

**CABINET****11 February 2015****Attendance:**

|                        |   |
|------------------------|---|
| Councillor Humby -     | <i>Leader (Chairman) (P)</i>  |
| Councillor Weston -    | <i>Deputy Leader and Portfolio Holder for Built Environment (Vice-Chairman) (P)</i> |
| Councillor Godfrey -   | <i>Portfolio Holder for Finance &amp; Organisational Development (P)</i>            |
| Councillor Miller -    | <i>Portfolio Holder for Business Services (P)</i>                                   |
| Councillor Southgate - | <i>Portfolio Holder for Communities &amp; Transport (P)</i>                         |
| Councillor Tait -      | <i>Portfolio Holder for Housing Service (P)</i>                                     |
| Councillor Warwick -   | <i>Portfolio Holder for Environment, Health &amp; Wellbeing (P)</i>                 |

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

Councillors Learney, Pines and Rutter

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

Councillors Hiscock, Thompson and Weir  
Mr D Chafe (TACT)

**1. DISCLOSURE OF INTERESTS**

Councillor Humby declared a disclosable pecuniary interest in respect of agenda items due to his role as a County Councillor. Councillor Godfrey declared a disclosable pecuniary interest in respect of agenda items due to his role as a County Council employee. However, as there was no material conflict of interest, they remained in the room, spoke and voted under the dispensation granted on behalf of the Standards Committee to participate and vote in all matters which might have a County Council involvement.

Councillor Pines declared a personal and prejudicial interest as the secretary and trustee of the Winnall Rock School and he left the room during the consideration of Report CAB2646 below.

Councillor Southgate declared a personal, but not prejudicial interest in respect of CAB 2658, because of his position as a trustee of the Hampshire Cultural Trust. He remained in the room and took part in the discussion and voting on the item.

## 2. **MEMBERSHIP OF CABINET COMMITTEES**

Cabinet noted that, following the appointment of the Cabinet (Major Projects) Committee at its previous meeting on 14 January 2015, additional nominations for standing invitees to the Committee had been received as follows:

- Independent – Councillor Nelmes
- Labour – Councillor Pines (J Berry)
- Conservative – Councillors Byrnes and Jeffs

In addition, the date for the first meeting of this new Committee had not yet been confirmed.

Councillor Tait announced that Councillor Osborne wished to stand down as the Council's representative on The Carroll Centre and suggested that Councillor Scott be appointed as her replacement (subject to Councillor Scott confirming his agreement). At the invitation of the Chairman, Councillors Learney and Pines (as Leaders of Opposition Groups) confirmed that they had no objections to this proposal.

### RESOLVED:

1. That, in addition to the appointments made at the previous meeting on 14 January 2015, the following Councillors be appointed as standing invitees to the Cabinet (Major Projects) Committee:

Independent: Councillor Nelmes  
 Labour: Councillor Pines (J Berry)  
 Conservative: Byrnes and Jeffs

2. That subject to the confirmation of both Councillors, Councillor Scott replace Councillor Osborne as the Council's representative on the Carroll Centre.

## 3. **MINUTES**

The Chief Operating Officer referred to consideration of the Denmead Neighbourhood Plan (Report CAB2641) and representations made at the previous Cabinet meeting by David Smith. Subsequent to the meeting, Mr Smith had requested that the minutes be extended to include the text of his full presentation. The Head of Legal and Democratic Services had responded to Mr Smith explaining this would not be normal practice for the Council and that he considered the summary of comments outlined in the minutes was adequate. In addition, Cabinet had received the detail of Mr Smith's concerns prior to its consideration of the Report and the Referendum process had already begun.

**RESOLVED:**

That the minutes of the previous meeting held on 14 January 2015 be approved and adopted.

**4. PUBLIC PARTICIPATION**

Karen Barratt spoke regarding Report CAB2661 and the proposals relating to Station Approach. In summary, she believed, as a local resident and former Councillor for St Paul's Ward, that there was general opposition to the loss of the Registry Office building. She expressed concern that the Council appeared to be prioritising speed of development over the need to properly consult and ensure what was provided properly met requirements. She highlighted a number of suggestions being made by the local community, including a Winchester Music Space, and these all required careful consideration.

The Chairman emphasised that extensive public consultation was planned with regard to the Station Approach area, including an Architect's design competition. Local Ward Members were satisfied with the consultation proposals.

