

CABINET

17 October 2007

Attendance:

Councillor Beckett – *Leader and Portfolio Holder for Economy and Tourism* (Chairman) (P)

Councillor Allgood – *Portfolio Holder for Finance and Resources* (P)

Councillor Coates – *Portfolio Holder for Housing and Communities* (P)

Councillor Hollingbery – *Portfolio Holder for Performance and Communications* (P)

Councillor Pearson – *Portfolio Holder for Environment, Health and Safety* (P)

Councillor Stallard - *Portfolio Holder for Culture, Heritage and Sport* (P)

Councillor Wood – *Portfolio Holder for Planning and Transport* (P)

Others in attendance who addressed the meeting:

Councillor Hiscock

Mr A Rickman (TACT)

Others in attendance who did not address the meeting:

Councillors Barratt, Berry, Beveridge and Biggs.

1. **MINUTES**

RESOLVED:

That the minutes of the previous meeting held on 19 September 2007 be approved and adopted.

2. **PUBLIC PARTICIPATION**

Cabinet noted that Mr A Weeks wished to speak on Report CAB1534 and would be invited to do so under the relevant agenda item below.

3. **LEADER AND PORTFOLIO HOLDER ANNOUNCEMENTS**

Councillor Allgood reported that he had recently attended a Management Studies Award at Winchester Royal County Hospital for 12 members of City Council staff who had obtained a certificate or Diploma in Management Studies. He congratulated the staff involved.

Councillor Beckett announced the recent opening of the new business centre in Parchment Street, Winchester. He also reported on the successful Youth Democracy event which had been held and which would lead to the establishment of a Youth Council.

4. **GENERAL FUND BUDGET 2008/09**
(Report [CAB1536](#) refers)

Councillor Allgood emphasised that Appendix A of the Report indicated a projected deficit in 2008/09 of approximately £700,000, before any growth items were considered. Therefore, it was estimated that the Council must identify an additional £1 million in savings or additional income in order to balance the budget for next year.

Cabinet noted that it had been assumed there would be no increase in Government support in forthcoming years and that the City Council currently received below the national average amount of grant.

Cabinet also recognised specific pressures relating to the extension of the free bus pass scheme. The Head of Finance advised that the Government had announced the total grant amount to be made available to local authorities under this scheme, but the exact formula by which it would be apportioned was not yet available.

With regard to the Local Authority Business Growth Incentive (LABGI), Cabinet agreed with the proposal in paragraph 6.3 of the Report that the money be used primarily for supporting economic development. A share of the benefit should be considered for projects in the areas where the majority of the funds had been generated (i.e. Segensworth/Whiteley).

At the invitation of the Chairman, Councillor Hiscock expressed a number of concerns/queries relating to the budget proposals, as summarised below:

- The Report did not contain detailed proposals whereas, in previous years, the budget process had been further advanced at this stage. He was concerned that delays could reduce opportunities for consultation.
- He considered that services were suffering because of the current policy of "vacancy management";
- He believed that LABGI funds arose because of earlier investment made by the Council some time ago and should not be ring fenced in the manner suggested;
- He asked when the outcomes of the fundamental service review teams would be made available.

In response, the Chairman advised that the vacancy management policy had been introduced in response to an overspend on the Council's payroll. Any request to appoint a new member of staff without delay was considered on its merits and consequently the policy had not affected service delivery. He clarified that the LABGI funding had not been specifically ring fenced, as other purposes for its use could still be considered. The Head of Finance confirmed that by "earmarking" the funds for an identified purpose, it still allowed Cabinet flexibility to use if for other purposes should it consider it appropriate. The Chairman continued that the aim of the fundamental service reviews were to inform Cabinet Members and their findings would be used to develop proposals for savings, which would be recommended to Cabinet and Council at a future date.

In addition, Councillor Hollingbery commented that the wider consultation adopted by Cabinet last year, including with parish councils and local businesses, would continue for the 2008/09 budget.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

1. That the setting up of a separate earmarked reserve for Local Authority Business Growth Incentive (LABGI) funding be approved, to be used for the purposes specified (Paragraph 6.3 and Appendix D of the Report refer).

2. That the current projection of the Council's financial position be noted and used as the basis for considering changes to priorities, through growth and savings proposals, as part of Cabinet's deliberations of the draft Corporate Strategy.

5. **INTRODUCTORY TENANCIES**

(Report [CAB1533](#) refers)

Councillor Allgood declared a personal (but not prejudicial) interest in respect of this item as a Member of Hampshire County Council. He remained in the room, spoke and voted thereon.

At the invitation of the Chairman, Mr A Rickman (TACT) and Councillor Hiscock spoke in support of the proposals outlined in the Report. Mr Rickman stated the changes would be welcomed by the majority of tenants who paid their rent on time and did not cause anti-social behaviour problems. Councillor Hiscock requested that Cabinet ensure adequate resources were provided to enable the proposal to work smoothly.

