

## **CABINET**

RECORD OF DECISIONS of the meeting of the Cabinet held remotely on Tuesday, 9 March 2021 at 12pm.

### **Present**

Councillor Gerald Vernon-Jackson CBE (in the Chair)

Steve Pitt  
Dave Ashmore  
Suzy Horton  
Lee Hunt  
Hugh Mason  
Darren Sanders  
Lynne Stagg  
Matthew Winnington

#### **20. Apologies for absence (AI 1)**

Apologies for absence were received from Councillor Chris Attwell.

Councillor Vernon-Jackson advised that he intended to vary the order of items on the agenda so they were considered in this order - 12, 13, 11, 15, 14, 10, 9, 8, 7, 6, 4, 5, 3 - but for ease of reference, the minutes will be kept in the original order.

#### **21. Declarations of interest (AI 2)**

There were no declarations of interest.

#### **22. Record of Previous Decision Meeting - 2 February 2021 (AI 3)**

The record of decisions of the previous Cabinet meeting held on 2 February 2021 were approved as a correct record.

#### **23. Annual Capital Strategy (AI 4)**

Chris Ward, Deputy Director of Finance, introduced the report and highlighted some changes to the borrowing regime. Borrowing primarily for yield is no longer permitted under the terms of the Public Works Loans Board. However, borrowing where there are other objectives such as affordable housing is allowed.

In response to questions from members Mr Ward confirmed that creating a national property portfolio from the Public Works Loan Board is no longer permissible, whether it is in or outside the area. Flipping or replacing properties every few years is also not permissible; the council has to divest itself of these properties.

## **DECISIONS**

### **Recommended to Council:**

- 1. That Part I of the Capital Strategy (Capital Expenditure and Aspirations) be approved including:**
  - a) The Short / Medium / Long-term Aspirations set out in Appendix 1.**
- 2. That Part II of the Capital Strategy (Borrowing and Investing) be approved including:**

- a) **The Minimum Revenue Provision (MRP) for Debt Repayment Policy (Part II, (paragraph 1.5)**
- b) **The investment indicators in Part II - Appendix 2 (Part II, paragraph 2.5)**
- c) **That the Director of Finance and Resources (Section 151 Officer) will bring a report to the next Cabinet and City Council if (Part II, paragraph 2.5):**
  - (i) **The Council's gross General Fund (GF) debt exceeds 450% of GF net service expenditure or;**
  - (ii) **Overall investment income from investment properties and long term treasury management investments exceeds 9.0% of GF net service expenditure.**

**24. Treasury Management 2021 / 2022 (AI 5)**

Chris Ward, Deputy Director of Finance, introduced the report, noting that the main change was a separate loans pool for the Housing Revenue Account for borrowing which had taken place at preferential rates.

**DECISIONS**

**Recommended to Council**

1. **That the upper limit for principal sums invested for longer than 365 days contained in paragraph 4.7 of the attached Treasury Management Policy Statement be approved;**
2. **That the upper and lower limits on the maturity structure of borrowing contained in appendix 5.1 of the attached Treasury Management Policy Statement be approved;**
3. **That the attached Treasury Management Policy Statement including the Treasury Management Strategy and Annual Investment Strategy for 2021/22 be approved;**
4. **That the following change compared to the previous Annual Investment Strategy be noted:**
  - (i) **that a second loans pool be established in 2020/21 consisting of the three £20m loans that were taken from the Public Works Loans Board (PWLB) at the Housing Revenue Account (HRA) Certainly Rate, and that the borrowing costs on these loans be charged to the HRA in their entirety.**
5. **As set out in paragraph 1.4 of the Treasury Management Policy Statement, the Director of Finance and Resources (Section 151 Officer) and officers nominated by him have delegated authority to:**
  - (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 £963m approved by the City Council on 9 February 2021;**
  - (iii) **reschedule debt in order to even the maturity profile or to achieve revenue savings;**
  - (iv) **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;

6. That the Director of Finance and Resources (Section 151 Officer) has the power to delegate treasury management operations to relevant staff;
7. 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 1.2.2 of Treasury Management Policy Statement).

**25. Review of the Hampshire Minerals and Waste Plan (AI 6)**

Rachel Cutler, Principal Planning Officer, introduced the report.

Councillor Dave Ashmore, Cabinet Member for Environment & Climate Change, thanked officers for the comprehensive report.

**RECOMMENDED to Council**

1. To endorse the decision to update the Hampshire Minerals and Waste Plan, as per the recommendations of 2020 Review of the Hampshire Minerals and Waste Plan report (attached in Appendix 1 and summarised in this report).
2. That this decision is reported for future consideration by Full Council, in accordance with the requirements of sections 15(8) and 16 of the Planning and Compulsory Purchase Act 2004 and National Planning Practice Guidance on plan making and in-line with Reg 4(1) & Sh 3 of the Local Authorities Functions and Responsibility Regulation 2000 (as amended).