At the invitation of the Chairman, Councillor Rutter addressed Cabinet as a member of the Planning Committee which had recently resolved to grant planning permission for the Silver Hill development. However, as a consequence of the Judicial Review decision (see Leader's announcements below) she believed it was now necessary for the Council to go back to the start of the process and ensure development included 40% affordable housing. Whilst noting that the area required urgent regeneration, she believed it was essential the right decisions were made in moving forward.

**5. LEADER AND PORTFOLIO HOLDER ANNOUNCEMENTS**

Councillor Humby announced that the results of the Judicial Review of procurement in respect of the Silver Hill scheme had been received earlier that day and had found against the Council. This was a disappointing result and was contrary to the external legal advice the Council had received and the initial legal judgement at permission stage which rejected a Judicial Review.

Councillor Humby emphasised that the requirement for the regeneration of the Silver Hill area was clear and had cross-Council support. He believed the Council was correct in its decision to proceed with the project, a decision which was backed up by the legal advice received. However, it was never easy to predict the outcome of a Judicial Review and the ruling must be acknowledged. Officers were now considering with legal advisors next steps, including the possibility of an appeal. He emphasised that the Planning Committee decision remained and there was still a viable scheme which could still be developed. The ruling had not contradicted the conclusions of the

Council's advisors, Deloitte, that the approved scheme offered the Council "best consideration". However, the High Court had decided that the Council was wrong to proceed with the variations to the scheme now approved without first testing the market. Officers' advice would be sought on whether it was possible to rectify that omission to enable the Council to comply with the Court's decision.

Councillor Humby continued that investigation would take place into other options, including whether to abandon the current scheme and start again (which would require public consultation on options, approval of a Masterplan for a preferred option, procurement of development partners, and possibly a further CPO being sought). Whichever option chosen would have financial consequences and more detailed financial advice will be needed to accompany an assessment of the various options. A revised budget would be considered below to reflect initial assessment of the immediate consequences.

Councillor Humby acknowledged that a decision could not be rushed but also that the Silver Hill area was in urgent need of regeneration. It was intended that Council would be asked to endorse Cabinet's preferred option. In addition, he proposed to establish an independent review of the decision-making on this matter. He would invite both the Chairman of Audit Committee and The Overview and Scrutiny Committee to work with him to this end.

Councillor Miller announced that the lease of Avalon House to Southern Health NHS Foundation Trust had been completed the previous week and the medical facilities were currently being installed.

Councillor Miller also congratulated the Council and its staff on achieving the renewal of its Customer Service Excellence accreditation.

Councillor Tait reported that the County Council had arranged for the contractor to address a number of defective paving areas in Winchester High Street.

Councillor Warwick stated that following repairs by the Council as landlord, Springvale Surgery in Kings Worthy would reopen on 23 February 2015.

The Chief Operating Officer advised that on 10 February 2015, the Local Government Boundary Commission had issued draft recommendations for revised warding arrangements in the Winchester District. The proposals were for a Council of 45 Members, based on 15 three-member wards. The proposals were now out for consultation and anyone with an interest in the District was entitled to respond. The closing date for representations was 6 April 2015 so the Council's response (if any) would need to be considered at its meeting 1 April 2015. Proposals would then be finalised by the Local Government Boundary Commission, with a final decision expected in June 2015 and implemented from the May 2016 elections.

6. **BUDGET AND COUNCIL TAX 2015/16**  
(Report CAB2647 REVISED refers)

Cabinet noted that a revised version of CAB2647 had been published to take account of the result of the Judicial Review of procurement in respect of the Silver Hill scheme being announced earlier that day (the JR decision). The revised report had not been made available for publication within the statutory deadline. The Chairman agreed to accept the item onto the agenda as a matter requiring urgent consideration to allow Cabinet to consider the revised contents prior to their further consideration at both The Overview and Scrutiny Committee on 16 February 2015 and Council on 19 February 2015.

Councillor Godfrey clarified that the changes from the original report were all set out in bold text. The risk of the Silver Hill Judicial Review hearing finding against the Council had previously been identified, but the revised report reflected only the immediate impact of the decision on the Council's budget. The revised report assumed there would be no forthcoming receipts or payments in relation to the Silver Hill development, apart from the inclusion of an amount in the capital programme for St Clement's Surgery. The Council would be required to borrow monies to cover the £5 million purchase of King's Walk if the Council did not exercise the "put option", retaining ownership of the land itself, rather than recovering the cost from the proposed developers, Hendersons.

