

COUNCIL

20 JULY 2016

EXTRACT OF MINUTES

REPORT OF THE DEMOCRATIC SERVICES MANAGER

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

Appendix A to this report sets out extracts from the minutes of The Overview and Scrutiny Committee held 23 May 2016, The Winchester Town Forum held 20 July 2016 and Cabinet held 6 July for the consideration of Council.

RECOMMENDATION:

That Council considers the matters set out in the attached minute extracts.

Appendix A**EXTRACT OF MINUTES****THE OVERVIEW AND SCRUTINY COMMITTEE****23 May 2016****1. DRAFT ANNUAL SCRUTINY REPORT 2015/16**

(Report OS148 refers)

The Committee expressed a vote of thanks to acknowledge the work of the previous Chairman of the Committee, Simon Cook, during the previous municipal year.

RECOMMENDED:

**THAT COUNCIL NOTE THE ANNUAL SCRUTINY REPORT
2015/16.**

EXTRACT OF MINUTES**THE WINCHESTER TOWN FORUM****27 JUNE 2016****1. MINOR AMENDMENTS TO THE CONSTITUTION**

(Report WTF242 refers)

The Forum gave consideration to the Report which set out an amendment to the Constitution to reflect necessary changes to the Town Forum's terms of reference, as a result of the ward boundary changes, following last year's Local Government Boundary Commission Review. This change reflected the reduction to the number of Town Wards from six to five. In addition, it was noted that Littleton and Harestock Parish (which was within two City Council wards, St Barnabas, and Wonston and Micheldever) had been split into two separate Parish wards, Littleton, and Harestock.

The Forum noted the changes proposed to the terms of reference, highlighted in Appendix 1 of the Report. In addition, Members considered that appropriate wording be placed within point (e (h)) to refer to any other funds specifically allocated to the programme of schemes within the Town Wards, with particular reference to Community Infrastructure Levy (CIL) and delegated the exact wording to officers for inclusion.

RECOMMENDED:

THAT COUNCIL NOTE THE CHANGES TO THE TERMS OF REFERENCE FOR THE WINCHESTER TOWN FORUM, AS SET OUT IN APPENDIX 1 TO THE REPORT, SUBJECT TO THE ADDITIONAL WORDING TO BE CONTAINED WITHIN (E (H)) DELEGATED TO OFFICERS FOR INCLUSION AS STATED ABOVE, FOR APPROVAL.

EXTRACT OF MINUTES**CABINET (HOUSING) COMMITTEE****29 JUNE 2016****1. HOUSING REVENUE ACCOUNT 2015/16 FINANCIAL AND PERFORMANCE OUTTURN**

(Report CAB2808(HSG) refers)

The Assistant Director (Chief Housing Officer) drew the Committee's attention to a correction to one of the figures provided in Appendix 4 of the Report as follows:

- Revenue Contribution to Capital – £10,473m (not £10,604m stated)

With regard to Section 6 of the Report, the Assistant Director advised that the Council had determined that changes being introduced as part of the Welfare Bill would affect 79 tenants, of whom 33 were existing Council tenants.

David Chafe (TACT) stated that TACT understood why it was necessary to explain various financial year adjustments in the Report and believed that it demonstrated that the HRA was well controlled and planned and all adjustments were monitored and effectively dealt with by Officers. TACT welcomed that the Housing Business Plan 2015-16 Appendix 5 contained detailed Key Performance Indicators. TACT fully supported the recommendations in the Report and on behalf of tenants, thanked the Assistant Director (Chief Housing Officer) and Team for his work.

The Chairman thanked Mr Chafe for his comments and concurred with his congratulations of the Housing Team.

In response to questions, the Assistant Director confirmed that work was continuing on estates improvements, which were tenant led. Where it was not possible to install UPVC windows (for example, within a conservation area), the possibility of installing secondary glazing was being considered.

One Member acknowledged the contributions of former Councillor Janet Berry to meetings of the Committee and emphasised the importance of the input from invited Councillors continuing.

The Chairman emphasised that all Councillors had also been involved in the consultation on the draft HRA budget through a Councillor Briefing event held in the Autumn of 2015.

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

RECOMMENDED:

1. THAT THE REVENUE BUDGET CARRY FORWARDS AMOUNTING TO £84,300 BE APPROVED, AS SET OUT IN PARAGRAPH 4.1 OF THE REPORT, NOTING THAT THESE ARE IN ADDITION TO THE GENERAL FUND CARRY FORWARD REQUESTS DETAILED IN CAB2812 (REPORT TO BE CONSIDERED BY CABINET ON 6 JULY 2016).

2. THAT AN ADDITIONAL BUDGET OF £100,000 FOR DISCRETIONARY HOUSING PAYMENTS BE APPROVED TO BE FUNDED BY THE HRA AS REQUESTED IN PARAGRAPH 6 OF THE REPORT.