**26. CIL Money for Eastney & Craneswater (AI 7)**

Ian Maguire, Assistant Director of Planning & Economic Growth, introduced the report.

Deputations from Mark Lewis and Councillors Luke Stubbs and Linda Symes (ward councillors) were read out and can be viewed here

Members noted the mural was a popular landmark in Southsea and were disappointed that the matter had come to the Cabinet to be resolved.

**DECISION**

**The Cabinet agreed that funding for the enhancement of the mural at No.1 Waverley Road be met from the Cabinet Reserve.**

**27. Community Infrastructure Levy - Crowdfunding Platform (AI 8)**

Ian Maguire, Assistant Director of Planning & Economic Growth, introduced the report.

Councillor Steve Pitt, Cabinet Member for Culture, Leisure & Economic Development, gave some examples of the benefits of crowdfunding for the community. Around over 20 businesses might not have survived without

crowdfunding. It had also provided £500 micro-commissions to 20 local artists. One project had improved the former Knight & Lee building and another will revitalise Albert Road. There are aspirations for a greening crowdfunder, which will be another branch of the platform.

## **DECISION**

### **The Cabinet**

- 1. Agreed the commissioning of a city wide CIL Neighbourhood crowdfunding scheme at a cost of £4,800 for three years which will be funded through the Community Infrastructure Levy Administration Provision and that funding be made available (estimated £750) for the effective marketing launch for the Platform.**
  - 2. Agreed the creation of an earmarked reserve of £50,000 transferred from the available CIL Neighbourhood Funds to provide funding support to projects that comply with the requirements of CIL Regulations 59F to deliver outcome in support of the provision, improvement, replacement, operation or maintenance of infrastructure within the city.**
  - 3. Agreed the allocation of funding to projects be delegated to the Assistant Director Planning & Economic Growth, Regeneration in conjunction with the Portfolio Holder for Planning Policy & City Development.**
- 28. Supporting People in Financial Hardship (information only) (AI 9)**  
Mark Sage, Tackling Poverty Co-ordinator, introduced the report, noting that since the report had been written the Department of Work & Pensions had extended the Covid-19 Winter Grant Scheme for another two weeks until 16 April, providing up to an extra £266,000 to Portsmouth. The funding will be used on existing work but will need to be used rapidly before the scheme ends; it will provide additional assistance in the Easter holidays.

Councillor Vernon-Jackson requested that his thanks to Mark Sage and all officers and volunteers involved in providing assistance to residents be placed on record.

Members were impressed with the range of assistance described in the report and the speed and flexibility with which the council had responded. The economy will change very rapidly for many months resulting in sudden drops in income so it is imperative that assistance should continue. Covid-19 had revealed inequalities and it was not always obvious where they were. Members were proud that holidays and activities had still been made available for children as well as free school meals for families in need. They thanked the voluntary sector, residents and parents for their response.

The Cabinet noted the report.

- 29. Cabbagefield Row, Havant - Update on progress (information only) (AI 10)**  
Jo Bennett, Head of Business Relationships, Growth & Support, introduced the report.

Councillor Sanders, Cabinet Member for Housing & Preventing Homelessness, welcomed the development was a responsible way forward to help reduce the housing waiting list by about 5%, which is more than 100 families.

Ms Bennett explained that 813 people on the waiting list had expressed interest in Leigh Park. When the report was written there were 125 families in temporary accommodation and it is likely that there is some overlap between these two groups. Members noted the cost to tax payers of having people on the waiting list.

### **30. Clean Air Fund Eligibility Criteria (AI 11)**

Andy Bullock, Principal Transport Planner, introduced the report, explaining that the JAQU (Joint Air Quality Unit) funding received would be unlikely to meet the expected demand from owners having to upgrade vehicles to make them compliant with the Clean Air Zone (CAZ). He outlined the prioritisation criteria for different types of vehicles. There is no funding for those who had already upgraded their vehicle. Emergency vehicles are already exempt from the CAZ requirements.

Councillor Ashmore, Cabinet Member for Environment & Climate Change, thanked all those involved for their extensive work in securing the JAQU funding although the council would prefer to concentrate on walking, cycling and public transport as a way of improving air quality rather than implementing a CAZ.

Mr Bullock acknowledged members' concerns over the cost of upgrading wheelchair accessible vehicles. Officers had reviewed the situation last year and were aware of the shortfall between the cost of upgrading the vehicles and the available funding. They have engaged with local communities and a joint letter outlining concerns from four local authorities, including Portsmouth, has been issued to the Secretary of State. Portsmouth had proposed funding of £15,000 per wheelchair accessible vehicle. If no additional funding is received for upgrading these vehicles officers will do what they can with the money they have, for example, retrofitting vehicles. They are continuing to research the option of retrofitting, which may help some vehicle owners. The JAQU funding is being launched in rounds, starting on 19 March, so that the prioritisation criteria can be adapted with a view to re-allocating funding if necessary. Monitoring is ongoing and active.