The Chairman commented that the Scheme would be financed from the Housing Revenue Account.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

1. That an Introductory Tenancy scheme be introduced.

2. That the Head of Landlord Services work together with key stakeholders to draw up Policy and Procedures which set out how Introductory Tenancies will operate.

3. That key stakeholders, including waiting list applicants, tenants, the County Council's Adult and Children's Services, Joint Housing register partners and other support agencies, be consulted for their views on introducing the Scheme.

4. That the Head of Landlord Services, in consultation with the Portfolio Holder for Housing and Communities, be authorised to settle the final details of the Scheme following the consultation by way of a Portfolio Holder Decision Notice.

5. That monitoring arrangements be introduced, in line with the proposals set out in Section 7 of the Report, to facilitate the reporting of the effectiveness of the Introductory Tenancies to inform regular reviews of the Scheme.

6. **ESTABLISHMENT OF A JOINT COMMITTEE: PARTNERSHIP FOR URBAN SOUTH HAMPSHIRE (PUSH) AND JOINT OVERVIEW AND SCRUTINY COMMITTEE**

(Report [CAB1539](#) refers)

Councillor Allgood declared a personal (but not prejudicial) interest in respect of this item as a Member of Hampshire County Council. He remained in the room, spoke and voted thereon.

The Chairman suggested an amendment to the proposals regarding the appointment by Principal Scrutiny Committee of non-executive Members to the Joint Overview and Scrutiny Committee, to state that Members of Wards within the PUSH area be appointed *if possible*. This was agreed.

In response to questions, the Chief Executive confirmed that membership of PUSH did not preclude an individual authority from expressing dissenting views if it wished. However, more usually the joint submission of PUSH would be amended to take account of views expressed.

Councillor Allgood expressed dislike of the word "urban" in the partnership's title as he believed it implied a wish to "urbanise" the whole area covered. He suggested "Partnership for a *United* South Hampshire" might be more appropriate. The Chairman agreed to forward this suggestion to PUSH.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RECOMMENDED:

1. THAT MEMBERS AGREE THE ESTABLISHMENT OF A FORMAL JOINT COMMITTEE (PARTNERSHIP FOR URBAN SOUTH HAMPSHIRE (PUSH)) TO REPLACE THE EXISTING VOLUNTARY INFORMAL ARRANGEMENTS BASED ON THE TERMS OF REFERENCE AND BROAD STRUCTURE DESCRIBED IN THE ABOVE REPORT.

2. THAT MEMBERS AGREE THE ESTABLISHMENT OF A JOINT OVERVIEW AND SCRUTINY COMMITTEE TO SCRUTINISE THE ACTIVITIES OF THE PUSH JOINT COMMITTEE.

3. THAT DELEGATED AUTHORITY BE GIVEN TO THE CHIEF EXECUTIVE, IN CONSULTATION WITH THE LEADER, TO APPROVE AND ENTER INTO THE FINALISED DETAILED JOINT ARRANGEMENTS AGREEMENT AND OTHER DOCUMENTS.

RESOLVED:

1. That Cabinet appoints the Leader as the Council's representative on the PUSH Joint Committee, and nominates Councillor Hollingbery as the deputy.

2. That Principal Scrutiny be requested to appoint a non-Executive Member as the Council's representative on the Overview and Scrutiny Committee and a second non-Executive member to serve as deputy in their absence. It is recommended that, if possible, both represent Wards in that part of the District which lies within the PUSH area.

7. **CHANGING OUR WORKING PRACTICES: FLEXIBLE WORKING**
(Report [CAB1540](#) refers)

Councillor Allgood proposed amendments to the Report's recommendations, to emphasise the objectives of the changes in working practices and also put in place monitoring arrangements. These changes were agreed, as set out under Resolutions 1 to 4 below.

Cabinet noted that this Report would also be considered by Principal Scrutiny Committee and Personnel Committee, at their meetings on 22 October and 12 November 2007 respectively.

The Chief Executive advised that the Council had been trialing different working practices for some time and had learnt valuable lessons from experiences to date. The proposed next stage was to extend flexible working, as detailed in the Report, within existing resources and provided a business case was made in each instance.

The Chief Executive also highlighted the links with Council proposals for staff working from local access points around the District. He confirmed that Cabinet had previously considered a Report on these proposals and awarded initial funding of £50,000. Cabinet noted that to extend the local access point scheme further would require a business case to be made and separate Cabinet approval.

A number of Members expressed concern about some of the proposals for flexible working outlined in the Report. In particular, concern that home working would diminish the service for the customer, by reducing accessibility and face-

to-face contact. In addition, the suggestion of a nine day fortnight was considered by some Members to be unworkable and to offer a reduced service to customers. Members also queried how the productivity of staff would be monitored under the new arrangements.