Councillor Godfrey continued that the immediate impact of the JR decision was unlikely to have significant effect on the Council's budget over the next two years, but after this time there would be an income shortfall of approximately £400,000 which had been assumed would be generated from the new car park provided as part of the Silver Hill scheme. The forecast after four years was for an annual £2.5 million deficit.

However, Councillor Godfrey emphasised that the revised report outlined a balanced budget for 2015/16, with no increase in Council Tax or reduction in services. A cautious approach was recommended in relation to Government receipts, in particular the New Homes Bonus and reserves would be maintained. Extra income had been forthcoming from retained Business Rates as a result of a boost in the local economy. Extra funding was proposed to address concerns in relation to the Joint Environmental Services Contract.

The Chairman thanked Councillor Godfrey, Chief Finance Officer and team for their work in producing the revised budget report within such a short time frame.

At the invitation of the Chairman, Councillor Learney highlighted that due to the timing of the JR decision, there had not been sufficient time to analyse the contents of the revised report. However, in general she believed that the Council was fortunate in being located in an affluent part of the country but was facing a significant financial challenge which should be addressed as a matter of urgency and this need for urgency was increased by the JR decision. The Council would be required to make difficult financial decisions –

for example, it was unlikely a new Leisure Centre would be affordable. In summary, she believed it was essential the Council prioritise the District's residents and seek to continue with the regeneration of the Silver Hill area which was urgently required and the Liberal Democrat Group would work with other Councillors to achieve this.

The Chairman thanked Councillor Learney for her comments and stated that the proposed prudent approach to the budget would give the Council time to carefully consider the difficult financial decisions to be taken over the next few years.

In response to questions, Councillor Godfrey stated that the revised budget proposed an additional £200,000 covering broadly £100,000 towards legal costs together with an additional £100,000 towards necessary work to move the Silver Hill scheme forward.

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

**RECOMMENDED:**

**1. THAT THE UPDATE ON THE 2014/15 BUDGET AS SET OUT IN PARAGRAPH 2 BE NOTED.**

**2. THAT MEMBERS CONSIDER THE LEVEL OF GENERAL FUND BUDGET FOR 2015/16 AND MAKE RECOMMENDATIONS FOR THE FOLLOWING:**

|   | <u>2015/16</u><br>£ |
|---|---------------------|
| <b>GENERAL FUND COST OF SERVICES</b>  | <b>19,089,167</b>   |
| <b>(SURPLUS) / DEFICIT ON TRADING ACCOUNTS</b>                                    | <b>424,385</b>      |
| <b>OTHER OPERATING INCOME &amp; EXPENDITURE (LOCAL PRECEPTS)</b>                  | <b>2,411,417</b>    |
| <b>FINANCING &amp; INVESTMENT INCOME &amp; EXPENDITURE</b>                        | <b>(2,640,315)</b>  |
| <b>ADJUSTMENTS BETWEEN ACCOUNTING BASIS &amp; FUNDING BASIS UNDER REGULATIONS</b> | <b>(2,344,175)</b>  |
| <b>APPROPRIATIONS TO / (FROM) OTHER EARMARKED RESERVES</b>                        | <b>1,417,117</b>    |
| <b>COLLECTION FUND DEFICIT / (SURPLUS)</b>  | <b>(933,371)</b>    |
| <b>COUNCIL TAX SUPPORT GRANT TO PARISHES</b>                                      | <b>155,712</b>      |
| <b>NET BUDGET REQUIREMENT (INCL. LOCAL</b>  | <b>17,579,937</b>   |

|  |                    |
|--|--------------------|
| <b>PRECEPTS)</b>                                       |                    |
| <b><u>LESS</u> NON-RING FENCED GOVERNMENT GRANTS</b>   | <b>(8,494,217)</b> |
| <b>COUNCIL TAX REQUIREMENT (INCL. LOCAL PRECEPTS)</b>  | <b>9,085,720</b>   |
| <b>COMPRISING:</b>                                     |                    |
| <b>AGGREGATE OF SPECIAL EXPENSES (WINCHESTER TOWN)</b> | <b>809,014</b>     |
| <b>WINCHESTER CITY COUNCIL – GENERAL EXPENSES</b>      | <b>5,865,289</b>   |
| <b>COUNCIL TAX REQUIREMENT FOR BILLING AUTHORITY</b>   | <b>6,674,303</b>   |
| <b>AGGREGATE OF LOCAL PRECEPTS</b>                     | <b>2,411,417</b>   |
| <b>COUNCIL TAX REQUIREMENT (INCL. LOCAL PRECEPTS)</b>  | <b>9,085,720</b>   |

