

**CABINET**

**15 October 2008**

**Attendance:**

Councillor Beckett - *Leader and Portfolio Holder for Economy and Tourism (Chairman) (P)*  
Councillor Allgood – *Portfolio Holder for Finance and Efficiency (P)*  
Councillor Coates – *Portfolio Holder for Housing (P)*  
Councillor Cooper – *Portfolio Holder for Communities and Safety (P)*  
Councillor Godfrey – *Portfolio Holder for Performance and Organisational Development (P)*  
Councillor Pearson – *Portfolio Holder for Environment (P)*  
Councillor Stallard - *Portfolio Holder for Heritage, Culture and Sport (P)*  
Councillor Wood – *Portfolio Holder for Planning and Access (P)*

**Others in attendance who addressed the meeting:**

Councillors Busher, Collin, Higgins and Learney  
Mr A Rickman (TACT)

**Others in attendance who did not address the meeting:**

Councillors Barratt, Humby, Nelmes and Worrall

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1. **MINUTES**

Cabinet noted that Councillor Stallard had mistakenly been recorded as being present at the last meeting.

RESOLVED:

That subject to the above correction, the minutes of the previous meeting, held on 17 September 2008, be approved and adopted.

2. **PUBLIC PARTICIPATION**

There were no questions asked or statements made.

3. **LEADER AND PORTFOLIO HOLDER ANNOUNCEMENTS**

Councillor Beckett made a statement regarding the Council's investment in the Icelandic Heritable Bank Ltd. He confirmed that the Council had invested £1m in Heritable Bank Ltd on 16 September 2008. Independent advice from Treasury Management advisors on the day was that Heritable Bank had a high

F1 credit rating and this rating did not change until 30 September 2008, two weeks later. The investment was made through a broker in accordance with the Council's Treasury Management Strategy, which had been approved by full Council and fully complied with the Department of Communities and Local Government's guidance.

Councillor Beckett stated that he was satisfied that the Treasury Management Strategy for investing funds was complied with in making this investment. He also emphasised that Heritable Bank was a UK based subsidiary of an Icelandic bank and, as such, had been included on the list of possible investments as a UK bank. In addition, the Local Government Association (LGA) had advised councils to conduct an enquiry into such investments only if made after 30 September 2008.

Councillor Beckett confirmed that the Council had registered with the bank's administrators as an unsecured creditor and the LGA had held some encouraging discussions with the bank's administrators. However, should the debt prove to be irrecoverable, the Council would consider what steps would be necessary to meet the shortfall at the appropriate time. The Treasury Management Strategy would be reviewed in the light of the current global economic situation.

Councillor Beckett also made the following announcements:

- He welcomed the Council's reaccreditation as an "Investors in People" organisation;
- He would be representing the Council at the forthcoming South East England Regional Assembly, which would include discussion of the new community infrastructure levy;

4. **CAPITAL PROGRAMME 2008/09 - 2013/14**  
(Report [CAB1738](#) refers)

Councillor Allgood proposed an amendment to Recommendation 2 to include a request to note the revisions to the current Capital Programme. This was agreed.

At the invitation of the Chairman, Councillor Learney noted that the report would be discussed in detail at Principal Scrutiny Committee on 20 October 2008. However, she made the following points on behalf of the Liberal Democrat Group:

- Concern that the Major Investment Reserve would be depleted in three years time;
- The current position on the Revenue Budget (CAB1727) and the supplementary estimates currently awaiting Council approval meant it was difficult to see how future capital funding could be met by borrowing (for example, the proposals regarding refurbishment or replacement of the City Offices);

- A review of the property portfolio was necessary to see what further opportunities there were to release sites so that the receipts could be used for investment on capital projects;
- A query regarding the treatment of invest to save projects, which should produce savings to re-invest in future capital projects.

In response, the Chairman advised that proposals regarding the re-development of the City Offices site were under consideration and would be submitted to a Cabinet meeting in due course. The Head of Finance also clarified the Council's treatment of 'invest to save'.

The Chairman highlighted that any alternative proposals for the Capital Programme could be made at Principal Scrutiny Committee on 20 October 2008.

At the invitation of the Chairman, Mr Rickman (TACT) requested clarification of the Council's proposals regarding future sale of Council properties, as Appendix C appeared to suggest it would continue until 2014.

The Chairman advised that the report included projections based on current Council policies. He confirmed that, as Mr Rickman was advised at previous Cabinet meetings, the current policy on sale of council houses would be reviewed at Cabinet in the next few months. However, he emphasised the potential adverse impact on the Housing Capital Programme should the policy be reversed.