Councillor Vernon-Jackson said that if the government was not prepared to fund the upgrading of wheelchair accessible vehicles then they should not be penalised as they provide an essential service to disabled people. He requested that officers should formally write to the government on the matter.

## **DECISIONS**

### **The Cabinet**

- 1. Approved the proposed eligibility criteria and prioritisation lists for determining CAF application outcomes as detailed in paragraphs 2 to 7 below.**

2. Private Hire and Hackney Carriage applicants may be eligible for the financial incentive where they meet all of the following criteria:
  - a) Are the registered keeper and/or owner of a Private Hire or Hackney Carriage taxi/s that is/are non-compliant
  - b) The vehicle/s must have been licensed with Portsmouth City Council at a time between May 2020 and application.
  - c) Use reasonable endeavours to continually licence the compliant vehicle/s with Portsmouth City Council for the next 3 years.
  - d) Have not been in receipt of, are not in the process of applying for, and will not apply for, CAF incentives from another authority.
3. Bus and Coach, and HGV CAF applications may be eligible for the financial incentive where they meet all of the following criteria:
  - a) Are a business that owns/leases and uses non-compliant vehicles
    - a. Bus and Coach: M3 - GVW over 5000kg and more than 8 seats in addition to the driver
    - b. HGV: N2 - GVW over 3500kg, N3 - GVW over 5000kg
  - b) Must have owned or leased the vehicle/s for at least 12 months prior to application\*
  - c) Must have been actively trading for more than 12 months and up to February 2020
  - d) Must be able to evidence frequency of entry to the proposed Clean Air Zone boundary by the existing non-compliant vehicle/s to be upgraded (average 2 or more days per week), and frequency of entry to the Clean Air Zone by the upgraded compliant vehicle/s
  - e) Must evidence the sale of any non-compliant vehicle/s that is/are being replaced through this fund
  - f) Have not been in receipt of, are not in the process of applying for, and will not apply for, CAF incentives from another authority

*\*Exceptions may be considered for applicants who propose to replace an existing non-compliant vehicle model that cannot be retrofit with a noncompliant vehicle model that can be retrofit, as part of the CAF application.*
4. Applications for financial support for upgrading Buses and Coaches through the CAF will be prioritised based on how well they score in meeting the following criteria, which is listed in order of importance to achieving the grant's objective:
  1. You will be prioritised if you are a small or medium size (0-249 employees), ahead of applicants representing large businesses (250+ employees).
  2. You will be prioritised if you trade from either Portsmouth or on the Isle of Wight and your commercial operations would be detrimentally impacted or not possible without access to the Clean Air Zone, ahead of applicants who are registered and located outside of Portsmouth and Isle of Wight and/or have the ability to re-route commercial operations to avoid the CAZ.
  3. You will be prioritised if the proportion of non-compliant vehicles in your total fleet limits the ability to rotate your fleet so that only your compliant vehicles use the CAZ, ahead of applicants who have a sufficient number/proportion of compliant vehicles in their fleet to make it possible to use them for CAZ use instead.

4. You will be prioritised if you can demonstrate that your business is not in administration, insolvent or has a striking-off notice being made.
  5. You will be prioritised based on your frequency of use of the CAZ, with higher frequency users be prioritised over those who infrequently use the CAZ, and especially whose use is less than 2 days per week on average.
  6. You will be prioritised if not receiving funding would result in an impact on local young people, local older people, and local tourism, ahead of those who in not receiving funding would have no impact on these groups.
  7. You will be prioritised if you have not been in receipt of other Government funding; ahead of those who have may have received Covid-19 Bus Service Support Grant for example.
  8. You will be prioritised where financial and business need can be proven, ahead of those who cannot demonstrate a financial or business need.
  9. You will be prioritised if you are able to demonstrate a good maintenance record of vehicle can be evidenced, ahead of those who cannot demonstrate a good maintenance record.
5. Applications for financial support for upgrading HGVs through the CAF will be prioritised based on how well they score in meeting the following criteria, which is listed in order of importance to achieving the grant's objective:
1. You will be prioritised if you are a small or medium size (0-249 employees), ahead of applicants representing large businesses (250+ employees).
  2. You will be prioritised if you trade/operate from an address in either Portsmouth or on the Isle of Wight and your commercial operations would be detrimentally impacted or not possible without access to the Clean Air Zone, ahead of applicants who are registered and located outside of Portsmouth and Isle of Wight and/or have the ability to re-route commercial operations to avoid the CAZ.
  3. You will be prioritised if the proportion of non-compliant vehicles in your total fleet limits the ability to rotate your fleet so that only your compliant vehicles use the CAZ, ahead of applicants who have a sufficient number/proportion of compliant vehicles in their fleet to make it possible to use them for CAZ use instead.
  4. You will be prioritised if you can demonstrate that your business is not in administration, insolvent or has a striking-off notice being made.
  5. You will be prioritised if you regularly conduct commercial operations within the Clean Air Zone (two or more times per week).
  6. You will be prioritised if you are a businesses who would be most adversely affected by the CAZ charge as a proportion of your business turnover (i.e. due to transportation costs as proportion of turnover, or dependence on deliveries as part of core business).
  7. You will be prioritised if you are a businesses that provide hire or reward services to local SMEs, whose Portsmouth based client can support the application by demonstrating the need and business case for funding for that particular supplier.