In response, the Chief Executive confirmed that the overriding priority in decisions on whether flexible working was appropriate was maintaining the standard of customer service. For example, he emphasised that current technology enabled staff at home to be easily accessible by telephone or email. On the 'nine-day fortnight', the Chief Executive emphasized that this was simply a different way of working conditioned hours, not a reduction in those hours and so service levels. Appendix One proposed a roll-out of flexible working to be considered following a full consideration of individual Division's business needs, including how change could enhance customer service. In addition, the Head of Organisational Development confirmed that a review of management practices would be put in place to ensure staff could be managed remotely.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

1. That improvements to customer service, efficiency and staff recruitment and retention be agreed, by promoting the flexible working practices outlined in this Report.
2. That the principle be endorsed that all Divisions adopt flexible working practices consistent with their business needs.
3. That the next phase of the roll-out to the Divisions listed at Appendix One be agreed.
4. That the Portfolio Holder for Finance and Resources be requested to report to a future Cabinet on the progress of the programme and, in particular, how potential savings are to be achieved.

8. **RISK MANAGEMENT STRATEGY**

(Report [CAB1538](#) refers)

Cabinet noted that this Report would also be considered by Principal Scrutiny Committee at its meeting on 22 October 2007.

Members expressed concern about the inclusion of an additional responsibility that Cabinet "... ensure effective arrangements are in place throughout the Council and these are kept up to date" (as set out in the first bullet point of Paragraph 2.3 of the Report).

In response, the Head of Finance advised this had been included in order to satisfy external auditor requirements. However, Cabinet suggested that the proposed statement was unclear as to the level of Cabinet responsibility as opposed to officer responsibility. It was therefore agreed that the Head of

Finance clarify this point and the agreement of the Strategy be delegated to the Head of Finance in consultation with the Leader.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

1. That, subject to Recommendation 2 below, that the updated Risk Management Strategy be approved.

2. That following clarification of the points outlined above, agreement of the first bullet point in paragraph 2.3 of the Strategy be delegated to the Head of Finance, in consultation with the Leader.

9. **INSURANCE CONTRACT PROCUREMENT**

(Report [CAB1537](#) refers)

Cabinet noted that this Report was not notified for inclusion on the agenda within the statutory deadline. The Chairman agreed to accept the item, onto the agenda as a matter requiring urgent consideration, in order that the insurance contract procurement process could proceed without delay.

Some Members queried why the 60:40 quality:price ratio was being proposed. It was suggested that a minimum quality threshold be set, and above this the decision on award of contract be based solely on price.

In response, the Corporate Director (Governance) advised that the Council's Insurance brokers had advised that the price for this type of contract was unlikely to vary significantly, however, quality of service could. The differences in quality could also have indirect costs to the Council. It would be more difficult to assess the differences in quality of contract if the method of setting a minimum quality threshold was adopted.

Consequently, Cabinet agreed to retain a quality ratio, but reduce it to 40 per cent (i.e. approve an amended quality:price ratio of 40:60).

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

That the Head of Finance, in consultation with the Head of Legal Services and the Portfolio Holder for Finance and Resources, be authorised to determine and conduct the evaluation process based on a 40:60 quality:price ratio and to finalise the evaluation criteria set out in Appendix A, and that a further report be brought to Cabinet to approve the preferred insurer.

10. **REPRESENTATION ON OUTSIDE BODIES**

(Report [CAB1531](#) refers)

The Chairman advised that an additional nomination had been received from Councillor Biggs.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

That Councillor Biggs be appointed as the City Council's representative on the Winchester Charity School Education Foundation for the period until 31 October 2010.

11. **RESPONSE TO SCRUTINY REVIEW OF E-GOVERNMENT**

(Report [CAB1541](#) refers)

The Chief Executive confirmed that it was expected that Portfolio Holders would be involved in a scrutiny review of their area of work.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

That the Portfolio Holder's response be noted and sent to the Chairman of the Resources Scrutiny Panel.

12. **MINUTES OF THE CABINET (LOCAL DEVELOPMENT FRAMEWORK) COMMITTEE**

(Report [CAB1532](#) refers)

Cabinet considered the minutes of the meeting of the Cabinet (Local Development Framework) Committee held on 11 September 2007 (attached as Appendix A to the minutes).

In relation to Minute 6 (Gypsy and Traveller Accommodation Needs), the Chief Executive confirmed that the joint statement had been submitted to SEERA.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

That the minutes of the Cabinet (Local Development Framework) Committee held 11 September 2007 be received.

13. **SILVER HILL WINCHESTER – PROPOSED USE OF COMPULSORY PURCHASE POWERS**

(Report [CAB1534](#) and Addendum refers)

Cabinet received an Addendum to the above Report which contained some minor corrections and clarifications. It was noted that this Addendum was not notified for inclusion on the agenda within the statutory deadline. The Chairman agreed to accept the item as a matter requiring urgent consideration, in order that the consideration could proceed without delay.