**3. THAT THE CHANGES PROPOSED TO THE BUDGET BE APPROVED, AS SET OUT IN APPENDIX D.**

**4. THAT THE CAPITAL PROGRAMME AND FINANCING FOR 2014/15 TO 2019/20 BE APPROVED, AS SET OUT IN APPENDICES E AND G.**

**5. THAT THE POLICY AS PREVIOUSLY AGREED BY THE COUNCIL ON 14 JULY 1999 (MIN 186 REFERS) BE CONFIRMED TO TREAT ALL EXPENSES OF THE COUNCIL AS GENERAL EXPENSES OTHER THAN THOSE SPECIFICALLY IDENTIFIED AND ITEMISED IN THE WINCHESTER TOWN ACCOUNT. IN CONSEQUENCE OF WHICH THE SUM OF £809,014 BE TREATED AS SPECIAL EXPENSES UNDER SECTION 35 OF THE LOCAL GOVERNMENT FINANCE ACT 1992 IN RESPECT OF THE WINCHESTER TOWN AREA, APPENDIX J.**

**6. THAT THE COUNCIL TAX FOR THE SPECIAL EXPENSES IN THE WINCHESTER TOWN AREA AT BAND D FOR 2015/16 BE FROZEN AT 2010/11 LEVELS; £61.32.**

**7. THAT THE BALANCE ON THE COLLECTION FUND FOR DISTRIBUTION TO THIS COUNCIL, CALCULATED AT 15 JANUARY 2015 OF £120,249 FOR COUNCIL TAX, BE APPROVED.**

**8. THAT THE BALANCE ON THE COLLECTION FUND FOR DISTRIBUTION TO THIS COUNCIL IN 2015/16, CALCULATED AT 31 JANUARY 2015, OF £813K FOR BUSINESS RATES BE NOTED.**

**9. THAT MEMBERS RECOMMEND THE LEVEL OF COUNCIL TAX AT BAND D FOR CITY COUNCIL SERVICES FOR 2015/16 TO BE FROZEN AT 2010/11 LEVELS; £126.27.**

**10. THAT PARISH COUNCIL TAXES BE NOTED AS IN APPENDIX K.**

**7. HOUSING REVENUE ACCOUNT 2015/16 BUDGET AND BUSINESS PLAN 2015/16 TO 2044/45**

(Report CAB2652(HSG) refers)

**MINUTE EXTRACT FROM CABINET (HOUSING) COMMITTEE HELD 4 FEBRUARY 2015**

(Report CAB2662 refers)

Cabinet noted that CAB2662 had not been published for inclusion of the agenda within the statutory deadline. The Chairman agreed to accept the item onto the agenda as a matter requiring urgent consideration to enable its contents to be considered alongside CAB2652(HSG).

Councillor Tait highlighted that Report CAB2652(HSG) had been discussed in detail at the Cabinet (Housing) Committee on 4 February 2015, as outlined in the minute extract.

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

**RECOMMENDED:**

**1. THAT THE HRA REVISED BUDGET FOR 2014/15 AND THE BUDGET FOR 2015/16 AS SET OUT IN THE APPENDICES 1 AND 2 TO THE REPORT BE APPROVED.**

**2. THAT THE HRA BUSINESS PLAN AS SET OUT IN APPENDICES 3 AND 4 TO THE REPORT BE APPROVED.**

**3. THAT THE HOUSING CAPITAL PROGRAMME AS SET OUT IN APPENDIX 5 TO THE REPORT BE APPROVED.**

**4. THAT THE 2015/16 MAINTENANCE PROGRAMME AS SET OUT IN APPENDICES 5 AND 8 TO THE REPORT BE APPROVED.**

**5. THAT AUTHORITY BE GIVEN TO INCUR CAPITAL EXPENDITURE OF £7.930M FOR THE MAINTENANCE, IMPROVEMENT AND RENEWAL PROGRAMME AS OUTLINED IN THIS REPORT AND IN APPENDIX 8 TO THE REPORT, IN ACCORDANCE WITH FINANCIAL PROCEDURE RULE 6.4.**