- 8. You will be prioritised where financial and business need can be proven, ahead of those who cannot demonstrate a financial or business need.
- 9. You will be prioritised if you are able to demonstrate a good maintenance record of vehicle can be evidenced, ahead of those who cannot demonstrate a good maintenance record.
- 6. Grants cannot be awarded retrospectively to vehicle upgrades being completed as part of the CAF scheme.
- 7. Non-compliant vehicles that are eligible for an exemption from the CAZ charge cannot also apply to the CAF scheme.
- 8. Delegated Authority is granted to the Cabinet Members for Environment & Climate Change and Traffic & Transport, to review and amend the eligibility criteria and prioritisation criteria following each round of funding, if uptake of the grant is low.

**31. Social Value Policy (AI 12)**

Natasha Edmunds, Director of Corporate Services, introduced the report.

Councillor Pitt commended the report for showing the importance of strengthening the value of the Portsmouth pound and delivering added value to communities. The council has already done considerable work to develop social value and has good practices in place. It is determined to understand the perspectives of other organisations in the city, with a particular focus on the voluntary sector. The Policy provides a benchmark and roadmap on how to move forward better, greener and more sustainably. Members thanked all those involved and noted that the council's work towards gaining accreditation as a Real Living Wage employer is part of the Policy.

**DECISIONS**

**Recommended to Council that:**

- 1. It formally adopts the social value policy that reinforces a strategic position relating to social value as described in Appendix 1.
- 2. It adopts the roadmap principles, direction and confirm the key actions required to get to social value maturity within the timeline set out as described in Appendix 2.

**32. Community Safety Plan 2021 / 2022 (AI 13)**

Lisa Wills, Strategy & Partnership Manager, introduced the report.

Councillor Hunt, Cabinet Member for Community Safety, noted the importance of bringing strategies together as early intervention helps reduce domestic violence which in turn reduces all types of crime. The Plan helps all services to work together and for the council to fulfil its statutory duty to reduce crime in Portsmouth.

**DECISIONS**

**Recommended to Council that:**

- 1. It endorses the strategic priorities contained in the Safer Portsmouth Partnership Plan 2021-22 (appendix 1).
- 2. The council aligns the relevant budgets to support activity in line with section 17 Crime and Disorder Act 1998 (as amended).

**33. Replacement for Capita ONE IT System (information only) (AI 14)**

Mike Stoneman, Deputy Director of Children, Families & Education, introduced the report.

Councillor Horton, Cabinet Member for Children, Education & Families, noted that the replacement IT system would lead to efficiencies thereby enabling more money to be spent on support for vulnerable children. Mr Stoneman said that without it there would be a struggle to have a coherent school admissions and attendance policy. Members agreed that investment in secure and up-to-date IT is critical in providing services to all residents. New IT systems had led to improved services in Adult Social Care.

The Cabinet noted the report.

**34. Creating additional specialist school provision and school places for growing numbers of children with special educational needs and disabilities (SEND) (information only) (AI 15)**

Mike Stoneman, Deputy Director of Children, Families & Education, introduced the report.

Councillor Horton noted that nationally there are more pupils with special educational needs (SEND). The inclusive approach is needs led so as to provide the most appropriate education for them. Inclusive education can transform the lives of children and their parents. She commended the in-house architects for their expertise in SEND provision and for using local artists and knowledge of the city in their work. She thanked all involved for their work.

Mr Stoneman said the new inclusion centre is part of an investment with TSAT (Thinking Schools Academy Trust) and will span Penhale Infants and the Portsmouth Academy. Other projects include expansion at Cliffdale Primary Academy and some expansion of the facilities at the Mary Rose Academy, particularly The Lantern. The high needs block is part of the Designated Schools Grant and is the part under the greatest pressure due to the number of pupils with an EHCP (Education, Health and Care Plan). If the amount in the block is exceeded then officers would have to use the carry forward reserves.

The Cabinet noted the report.

The meeting concluded at 2.07 pm.

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Councillor Gerald Vernon-Jackson CBE  
Leader of the Council