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

**RECOMMENDED:**

**1. THAT THE CAPITAL STRATEGY AS SET OUT IN THE APPENDIX TO CAB1680 BE APPROVED, SUBJECT TO THE PRESENTATIONAL POINTS IN THE DETAIL OF THE MINUTE BEING ADDRESS BY THE HEAD OF FINANCE, IN CONSULTATION WITH THE PORTFOLIO HOLDER FOR FINANCE AND EFFICIENCY.**

**2. THAT THE REVISIONS TO THE CURRENT CAPITAL PROGRAMME BE NOTED AND THAT THE CONSIDERATION OF THE CAPITAL PROGRAMME BE DEALT WITH AS PART OF THE BUDGET AND COUNCIL TAX SETTING CONSIDERATIONS.**

**RESOLVED:**

1. That the revised capital programme for 2008/09 to 2013/14 be approved, noting that individual schemes within the Capital Programme each require appropriate approval by Cabinet or Portfolio

Holders in accordance with Financial Procedure Rules before any funds are committed.

2. That the capital growth bids to be considered as part of the overall budget options consultation for 2009/10 be confirmed.

5. **GENERAL FUND BUDGET**  
(Report [CAB1727](#) refers)

At the invitation of the Chairman, Councillor Learney (on behalf of the Liberal Democrat Group) emphasised the challenges faced by the Council in meeting the current predicted budget deficit of £2.2 million. This had potentially been made worse by the £1 million investment in Heritable Bank (referred to in the Leader's announcement above). She stated that the Council's financial position had worsened over the previous two years, despite an increase in Government funding. Councillor Learney requested that suggestions for savings currently being considered by the Conservative group be made public as soon as possible, including options considered but rejected during the fundamental service review process. She believed that measures should be taken to address the shortfall prior to April 2009.

The Chairman responded that once agreed by the Conservative Group, options for savings would be published, but those rejected would not be made public. Although the Government grant had increased slightly by 0.5 per cent, this was below the rate of inflation and he emphasised that the Council faced greater expenditure pressures outside of its control (for example, the nationally agreed pay award to employees and RPI increases on major contracts). In general, he welcomed proposals on the budget from Councillors from any political party, either made at the Scrutiny Panels or directly to the relevant Portfolio Holder or officer.

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

**RESOLVED:**

That the current projection of the Council's financial position be noted and used as the basis for considering growth and savings proposals, as part of the deliberation of the budget.

6. **EFFICIENCY FORWARD LOOK 2008/09**  
(Report [CAB1724](#) refers)

Councillor Allgood advised that since the report was prepared, the Government had altered its guidance as to what could be included within the reported efficiency savings. Under the new requirements, the Council would be reporting cashable efficiency savings of £247,990 (as opposed to the total of £553,783 stated in paragraph 1.5 of the report). Consequential changes to the report's appendices would also be required. The Council's annual efficiency target would therefore be £250,000.

The Chief Executive emphasised that although the Government's requirements had altered, the Council were still set to achieve savings of approximately £500,000.

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

RESOLVED:

1. That in view of the Government's change in the guidance on the calculation of efficiency savings, a revised target of £250,000 be adopted for 2008/09.

2. That the progress at the end of quarter two 2008/09 against the Council's annual efficiency target and the progress against the action plan to address the findings of the PricewaterhouseCoopers review of efficiency arrangements be noted.

7. **THE DEPOT SERVICES CONTRACT – THE FUTURE SCOPE**  
(Report [CAB1723](#) refers)

The Chairman emphasised that, at this stage, the proposal was for the option of separating the contract to be considered further. In addition, discussions with neighbouring authorities were being held regarding the possibility of joint working.

At the invitation of the Chairman, Councillor Learney (on behalf of the Liberal Democrat Group) welcomed the proposal to separate the different elements of the depot services contract. She drew Cabinet's attention to the Audit Commission report on backroom services and also mentioned the difficulties experienced with considering joint service provision with other authorities in the past. She requested an early review of the future of the Bar End depot, which was currently under utilised and a nuisance for local residents.

The Chairman responded that the future of the Bar End depot was under consideration. With regard to possible joint working, the Council had submitted a proposal to the Hampshire and Isle of Wight Improvement Board for funds to enable further investigation into this area.

