance's report which set out not only the commercial priorities but also the aims for regenerating the local economy, setting out the range of activities in the short, medium and long term.

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Councillor Stubbs spoke as Deputy Leader of the Conservative Group endorsed the setting up of the portfolio of properties which has made a profit and questioned the new emphasis of social housing and its financial viability.

Councillor Gerald Vernon-Jackson, as Leader, welcomed this joined up and transparent approach, with Portsmouth City Council also be willing to learn from other councils. He stressed the importance of investing in housing to help retain key workers to benefit the local economy.

Councillor Darren Sanders, as Cabinet Member for Housing, supported the balanced income generation strategy which would help to retain workers in homes that they could afford, and which was designed to help bridge the funding gap. He would prefer an emphasis on being a "creative and innovative council" rather than "entrepreneurial". In response to questions raised regarding the scrapping of the housing cap, it was agreed that reference to this would be kept in the document until the full details were known. Julian Pike reported that further information relating to the Fair Funding Review currently being undertaken by Central Government may become available as part of the Local Government Funding settlement which is expected to be announced on 6th December.

Councillor Ben Dowling, as Cabinet Member for Planning, Regeneration and Economic Development, stressed the importance of investing in Portsmouth to benefit the local economy.

Councillor Pitt, Deputy Leader, advocated the new approach of learning from the good practice of other authorities, such as the potential to use crowd-funding, as well as supporting property investment.

RECOMMENDED that

- (1) The proposed Income Generation Strategy 2018/19 - 2023/24 is approved.**
- (2) The underpinning financial framework required to support the delivery of the Income Generation Strategy and the wider Medium Term Financial Strategy is noted.**

The meeting concluded at 12.31 pm.

Councillor Gerald Vernon-Jackson CBE
Leader of the Council