**(NOTING THAT WITHIN THIS, FOR ANY SCHEMES IN EXCESS OF £100,000 A FINANCIAL APPRAISAL WILL BE APPROVED IN ACCORDANCE WITH THE SCHEME OF DELEGATIONS).**

**6. THAT THE ASSISTANT DIRECTOR (CHIEF HOUSING OFFICER), FOLLOWING CONSULTATION WITH THE CHIEF FINANCE OFFICER, BE GIVEN DELEGATED AUTHORITY TO MAKE ADJUSTMENTS WITHIN THE OVERALL MAINTENANCE, IMPROVEMENT AND RENEWAL PROGRAMME AS SET OUT IN APPENDICES 5 AND 8 TO THE REPORT, INCLUDING THE FLEXIBILITY TO SUBSTITUTE PROJECTS AND RE-BALANCE EXPENDITURE WITHIN AND BETWEEN THE DIFFERENT ELEMENTS/SCHEMES IN ORDER TO MEET OPERATIONAL NEEDS, CHANGING PRIORITIES AND COMMITMENT TARGETS, WITH ANY CHANGES BEING REPORTED TO COMMITTEE AT THE EARLIEST OPPORTUNITY.**

**7. THAT THE BUSINESS PLAN PRIORITIES AS SET OUT IN PARAGRAPH 4 BE NOTED AND THE KEY SERVICE PRIORITIES AS DETAILED IN APPENDIX 6 OF THIS REPORT BE APPROVED.**

**8. TREASURY MANAGEMENT STRATEGY 2015/16**

(Report CAB2648 REVISED refers)

Cabinet noted that the revised Report had not been made available for publication with the statutory deadline as it had been amended to take account of the Silver Hill Judicial Review decision (the JR decision). The Chairman agreed to accept the item onto the agenda as a matter requiring urgent consideration to enable its contents to be considered by Cabinet prior to consideration at both The Overview and Scrutiny Committee on 16 February 2015 and Council on 19 February 2015.

Councillor Godfrey explained that the changes from the original report were set out in the bold text. The report had been revised to reflect the revised budget, reflecting the immediate impact of the JR decision.

Councillor Godfrey emphasised that the Investment Strategy proposed was substantially different to that for 2014/15 as it sought to achieve greater diversification of investments. The Council's Treasury Management Service was now operated jointly with the County Council and Cabinet welcomed Andrew Boutflower from the County Council's Treasury Management Team to answer further questions, alongside the Chief Finance Officer.

In response to questions, the Chief Finance Officer advised that the Council had recovered the vast majority of the £1 million it had invested in the former Heritable Bank. The final distribution of the remaining monies was still awaited.

In response to questions, Mr Boutflower advised that investments with other local authorities were amongst the better type of investments available to the Council and the limits of each type were detailed in Table 3 at Paragraph 5.6 of the Revised Report. He confirmed that he envisaged significant changes to the list of current investors detailed in Appendix B of the Report, including investing in corporate bonds.

The Chief Finance Officer emphasised that the Council would continue to consider security of investment first and before consideration of yield.

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

**RECOMMENDED:**

**1. THAT THE TREASURY MANAGEMENT STRATEGY (TMS) 2015/16 AS SET OUT IN THE REPORT BE APPROVED AND IMPLEMENTED FROM THE DATE OF THE COUNCIL MEETING, AND ALSO THE FOLLOWING INDIVIDUAL ITEMS AS INCLUDED IN THE TMS:**

- (I) ANNUAL BORROWING STRATEGY 2015/16 (SEE PARAGRAPH 4 OF THE REPORT);**
- (II) ANNUAL INVESTMENT STRATEGY 2015/16 (SEE PARAGRAPH 5 OF THE REPORT);**
- (III) PRUDENTIAL INDICATORS 2015/16 TO 2017/18 (SEE APPENDIX C OF THE REPORT);**
- (IV) MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT (SEE APPENDIX D OF THE REPORT).**

**2. THAT THE TREASURY MANAGEMENT STRATEGY BE KEPT UNDER REGULAR REVIEW TO TAKE ACCOUNT OF ANY CHANGES IN THE CURRENT GLOBAL ECONOMIC SITUATION.**

**9. CAR PARKS MAJOR WORKS PROGRAMME**

(Report CAB2651 refers)

In response to a query, the Chief Operating Officer advised that it had not been usual practice for the Report also to be submitted to the Cabinet (Traffic and Parking) Committee but this could happen if Cabinet wished. As Chairman of the Committee, Councillor Southgate stated he was keen to avoid duplication of work unless it was considered necessary.

