

CABINET

RECORD OF DECISIONS of the meeting of the Cabinet held on Thursday, 5 February 2015 at 1.00 pm at the Guildhall, Portsmouth

Present

Councillor Donna Jones (in the Chair)

Councillors Luke Stubbs
Ken Ellcome
Frank Jonas
Lee Mason
Robert New
Linda Symes
Steve Wemyss
Neill Young

7. Apologies for Absence (AI 1)

Councillor New would be arriving later in the meeting.

8. Declarations of Members' Interests (AI 2)

There were no declarations of members' interests.

9. Record of Previous Decision Meeting - 8 January 2015 (AI 3)

DECISION: The record of decisions of the Cabinet meeting held on 8 January 2015 were agreed as a correct record to be signed by the Leader accordingly.

10. Capital Programme 2014/15 to 2019/20 (AI 4)

The recommendations as contained in the report by the Head of Financial Services and Section 151 Officer were forwarded to Council of 10 February 2015, with the exception of a change to the description only of the Capital Scheme set out in Appendix 2 relating to the Primary School Places Expansion. The description referring to providing additional places at St. Judes CofE Primary School is to be removed as this is now planned to take place in a subsequent year once additional capital resources become available.

RECOMMENDED to Council that

- 1) The Revised Capital Programme 2014/15 to 2019/20 attached as Appendix 1 which includes all additions, deletions and amendments for slippage and re-phasing described in Sections 6 and 8 be approved.
- 2) The passported Capital Allocations (Ring-fenced Grants) as set out in Section 7 be noted.

- 3) The Head of Finance and Section 151 Officer be given delegated authority to determine how each source of finance is used to fund the overall Capital Programme and to alter the overall mix of financing, as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the Council.
- 4) The following schemes as described in Section 9 and Appendix 2 be reflected within the recommended Capital Programme 2014/15 to 2019/20 and be financed from the available corporate capital resources:

Recommended New Capital Schemes	Corporate Resources Required £	Total Scheme Value £
Children & Education:		
School Condition Projects (including Vanguard Centre and Mayfield East Playing Field)	3,950,000	3,950,000
Primary School Places Expansion	11,706,000	11,706,000
Adaptations to Foster Carers Properties (Grants)	150,000	150,000
Culture, Leisure & Sport:		
Loan Advance for the Fitting Out of The New Theatre Royal	150,000	150,000
Environment & Community Safety:		
Long Curtain Moat Detailed Design	277,000	277,000
Housing:		
Support For Vulnerable People	200,000	1,212,600
Grosvenor House Refurbishment	100,000	3,188,000
Planning, Regeneration & Economic Development:		
Limberline Road Phase 3 (subject to a satisfactory financial appraisal to be approved by the Head of Finance & S151 Officer)	762,000	4,242,000
City Centre Public Realm Improvements	500,000	500,000
District Shopping Centre Improvements	100,000	100,000
Improvements to Community Facilities (Fratton Area)	100,000	100,000
Seafront Development	100,000	100,000
Resources:		
Landlord's Maintenance	1,000,000	1,000,000
Business Intelligence & Electronic Document Management System Requirement Specifications & Implementation of one option	850,000	850,000

Recommended New Capital Schemes		Corporate Resources Required £	Total Scheme Value £
	Web Phase 2 & Channel Shift	635,000	635,000
	Landlord's Maintenance	1,000,000	1,000,000
Traffic & Transportation:			
	Local Transport Plan 3 (including Eastern Road Waterbridge and Anglesea Road Footbridge)	1,865,000	2,362,900
	Verge Hardening	100,000	100,000
	St. Mary's Road & Milton Road Crossings	60,000	60,000
Total Recommended Sum to be Approved		22,605,000	30,683,500

- 5) It be noted that the Improvements to Community Facilities (Fratton Area) of £100,000 in recommendation 4) above is available for the community to use to enhance the overall community provision but is conditional upon the scheme demonstrating that it will lead to the City Council realising savings in future years.
- 6) The following schemes as described in Section 10 and Appendix 2 be approved as Invest To Save Schemes and funded from Prudential Borrowing (subject to the approval of a detailed financial appraisal by the Head of Finance & S.151 Officer) up to the limit shown:

	Prudential Borrowing Required £
Demolition of Floating Dock Jetty and Lengthening of Berth 2	16,985,000
Limberline Road Phase 3	3,480,000
Utility Management & Consumption Reduction	1,080,000
Total Recommended Sum to be Approved	21,545,000

- 7) The Harbour School Fratton located in Penhale Road is declared surplus to requirements and disposed.
- 8) The following Schemes as described in Section 13 be included within the "Reserve List" of Capital Schemes to be considered once additional capital resources are identified.

Future Priority Capital Schemes – Not in Priority Order
Early Years School Places
Seafront Improvements
Port Development
Dunsbury Hill Farm Development

Provision of Sites For Student Accommodation
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- 9) As outlined in Section 12 and Appendix 2 the City Council note the use of Portfolio Specific Reserves to fund the following scheme:

	Total Portfolio Reserve Funding £
Environment & Community Safety:	
Surface Water Separation	65,000
Total Use of Portfolio Reserves	65,000

- 10) The City Council note that Prudential Borrowing can only be used as a source of capital finance for Invest to Save Schemes as described in Section 14.
- 11) The Prudential Indicators described in Section 14 and set out in Appendix 4 be approved.

11. Portsmouth City Council Budget & Council Tax 2015/16 & Medium Term Budget Forecast 2016/17 to 2018/19 (AI 5)

The recommendations as contained in the report by the Head of Financial Services and S151 Officer were forwarded to Council of 10 February 2015 for approval.

RECOMMENDED

- (1) That the following be approved in respect of the Council's Budget:
- (a) The revised Revenue Estimates for the financial year 2014/15 and the Revenue Estimates for the financial year 2015/16 as set out in the General Fund Summary (Appendix A)
 - (b) The Portfolio Cash Limits for the Revised Budget for 2014/15 and Budget for 2015/16 as set out in Sections 7 and 9, respectively
 - (c) Any underspendings for 2014/15 arising at the year-end outside of those made by Portfolios be transferred to the MTRS Reserve

- (d) The Head of Finance & Section 151 Officer be given delegated authority to make any necessary adjustments to Cash Limits within the overall approved Budget and Budget Forecasts
 - (e) Managers be authorised to incur routine expenditure against the Cash Limits for 2015/16 as set out in Section 9
 - (f) That the savings requirement for 2016/17 be set at a minimum on-going sum of £11.0m
 - (g) Heads of Service be instructed to start planning how the City Council will achieve the savings requirements shown in Section 11 and that this be incorporated into Service Business Plans
 - (h) The minimum level of Revenue Balances as at 31 March 2016 be set at £6.5m (£6.0m in 2014/15) to reflect the known and expected budget and financial risks to the Council
 - (i) The Head of Finance & S151 Officer be given delegated authority to complete and authorise the statutory Government Returns for Business Rates for 2015/16 and all future years
 - (j) The Head of Finance & S151 Officer be given delegated authority to approve the Council Tax Base and Collection Fund Estimates for all future years
 - (k) Members have had regard for the Statement of the Head of Finance & Section 151 Officer in accordance with the Local Government Act 2003 as set out in Section 17.
- (2) That the following be noted in respect of the Council's Budget:
- (a) The Revenue Forecast and the associated provisional Portfolio Cash Limits for 2016/17 onwards as set out in Section 10 and Appendices B and C, respectively
 - (b) The estimated Savings Requirement of £31m for the three year period 2016/17 to 2018/19, for financial and service planning purposes, be phased as follows:

Financial Year	In Year Target £m	Cumulative Saving £m
2016/17	11.0	11.0

2017/18	10.0	21.0
2018/19	10.0	31.0

- (c) The MTRS Reserve held to fund the upfront costs associated with Spend to Save Schemes, Invest to Save Schemes and redundancies holds a relatively modest uncommitted balance of £2.9m and will only be replenished from an approval to the transfer of any underspends at year end
- (d) The Non Domestic Rates poundage for 2015/16 will be 49.3p, and 48.0p for small businesses
- (3) The advice from the Head of Finance & S151 Officer set out in the approved Budget report to the Council in December 2014 stated that:
- the minimum savings requirement for 2015/16 is £12.5m (with a Council Tax increase of 1.95%) or £13.1m (with a Council Tax freeze) and anything below that would not be prudent.*
- (4) That it be noted that at its meeting on 8 January 2015 the Cabinet calculated the amount of **53,277.2** as its Council Tax Base for the financial year 2015/16 [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the "Act")].
- (5) That the following amounts be now calculated by the Council for the financial year 2015/16 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992:

(a)	£512,652,086	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£450,236,248	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£62,415,838	Being the amount by which the aggregate at 3.5 (a) above exceeds the aggregate at 3.5(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B(1) of the Act.
(d)	£1,171.53	Being the amount at 3.5(c) above (Item R), all divided by Item 3.4 above (Item T), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year.

(e) Valuation Bands (Portsmouth City Council)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£

781.02	911.19	1,041.36	1,171.53	1,431.87	1,692.21	1,952.55	2,343.06
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Being the amounts given by multiplying the amount at 3.5(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings in different valuation bands.

- (6) That it be noted that for the financial year 2015/16 the Hampshire Police & Crime Commissioner is consulting upon the following amounts for the precept to be issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Police & Crime Commissioner)

A £	B £	C £	D £	E £	F £	G £	H £
104.89	122.37	139.85	157.33	192.29	227.25	262.22	314.66

- (7) That it be noted that for the financial year 2015/16 Hampshire Fire and Rescue Authority are recommending the following amounts for the precept issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below:

Valuation Bands (Hampshire Fire & Rescue Authority)

A £	B £	C £	D £	E £	F £	G £	H £
40.92	47.74	54.56	61.38	75.02	88.66	102.30	122.76

- (8) That having calculated the aggregate in each case of the amounts at 3.5(e), 3.6 and 3.7 above, the Council, in accordance with Sections 31A, 31B and 34 to 36 of the Local Government Finance Act 1992 as amended, hereby sets the following amounts as the amounts of Council Tax for the financial year 2015/16 for each of the categories of dwellings shown below:

Valuation Bands (Total Council Tax)

A £	B £	C £	D £	E £	F £	G £	H £
926.83	1,081.30	1,235.77	1,390.24	1,699.18	2,008.12	2,317.07	2,780.48

- (9) The Head of Finance & Section 151 Officer be given delegated authority to implement any variation to the overall level of Council Tax

arising from the final notification of the Hampshire Police & Crime Commissioner and Hampshire Fire and Rescue Authority precepts.

12. North Portsea Flood Defences - Construction Phase 1 (AI 6)

The Leader, Cabinet Members and Chief Executive all asked that their thanks be placed on record to Martin Lavers, Guy Mason and all involved in the successful bid for the flood defence scheme for North Portsea and they were very grateful for the effective consultation programme that had taken place with local residents.

DECISION: that the Cabinet Member for Environment and Community Safety write to the Minister for the Environment and offer the Portsmouth Business Case as an exemplar case study for future projects.

13. Public Houses (AI 7)

Alan Cufley, the Head of Corporate Assets, Business & Standards reported that a parliamentary bill regarding the Community Right to Bid was at the report stage for consideration in March 2015. Cabinet Members were supportive of this paper which had been brought forward following a Notice of Motion by Councillor Hastings and stressed that the community value should be given consideration as well as the business case for properties under consideration.

DECISION:

- (1) That the Cabinet notes the Community Right to Bid and will support the community to pursue this option where a public house can be shown to be a viable community asset.**
- (2) That the Cabinet Member for Planning, Regeneration & Economic Development (PRED) considers the purchase of public houses as part of its commercial property portfolio, if and when they can be shown to provide the greatest available return.**

The meeting concluded at 1.20 pm.

Councillor Donna Jones
Leader of the Council