RESOLVED:

1. That the financial performance information be noted.
2. That the amount of housing debt at 31 March 2016 at £157.353m be approved, as explained in Paragraph 5.2 of the Report.
3. That the capital budget carry forwards amounting to £991,304 as detailed in paragraph 4.1, which have been included in the overall capital carry forward recommendation in CAB2811 (Report to be considered by Cabinet on 6 July 2016).
4. That the key performance indicators and Housing Business Plan outturn be noted, as shown in Appendices 5 and 6 and explained in Section 7 of the Report.

EXTRACT OF MINUTES**CABINET****6 JULY 2016****2. LEISURE CENTRE REPLACEMENT PROJECT**

(Report CAB2820 refers)

Cabinet noted that the Report had not been 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 to enable consideration prior to being considered by The Overview and Scrutiny Committee on 11 July 2016 and recommendation to Council on 20 July 2016.

The Chairman introduced the Report, outlining the background to the proposals and welcoming the support from the Council's various partners, including the University of Winchester, the Pinder Trust and the County Council. He summarised that on the whole, the aspirations of everyone involved could be achieved if the decision was taken to proceed with development of a new Leisure Centre at Bar End. However, there was one particular area of uncertainty relating to whether a new Centre should include a 25m or 50m swimming pool.

The Corporate Director (Service Delivery) drew Members' attention to a report produced by the Amateur Swimming Association (ASA) which had been circulated to all Councillors the previous day and subsequently added to the list of background papers for the report and added to the Council's website. The Report had been produced at the request of the Council and concluded that there was not any significant shortfall of pool capacity in Winchester either at the current time or into the future. This concurred with the report produced by Sports England. In response to questions, the Corporate Director confirmed that the ASA study had taken account of the accessibility of the facility to the general public.

The Corporate Director advised that with regard to the dry side facilities, he considered there was general consensus with the proposals. He emphasised that the exact facilities mix would be explored further as the design moved forward.

In response to questions, the Corporate Director advised that provision of £6.01m had been identified in the Council's expenditure plans for either refurbishment of the existing centre or towards the cost of a new centre. If a decision was taken to proceed with development of a new centre, a portion of this sum would be required to maintain the existing centre. The Assistant Director (Estates and Regeneration) would bring forward detailed proposals for expenditure required on the existing building once a decision on timescales had been made. The Corporate Director estimated the cost of maintaining the existing centre could be up to £1m.

The Corporate Director explained that Appendix 4 of the Report contained a Financial Appraisal of the various options under consideration undertaken by RPT Consulting. In summary, this concluded that the capital cost of a 50m pool was estimated to be an additional £4.3 - £4.4m and a larger pool was unlikely to result in any additional net income which could be put towards this additional capital cost. In response to questions, he advised that the County Council's aspirations for a Hampshire Institute of Sport did not include a requirement for a 50m pool.

The Corporate Director advised that it was very difficult to assess whether provision on a 50m pool would result in an increase in the number of swimmers over and above those that would be attracted to use a new facility in any case.

The Corporate Director acknowledged that there were different options regarding the heating systems used, including consideration of solar heating, and these would be examined further as the project progressed.

In response to questions, the Head of Finance advised that the business case for a new centre was not based on any assumption that another of the Council's proposed schemes would progress (for example, Station Approach). However, in order to finance a new centre, the Council would have to examine additional methods of raising funds, such as its income stream from other developments. The running costs of a new centre could be covered by increased use, but the additional cost of borrowing the additional capital expenditure would not be covered.

Four representations from local organisations/interest groups spoke during public participation and their comments are summarised below.

From the University of Winchester Justin Ridgment (Director of Estates and Facilities Services) and Sam Jones (Director of Communications and Marketing) emphasised the University's proven track record of providing sports facilities jointly with the Council. The University were primarily interested in provision of dry side facilities and believed the proposals for dry side facility mix contained in the Report were adequate for their requirements. The University would use facilities for about 25 weeks of the year and required use for competitions on Wednesday afternoons only. This would enable general use at other times and consequent income generation. In summary, the University were committed to playing an active role in the project and was very keen to see it move forward.

In response to questions, Mr Ridgment confirmed that a Sports Hall would be considered an essential element of the facilities mix. Their interest at the current time was primarily regarding a centre's use for competitive sport by its students.

Sam Fulling (Winchester City Penguins Swimming Club) welcomed consideration of a 50m pool and emphasised it would not just be for elite

swimmers but would provide increased flexibility of use. He stated that the Club had a waiting list of over 100 people and there was not sufficient pool capacity to fulfil demand at the current time. He queried the figures provided by the ASA as including facilities that were not currently accessible to the public. Mr Fulling stated that the Club had offered to provide a significant annual contribution to costs if a 50m pool was provided.

In response to questions, Mr Fulling stated that although it was difficult to be specific about where additional swimmers would come from for a 50m pool, he believed there was additional demand to be met. The Chairman noted that the offer of funding was approximately £154,000 per annum including what the Club currently paid, which was about one third of the extra cost required for a 50m pool. Mr Fulling commented that there were other user groups that might be able to contribute. Mr Fulling confirmed that swimming competitions could be held at a new centre with a 25m pool if the pool was built to competition standards (as was suggested).