In response to a question regarding the impact of the Silver Hill Judicial Review decision on the future of the Friarsgate Multi Storey Car Park (MSCP), the Assistant Director (Environment) advised that the Council's Estates Team would continue to monitor the car park's safety on a monthly basis. If any

concerns were highlighted, the appropriate area of the MSCP was closed. Councillor Southgate acknowledged that the MSCP was in need of refurbishment or closure and replacement.

The Assistant Director (Environment) outlined the ongoing improvements to the Chesil Street MSCP, including surface improvements and pedestrian walkways on each level.

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

**RESOLVED:**

1. That subject to Council approval of the Capital Programme, the Car Parks Major Works Programme for 2015/16 as outlined in Appendix 1 of the Report be approved in accordance the Financial Procedure Rule 6.4 (authority to incur capital expenditure) and that the indicative programme for 2016/17 be noted as a basis for planning and preparing future works.
2. That the Assistant Director (Environment) be given delegated authority to make minor adjustments to the programme, in order to meet maintenance and operational needs of the District's car parks throughout the year as required, in consultation with the Assistant Director (Policy and Planning) and the Portfolio Holder for Communities and Transport.
3. That a contribution of £50,000 as shown in the programme at Appendix 1 of the Report be made towards a car park extension scheme at Jubilee Hall in Bishops Waltham and that delegated authority be given to the Head of Parking to enter into an agreement with the Parish Council to jointly manage the new extended car park and to advertise the necessary Parking Places Order to control use of the extension.
4. That approval be given to purchase from Buchanan Computing Limited the software known as the Parkmap Traffic Regulation Order Mapping System, and delegated authority be given to the Assistant Director (Environment) to proceed using one of the following options:
  - i) the acquisition of the system by the Council from Buchanan Computing Limited direct in the event that it is decided that the most suitable option is for the Council to procure and host the system itself, or;
  - (ii) if considered the most appropriate, arrangements with the County Council to use the system already or in the process of being supplied by Buchanan Computing Limited to Hampshire County Council and which will be hosted by Hampshire County Council.

5. In the event of the Council wishing to exercise option i) above, that a Direction be made under Contracts Procedure Rules 2.4 a) to authorise the negotiation and entering into of a contract with Buchanan Computing Limited without complying with Contracts Procedure Rules 9 10 11 and 12.

6. In the event of the Council wishing to exercise either option, that approval be given under Financial Procedure Rules 6.4 for all necessary expenditure.

7. That approval be given to the procurement of a contract for the population of the System by Buchanan Order Management.

8. That a Direction be made under Contract Procedure Rules 2.4 a) to authorise the negotiation and entering into of a contract with Buchanan Order Management for the population of the System, whether the system is hosted by the Council (option i) or Hampshire County Council (option ii).

9. That a report on the programme be submitted on an annual basis setting out progress and recommending future priorities.

10. **PROPOSED GRANT ALLOCATIONS FOR 2015/16**  
(Report CAB2646 refers)

Councillor Southgate supported the proposed grant allocation detailed in the Report and emphasised that it offered a degree of stability to voluntary organisations over a longer period of time.

In response to questions, Councillor Warwick stated that a decision as to the allocation of monies received as a result of textile recycling would be made once receipts had been analysed. Indications were that the three charities who had previously received income from textile recycling would receive the same amount as a result of the new initiative (subject to the recycling rates received for textiles being maintained).

The Chairman thanked Councillor Southgate, the Assistant Director (Economy and Communities) and Team for their work in producing the proposed grant allocations.