The Chairman welcomed to the meeting the Council's external legal adviser on the use of compulsory purchase powers, Mr T Hellier of Berwin Leighton Paisner LLP.

In his introduction, the Head of Estates advised that the Report outlined the start of the process whereby the Council could resolve to use compulsory purchase powers. However, he emphasised that the Council would seek to acquire land through negotiation if at all possible and pointed out that the exercise of CPO powers was a planning power to be considered on its merits. The Cabinet could not be compelled to make the CPO under its development agreement which the Council had entered into as landowner.

In response to questions, Mr Hellier acknowledged the Report was highly technical, but confirmed that he was satisfied that the appropriate background work had been undertaken and it was now the right stage in the development process for the Council to agree the recommendations outlined.

Mr A Weeks (Winchester City Residents' Association) queried when the compulsory purchase powers proposed could be implemented. In particular, he asked whether an order could be granted whilst there was any outstanding planning application from London and Henley relating to the development area.

The Corporate Director (Operations) advised that London and Henley had withdrawn their appeal against the Council for non-determination of their planning application in relation to the site. However, even if a new planning application was to be received, following recent pre-application discussions, this would not affect the timing of the compulsory purchase process.

Cabinet noted that Report CAB1535 below would further consider risk issues and legal advice upon the use of compulsory purchase powers.

Cabinet agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

1. That compulsory purchase powers be used to facilitate the comprehensive redevelopment of the Silver Hill area of central Winchester and the Corporate Director (Governance) be authorised;

- (i) To make any necessary requisitions for information from parties interests in the Order Lands by way of the service of notices under section 16 of the Local Government Miscellaneous Provisions Act 1976 or section 5A of the Acquisition of Land Act 1981
- (ii) To continue to negotiate with any interested parties with a view to acquiring interests by negotiation

and that, subject to Cabinet being satisfied that the full indemnity agreement with Thornfield is in place, and the completion of the Section 106 agreement the Corporate Director (Governance) be then authorised;

- (iii) To make a Compulsory Purchase Order (the Order) for the Silver Hill development area pursuant to Sections 226(1)(a) and 226(3)(a) of the Town and Country Planning Act 1990 (as amended) and the Acquisition of Land Act 1981 and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 (as necessary) for the purpose of acquiring the Order Lands which are shown on the plan in Appendix A to the Report;
- (iv) To make all amendments or additions to the Order Lands plan to encompass all additional lands or rights which may be required for the scheme including, but not limited to any interests which have the benefit of restrictive covenants or easements and rights over the development site, subject to prior consultation with the Leader;
- (v) To advertise the making of the Order and to take all relevant action to facilitate the promotion and confirmation of the Order by the Secretary of State including publication of the Statement of Reasons, the Statement of Case and all necessary evidence in support of the Council's case at any resulting public inquiry. Additionally to appoint any necessary consultants to assist in facilitating the promotion and confirmation of the Order;
- (vi) Upon the Order having been confirmed and becoming operative to execute General Vesting Declarations or at his discretion, to serve Notices to Treat and where necessary Notices of Entry under Sections 5 and 11 of the Compulsory Purchase Act 1965 in respect of land included in the Orders;
- (vii) To be authorised to negotiate and agree terms with interested parties for the purchase by agreement or payment of compensation for any of the interests or rights included in the Order and where appropriate to agree relocations.
- (viii) To be authorised to take all necessary steps in relation to compensation issues which are referred to the Lands Tribunal, including advising on the appropriate uses and compensation payable and in issuing any appropriate certificate and be further authorised to appoint chartered surveyors jointly with Thornfield to assist and advise in this regard.

14. **FUTURE ITEMS FOR CONSIDERATION**

The Head of Estates indicated that he intended for the report on the future of Hyde Historic Resources Centre to be submitted to the 15 November Cabinet. Councillor Pearson reported that the Climate Change report would be submitted to Cabinet in December.

RESOLVED:

That the future items for consideration, as set out in the Forward Plan for October 2007, be noted.

15. **EXEMPT BUSINESS**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

<u>Minute Number</u>	<u>Item</u>	<u>Description of Exempt Information</u>
##	Silver Hill Winchester – Land Matters) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)))))))))))) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. (Para 5 Schedule 12A refers)

16. **SILVER HILL WINCHESTER – LAND MATTERS**
(Report CAB1535 refers)

Cabinet considered the above Report which contained a number of matters directly related to the proposed redevelopment of the Silver Hill area which the Council was required to consider in its capacity as landowner and in relation to the development agreement with the developer, Thornfield Properties (Winchester) Limited (detail in exempt minute).

The meeting commenced at 9.00am and concluded at 12.25pm.

Chairman