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

RESOLVED:

1. That, in principle, agreement be given to the future separation of the Depot Services Contract as outlined in the report and the procurement processes for the environmental services and responsive housing repair services be allowed to proceed along their

own appropriate pathways, as long as that approach continues to demonstrate best value to both service areas.

2. That reports on progress with procurement processes and future resource implications be brought back to Cabinet and Principal Scrutiny Committee as appropriate.

8. **CCTV CONTROL ROOM RELOCATION AND SYSTEM UPGRADE**  
(Report [CAB1735](#) refers)

At the invitation of the Chairman, Councillor Collin queried whether the possibility of locating the CCTV control room at the proposed new Fire Service premises in Winnall had been investigated. He believed that this would offer additional benefits and that the delays in the Silver Hill development would allow more time for discussions to take place on this matter. This would also enable the facility at Basepoint to be retained for its original purpose (as a home for business starter units).

The Head of Estates advised that the Council had already signed an agreement for lease with Basepoint, which included a lease back to the Council of the unit where it was proposed to locate the CCTV room. This was a long lease of the CCTV unit at a peppercorn rent. If it was decided not to use the unit for the CCTV room, it could possibly be utilised by the Council for some other purpose, such as storage, or leased to a third party. However, he emphasised that although the Silver Hill programme had slipped slightly, the revised planning application would be considered by Planning Development Control Committee on 21 October 2008 and it was anticipated that a report on the compulsory purchase process would be submitted to the Cabinet in November 2008. Consequently, there was a degree of urgency regarding the relocation of the CCTV control room.

In addition, the Corporate Director (Operations) emphasised that there were risks to the Council if it delayed its plans whilst waiting for the possible relocation of the Fire Service.

The Chairman requested officers prepare a briefing note on points raised and he would report back to Councillor Collin directly.

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

**RESOLVED:**

1. That expenditure of up to £300,000 from the existing provision in the capital programme be authorised under Financial Procedure Rule 6.4 (authority to release capital expenditure) for accommodation works to provide new accommodation for the CCTV control room at the City Council owned property to be leased to Basepoint.

2. That subject to Recommendation 3 below, a direction be made under Contract Procedure Rule 3.3(a), that the Head of Access and Infrastructure be authorised to procure these works through the contract let by Basepoint for the total building refurbishment.

3. That the Head of Estates, in consultation with the Portfolio Holder for Finance and Efficiency, be satisfied on advice that the cost of the works is reasonable and has been subject to competitive tender by Basepoint.

4. That the offer by Thornfield Properties of a guarantee to reimburse the Council its expenditure up to £300,000 no later than 31 December 2011 even if the Silver Hill redevelopment does not go unconditional by that date be noted, and that the Council does not commit the expenditure until an agreement has been entered into with Thornfield, in a form agreed by the Heads of Legal Services and Finance.

5. That the revised timetable for the relocation and upgrade of the CCTV control room and system be noted and a further report be made to Cabinet in due course.

9. **WINCHESTER DISTRICT CHILDREN AND YOUNG PEOPLE'S PARTNERSHIP – PROGRESS AND ACTION PLAN**  
(Report [CAB1725](#) refers)

The Chairman welcomed to the meeting Ms Lin Ferguson, District Services Manager (Winchester) Children and Families Branch, Hampshire County Council Children's Services. Ms Ferguson thanked the Community Wellbeing Manager for her work and commitment in achievements so far.

Councillor Cooper concurred with comments made by Ms Ferguson.

The Head of Partnership and Communications responded to questions regarding the 'Myplace' bid. She emphasised that although a provisional site had been identified within the City Centre, this was to enable the Government bid to be submitted, and its location might change should funding be forthcoming.

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

**RESOLVED:**

1. That the Winchester District Children and Young People's Action Plan 2008 – 2011 be endorsed, as outlined at Appendix A of the report.

2. That the active contribution by the City Council to the achievement of aims within the Winchester District Children and Young People's Partnership Action Plan as shown at Appendix A of the report

be supported through the provision of staff time and consideration of the allocation of resources through the budget setting process for 2009/10.

10. **CONSTITUTION AMENDMENTS – CABINET (LOCAL DEVELOPMENT FRAMEWORK) COMMITTEE**

(Report [CAB1737](#) refers)

Cabinet agreed to the following for the reasons outlined in the Report.

RESOLVED:

That the terms of reference of the Cabinet (Local Development Framework) Committee (Part 3, Section 2 of the Constitution) be amended to add the following:-

“(e) To consider and comment on behalf of the Council in respect of the Regional Spatial Strategy, Local Development Frameworks and other relevant plans or consultation exercises by Government, local authorities or other relevant bodies.”