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

**RESOLVED:**

That, subject to the Council's approval of the Budget and Council Tax for 2015/16:

1. That the proposed allocations totalling £701,700 for the financial year 2015/16 set out in Appendix 1, and including the proposals in relation to Community First in Winchester District outlined in paragraph 4.4 of the report, be approved;

2. That the continued provision of Core Funding for Keystone Winchester Churches Housing, Winchester Churches Nightshelter and Winchester Rent Deposit Scheme from the central Government grant for preventing homelessness be approved, with Service Level Agreements to be administered through the Assistant Director (Chief Housing Officer);

3. That the Assistant Director (Chief Housing Officer) be given delegated authority to determine the exact figure to be made available in Core Grants to Keystone Winchester Churches Housing, Winchester Churches Nightshelter and Winchester Rent Deposit Scheme for 2015/16, in consultation with the Portfolio Holder for Housing;

4. That the list of six Partner Organisations for 2015/16 – 2017/18 set out at paragraph 3.2 of the report be approved;

5. That the one year contract to provide a support service for the voluntary sector which was awarded in May 2014 to Community First Havant and East Hampshire (working locally as Community First in Winchester District) be extended for a further twelve month period until 30 April 2016 at the existing cost of £50,000pa, with a full tender process to be undertaken for a contract to cover the subsequent three year period;

6. That the proposed allocations set out in the report for Project Grants (£32,500) and Small Grants (£34,000) be approved;

7. That a total allocation of £25,000 (including a virement of £5,000 from the Economy & Arts base budget) be approved, to continue delivery of apprenticeship support grants, access to work grants, micro-business development grants and business start-up grants;

8. That the maximum grant payable for micro-business development or business start up be increased from £1,000 to £5,000 per applicant with immediate effect.

11. **MINUTES OF WINCHESTER TOWN FORUM HELD 21 JANUARY 2015**  
(Report CAB2661 refers)

Cabinet noted that the recommended minutes had been dealt with under Reports outlined above.

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

RESOLVED:

That the minutes of the Winchester Town Forum held 21 January 2015 be received.

12. **ABBEY HOUSE INFORMAL SCRUTINY GROUP – RECOMMENDATIONS FOR CABINET**

(Report CAB2659 refers)

The Head of Estates emphasised that funding was required to undertake some urgent repairs to Abbey House electrical system and some structural repairs. The third possible recommendation detailed in the Report included a rolling programme of £50,000 per annum, which had also been included in the Asset Management Plan.

In response to questions, the Head of Estates summarised the reasons why it was not considered Abbey House was suitable for external hire and highlighted that these had been considered by the Informal Scrutiny Group (ISG).

One Member queried whether it was appropriate in difficult financial times for the Council to retain a building primarily used by the Mayor. The Head of Estates advised that the proposals would increase the use of Abbey House for the Council's internal meetings, which could consequentially free up office and meeting space elsewhere.

At the invitation of the Chairman, Councillor Pines spoke as Chairman of The Overview and Scrutiny Committee and suggested that Cabinet might like to consider whether the ISG only meeting on one occasion was adequate and whether further consideration was required.

Following discussion, Cabinet agreed to the proposed third recommendation of the Report but requested that approval of individual elements of the refurbishment programme be implemented under the Portfolio Holder Decision Making scheme (rather than by Officer delegation).

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

**RESOLVED:**

1. That a rolling £50,000 per annum (total £250,000) refurbishment programme be phased as soon as possible so to facilitate increased use of Abbey House for internal officer meetings and some appropriate private hire, on the understanding that this use could be managed and staffed by the Guildhall or internal users so as to be least disruptive to the building's primary function as the official residence of the Mayor of Winchester. To bring the building up to minimum standard suitable for continued use and to make the premises available for Officer and Member internal meetings, it is recommended that a budget item be supported to fund a minimum of £250,000 that will need to be spent. It is suggested that this sum might be spread over five years to assist with budgeting. There is £59,000 already in the capital programme for Abbey House. Budget growth of

£191,000 spread over the following 4 years will be needed, funded by the Asset Management Plan Reserve.

2. That approval of individual elements of the refurbishment programme be under the Portfolio Holder Decision Making scheme.

13. **PROCUREMENT OF INSURANCE AND RISK SERVICES 2015-2020 (LESS EXEMPT APPENDIX)**  
(Report CAB2660 refers)

Councillor Godfrey highlighted the significant level of savings achieved for the Council by entering into the joint contract as proposed in the Report. He thanked the Officers involved in the work.

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

**RESOLVED:**

1. That the contract be awarded to the insurers ranked in 1<sup>st</sup> position as set out in Exempt Appendix A, being the most economically advantageous tender received.

2. That authority be delegated to the Chief Finance Officer to accept the finalised premiums and associated costs or make alternative arrangements in the event that the tender cannot be accepted by other participating local authorities.

