

CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Tuesday, 8 October 2019 at 1.00 pm at the Guildhall, Portsmouth

Present

Councillor Gerald Vernon-Jackson CBE (in the Chair)

Councillors Dave Ashmore
Suzy Horton
Lee Hunt
Darren Sanders
Lynne Stagg
Matthew Winnington
Rob Wood
Tom Wood

101. Apologies for Absence (AI 1)

Councillor Steve Pitt, Deputy Leader, had sent his apologies for absence.

102. Declarations of Interests (AI 2)

For the item relating to Southsea Coastal Flood Defences Councillor Gerald Vernon-Jackson reported that he is a director of the Solent Local Enterprise Partnership (LEP) but is excluded from making decisions there on this issue, so had been advised by the City Solicitor that he could participate in the item at Cabinet. Chris Ward, Director of Finance and Resources, also attended Solent LEP meetings as an ex officio member and has also been excluded from any considerations by the Solent LEP relating to Southsea Coastal Flood Defences. He had also seen the letter from the Chair of Solent LEP to the Council's Chief Executive on this matter.

103. Records of Previous Decision Meetings - 23 August and 9 September 2019 (AI 3)

RESOLVED that the records of the previous decision meetings held on 23 August and 9 September 2019 be approved as correct records.

104. Leamington House and Horatia House - Update and Engagement Next Steps (AI 4)

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

<https://livestream.com/accounts/14063785/Full-Cabinet-08Oct2019>

A deputation was made by Connor D'Arcy, who supported the work taking place and the involvement of local residents who wanted to see the council housing replaced, with amenity space, parking and disabled access, and not student accommodation.

James Hill, Director of Housing, Neighbourhoods and Building Services, presented this joint report with the Director of Regeneration. He thanked all involved in the successful engagement exercise with residents, especially Mary Devaney and Tim Raw. The recommendations gave the opportunity for the community to remain fully engaged in the process.

Councillor Gerald Vernon-Jackson, as Leader, welcomed the report and the intention to provide social housing for those who were not able to access private sector housing. There needed to be safe dismantling, due to proximity with other homes, and a responsible approach had been taken to deal with the issues of the concrete defects rather than sell on the blocks.

Councillor Sanders, as Cabinet Member for Housing, was pleased by the involvement of residents to shape the future development of social housing in Somerstown, and proposed an amendment to recommendation 5vii to read "*reprovide at least the amount of social housing...*", which was supported.

Councillors Rob Wood and Tom Wood, also spoke as ward councillors praising the resident participation and looking forward to seeing the results take shape.

DECISIONS - The Cabinet:

- (1) Noted the progress of the decommissioning and securing of the blocks**
- (2) Noted the appointment of Ridge & Partners LLP consultants and the progress to provide a detailed options appraisal for the demolition method, costs and timescales to demolish the two tower blocks**
- (3) Noted all the engagement feedback results**
- (4) Noted the communication plan to release and publish the engagement feedback results**
- (5) Agreed to use all the engagement feedback results as the basis of the design brief for the master planning work and adopts the following seven key principles emerging from the feedback:**
 - i) Build appropriate homes.**
 - ii) Make better use of green space and space for children.**
 - iii) No more student accommodation.**
 - iv) Consider wider area improvements.**
 - v) Better parking options.**
 - vi) No tower blocks.**
 - vii) Re-provide at least the amount of social housing lost when the tower blocks go**
- (6) Delegated to Director of Regeneration in consultation with the Director of Housing, Neighbourhood and Building Services to procure from a multi-disciplinary team the first stage specialists required to prepare the master planning options studies**
- (7) Noted the positive discussions with Homes England**