11. **FREE SWIMMING FOR CHILDREN AGED 16 AND UNDER**

(Report [CAB1722](#) refers)

The Chairman agreed to accept the matter onto the agenda as a matter requiring urgent consideration, as the consultation paper had only been received from the Government on 7 October 2008 and a response was required by 24 October 2008.

At the invitation of the Chairman, Councillor Higgins thanked officers for their consideration of his suggestion that free swimming be extended to adults accompanying children, noting that it was not considered to be feasible at the current time. However, he stated that as DC Leisure expected to increase their revenue through additional refreshment etc sales to new customers, the matter should be kept under review. This request was noted.

At the invitation of the Chairman, Councillor Busher queried whether the free swimming scheme could be extended to apply to the swimming pool in Bishops Waltham. The Chairman emphasised that it was a Government initiative, but agreed to investigate this request further.

In response to questions, the Corporate Director (Operations) confirmed that it was not possible for councils to impose a qualification that restricted free use of swimming pools under the scheme to residents of their own District. However, a council could decide not to participate in the scheme at all and consequently swimming pools in these areas would not be free to use by children aged 16 and under or those aged 60 and over.

Cabinet queried whether it was possible to obtain statistics on whether once introduced, the initiative had encouraged children to swim who previously had



not participated. Councillor Cooper advised that he would investigate whether it would be possible to undertake such research through the Children and Young People's Partnership.

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

RESOLVED:

1. That, subject to receipt of the grant from Government set out in paragraph 6 of this report and written confirmation from DC Leisure (Solent) Ltd of their agreement to underwrite the scheme, free swimming be introduced at River Park Leisure Centre in 2009/10 and 2010/11 for children aged 16 and under.

2. That the Head of Legal Services be authorised to revise the existing management contract with DC Leisure (Solent) Ltd to reflect the funding arrangements for the scheme;

3. That the Head of Cultural Services, in consultation with the Head of Finance and the Portfolio Holder for Heritage Culture and Sport, be authorised to submit a capital bid for 2009/10 to the Department for Culture Media and Sport, and that a further report be brought to Cabinet regarding implementation of this bid, if successful.

12. **FUTURE ITEMS FOR CONSIDERATION**

RESOLVED:

That the list of future items, as set out in the Forward Plan for October 2008, be noted.

13. **DECISIONS TAKEN BY PORTFOLIO HOLDERS UNDER THEIR DELEGATED POWERS**

RESOLVED:

That the decisions taken by Portfolio Holders under their delegated powers since the last Cabinet meeting, as set out on the agenda sheet, be noted.

14. **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>
##	Exempt minutes of the previous meeting	Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)
##	Abbey Mill, Winchester	
##	Upper Brook Street Car Park – revised terms	
##	RPLC – Rate Relief & Contract Variation	
##	Refurbishment of Abbey Gardens Public Conveniences	
##	Upper Brook Street Car Park – revised terms	

15. **EXEMPT MINUTES**

RESOLVED:

That the exempt minutes of the previous meeting, held on 17 September 2008, be approved and adopted.

16. **ABBEY MILL, WINCHESTER**

(Report CAB1732 refers)

Cabinet considered the above report which set out proposals regarding the future use of Abbey Mill, Winchester (detail in exempt minute).

17. **UPPER BROOK STREET CAR PARK, WINCHESTER – REVISED TERMS**

(Report CAB1733 refers)

Cabinet considered the above report which set out proposed revised terms regarding Upper Brook Street car park (detail in exempt minute).

18. **RIVER PARK LEISURE CENTRE – RATE RELIEF AND CONTRACT VARIATION**

(Report CAB1717 refers)

Cabinet considered the above report which set out proposals for the rate relief and contract variation for River Park Leisure Centre (detail in exempt minute).

19. **REFURBISHMENT OF ABBEY GARDENS PUBLIC CONVENIENCES**  
(Report CAB1734 refers)

Under the Council's Constitution, Access to Information Procedure Rules (Rule 15.1 General Exception), this was a Key Decision, which had not been included in the Forward Plan. Under this procedure, the Chairman of Principal Scrutiny Committee had been informed.

Cabinet considered the above report which set out proposals regarding the refurbishment of Abbey Gardens Public Conveniences, Winchester (detail in exempt minute).

The meeting commenced at 10.00am and concluded at 12.20pm

Chairman