14. **ENTERPRISE CENTRE, STREET CARE DEPOT AND STORAGE PREMISES, WINCHESTER (LESS EXEMPT APPENDIX)**  
(Report CAB2658 refers)

Cabinet welcomed the proposals outlined in the Report as an opportunity to support both small businesses and the creative sector. The Head of Estates confirmed that the University was fully supportive of the proposals.

In response to questions, the Chief Operating Officer confirmed that the items in the museums reserves store were part of the museums collection and consequentially now managed by the Cultural Trust. However, under the agreement, the responsibility for the provision of accommodation for storage of these items remained with Council.

Cabinet noted that the future use of the old Depot site was a decision that remained to be taken, once proposals relating to the future of the River Park Leisure Centre had been decided upon.

The Head of Estates advised that the Report outlined a series of interrelated moves necessary for the Enterprise Centre proposals to progress and it was anticipated the whole process would be completed within 9 months to a year.

The Chairman thanked the Head of Estates and Team for their work in relation to this project.

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

RESOLVED:

1. That the Council accept the surrender of the Lease and Sub-Lease of the former Goods Yard, at Barfield Close Winchester, with effect from 28 February 2015.
2. That the sum detailed in exempt Appendix D be accepted from EMR in settlement of the dilapidations claim on the property.
3. That the principle of redeveloping the former Goods Shed into an enterprise centre for the relocation of the visual arts facility currently at Matley's Yard and to foster small creative businesses be supported for further investigation.
4. That the Council work with the current tenants of "The Yard" and other agencies/organisations to investigate the options for the management and letting of space in the proposed enterprise centre.
5. That opportunities for grant funding towards the cost of the development be explored.
6. That the principle for developing a number of light industrial units in the former Goods Yard for letting on "easy in easy out" terms to small and emerging enterprises be supported for further investigation .
7. That the principle of developing a small depot for the Streetcare and Pest Control Teams in an extension to the former Goods Shed, enabling them to be relocated from the Bar End Depot site, be supported for further investigation .
8. That the principle of demolishing the three existing Matley's Yard industrial units replacing them with three modern light industrial units be supported for further investigation.
9. That the principal of using two of the new units at Matley's Yard as an Election store and for the storage of, Council paper records and other facilities storage is supported to enable these items to be relocated from F2.
10. That following the transfer of Council storage from F2 to the new premises at Matley's Yard, the transfer to F2 of the items held in the museums reserve store at the Bar End Depot is approved. The



entire premises will then be let to the Hampshire Cultural Trust, who will relinquish tenancy of the Bar End depot site.

11. That consulting engineers are appointed to advise on the extent, cost and design of works necessary to stabilise the cliff face at Rack Hill.

12. That the sum of £40,000 from the AMP Revenue budget is approved to appoint consultants to undertake: land surveys of the Goods Yard and Matley's Yard/Rack Hill, architects to develop the design of the new property, cost and environmental consultants and consulting engineers, to assist in the preparation of a scheme and the development of the business case for consideration by Cabinet.

13. That the principle of funding the Enterprise Centre and small light industrial units outlined in the report using Prudential Borrowing be supported, subject to a detailed financial appraisal confirming that the proposals (excluding the Rack Hill works) would meet the Council's required value for money and prudential code criteria.

15. **FUTURE ITEMS FOR CONSIDERATION**

RESOLVED:

That the list of future items, as set out in the Forward Plan for March 2015, be noted.

16. **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>   |
|----------------------|--|--|
| ##                   | Procurement of Insurance & Risk Services 2015-2020 – exempt appendix | ) Information relating to the financial or business affairs of any particular person (including the authority holding that |

## Enterprise Centre, ) information). (Para 3 Schedule  
Street Care Depot & ) 12A refers)  
Storage Premises – )  
exempt appendix )

17. **PROCUREMENT OF INSURANCE AND RISK SERVICES 2015-2020  
(EXEMPT APPENDIX)**  
(Report CAB2660 refers)

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

RESOLVED:

That the information contained within the exempt appendix be noted.

18. **ENTERPRISE CENTRE, STREET CARE DEPOT AND STORAGE  
PREMISES, WINCHESTER (EXEMPT APPENDIX)**  
(Report CAB2658 refers)

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

RESOLVED:

That the information contained within the exempt appendix be noted.

The meeting commenced at 2.00pm and concluded at 3.40pm

Chairman