105. Southsea Coastal Flood Defence amendment to Capital Programme (AI 5)

David Williams, Chief Executive, addressed the letter received from the Chair of the Solent Local Enterprise Partnership (LEP). The LEP and the Council had been involved in discussions on the Southsea Flood Defences since 2015, but no commitment to funding had yet been secured. In order for the Full Business Case to be submitted, the Environment Agency and the Treasury required confirmation that the other funding sources are confirmed. This presents a conundrum that requires some flexibility. He felt that progress had been made with Solent LEP on a number of issues. The Chair of the Environment Agency had written to the LEP to request the LEP to prioritise the scheme emphasising the need to protect the city's resilience and economy. There were still hurdles to overcome, given the LEP's grant criteria, such as clearing all reserved matters in the submitted planning application before any grant is agreed. David Williams would respond directly to Gary Jeffries, Chair of the Solent LEP, and would seek to agree phrasing more acceptable to the LEP and continue to seek their contribution to the scheme.

Councillor Ashmore, Cabinet Member for Environment and Climate Change, stressed that these works were vital for the protection of the city's historic seafront and thanked those involved in the consultation projects. Councillor Vernon-Jackson, Councillor Stagg and Councillor Winnington all echoed the importance of these works and the danger of rising sea levels. The barriers presented by the various grant regimes needed to be removed by central government agencies, and they asked that the Solent LEP work flexibly with the Council in this process to ensure the economic wellbeing of the local communities.

RECOMMENDED to Council that:

(1) In order to close the existing funding gap, the Council approve an amendment to the Capital Programme and increase the total Southsea Coastal Flood Defence budget to £131m to be funded by additional Environment Agency Grant of £24m and, if required, Corporate Capital Resources of £17m.

(2) That delegated responsibility be given to the Director of Regeneration and the S.151 Officer to investigate alternative funding sources between now and when this additional funding in recommendation 1 is actually required in order to mitigate the potential reduction in the Corporate Capital Resources available for future Capital Investment elsewhere across the City should the £17m be required and to amend the Capital Programme as necessary.

106. Revenue Budget Monitoring 2019/20 Quarter 1 to end June 2019 (AI 6)

Chris Ward, Director of Finance and Resources, presented his report and clarified that this did not require Council approval. The report reflected the position to the end of June 2019 and he updated the position which has since benefitted from the government's Spending Review announcement, which

gave additional funding for both Adult Social Care and Children's Social Care, which included the flexibility to increase Council Tax by an additional 2% and passport that increase directly to Adult Social Care (i.e. a further 2% Council Tax increase above the general limit for all other Council Services of 2%). Should the Council elect to take this Council Tax flexibility alongside the additional funding announced, it would stabilise the financial position for both Adults and Children's Social Care so long as this funding continues in future years.

In response to a question from Councillor Rob Wood, Chris Ward reported further on the opportunities to achieve savings for Southsea Sea Defences which included a £17m risk pot, circa £20m of potential value engineering savings and the opportunity to manage costs at each stage through a 6 stage procurement process.

DECISIONS -

i) The forecast outturn position for 2019/20 was noted:

(a) An overspend of £2,725,000 before further forecast transfers from/(to) Portfolio Specific Reserves & Ring Fenced Public Health Reserve

(b) An overspend of £2,474,800 after further forecast transfers from/(to) Portfolio Specific Reserves & Ring Fenced Public Health Reserve.

(ii) Cabinet Members noted 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 2020/21 Cash Limit.

(iii) Cabinet Members noted that the overall financial forecast for Quarter 1 for the whole Council is a serious cause for concern with significant forecast overspends in the highest spending areas of Children's and Adult Social Care which in aggregate amount to £4,034,100 and the extent to which this cannot be remedied in the medium term will add to the Council's £2.5m per annum savings requirements for future years.

(iv) 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 2020/21 Portfolio cash limit will be managed to avoid further overspending during 2020/21.

At the end of the meeting Councillor Gerald Vernon-Jackson, as Leader, reported that there had been the possibility of a supplementary item being added to this meeting's agenda regarding purchase of a crane to be leased to Portico, but to give more time this was going to his Leader's portfolio decision meeting on 11 October instead.

The meeting concluded at 1.40 pm.

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Councillor Gerald Vernon-Jackson CBE
Leader of the Council