Emma Back (Winchester Sport and Leisure Trust - SALT) stated that a previous study had demonstrated a deficit of 48% in pool provision in Winchester. In response to questions, she stated that she was not able to provide this study to the Council.

Ms Back reminded Cabinet that a petition containing over 3,000 signatures had been submitted to the Council in 2012 requesting that the Council work with local partners to build a legacy to the London Olympics. SALT had identified that a mix of flexible facilities were required in a new centre, including a 50m pool, gym facilities and a sports hall, with improved access and the ability to respond to a growth in population.

In response to questions, Ms Back confirmed that SALT were committed to coordinating a programme of fundraising for the right mix of facilities and had committed to raising £1m. Consultation carried out to date by SALT had been with Winchester only and not the wider District, although sports clubs consulted had membership drawn from a larger catchment area.

At the invitation of the Chairman, six Councillors addressed Cabinet and their comments are summarised below.

Councillor Porter (Liberal Democrat spokesperson for Health and Wellbeing) supported the option for a 50m pool. She highlighted the benefits of swimming for all ages and the aim to increase the opportunity for access by all, including people on lower incomes. She disputed the information contained within the ASA study as not properly reflecting the fact that some facilities listed were not open to the general public. There was potential income from improved facilities for people with disabilities offering increased access. She believed that a possible increase in swimming prices of 70p per swim was acceptable in comparison with prices charged by other nearby authorities. The Council should seek to work with the County Council regarding public health benefits.

Councillor Laming also supported the 50m pool option as providing a much more flexible space. He believed that the studies on possible usage did not take account of Winchester having a higher than average sport uptake. He commented that Highcliffe residents had not been properly consulted and proposals should include a Master Plan for the area and incorporate existing play areas. Finally, he stated that he had previously contacted the Leader to suggest the Ministry of Defence be involved in the project.

The Chairman confirmed he was in regular contact with local MOD officials.

Councillor Warwick also highlighted the original petition presented to the Council in 2012 and the ongoing positive campaign conducted. She requested that the 50m pool option be pursued in order to promote the Olympic legacy. A 25m pool could only be used by one user group at a time whereas a 50m pool would allow access by two groups at the same time.

Councillor Clear highlighted the opportunities afforded by a larger 50m pool and believed this option should be selected, if finances allowed. She acknowledged that some residents from the southern parts of the District might still opt to travel to other centres, such as in Fareham, to swim but did consider there was a requirement for Winchester to increase the sports facilities currently provided.

As a Ward Councillor, Councillor Tait supported the proposal for a new centre to be located at Bar End. However, he expressed some concern on behalf of the local community about the proposed location on the King George V playing fields and why the Tesco land was not available instead. In addition, he queried the plans for the Hampshire Cultural Trust site. In summary, he requested clarity about both matters.

The Chairman stated that the situation regarding negotiations about land owned by Tesco remained as previously reported and meant that it would not be possible to utilise the Tesco land as part of the proposals. The Corporate Director confirmed that discussions were being held with the County Council regarding the Cultural Trust land, but this was not a matter requiring consideration as part of the current Report.

Councillor Berry supported the proposals to provide improved sports facilities in Winchester and queried whether this could incorporate the Beauty Treatment facilities and improved catering provision. She believed that Winchester did have a shortage of pool space and emphasised that it was essential that proposals could be financed.

The Corporate Director highlighted that all of the three options (summarised in Paragraph 2.5 of the Report) would provide a much improved facility for Winchester and consequently increase usage and participation. However, it was a matter for Cabinet to recommend to Council which of the options should be approved.

During debate, five Cabinet Members spoke in favour of Option 2b as outlined in Paragraph 2.5 of the Report. In summary, they believed that this option offered increased flexibility of use and in general, would make Winchester a more attractive place for people to live and visit consequently encouraging new visitors and employers. The requirement to ensure other major projects, such as Station Approach, went ahead was highlighted to provide the necessary income stream to the Council. Members also highlighted the support being offered by local partners, such as the University, together with local interest and user groups and the aspiration to plan for the future. Some of these five Members also raised some concerns about the financial implications of this Option, but on balance, believed the potential economic benefits offset these concerns.

Two Cabinet Members also welcomed the flexibility a 50m pool would provide but on balance, did not believe the increased cost of over £4m justified its selection. They highlighted that studies carried out had not identified the requirement for a 50m pool and the desired improvements to facilities could be provided by an improved 25m pool and the dry side mix being suggested. The increased impact on the local community of a larger centre and more parking requirements was also highlighted.

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

RECOMMENDED:

1. THAT OFFICERS DEVELOP A BUSINESS CASE AND DESIGN FOR A NEW LEISURE CENTRE BASED AROUND OPTION 2B (AS SET OUT IN PARAGRAPH 2.5 OF THE REPORT) AND THE FACILITY MIX AS CONTAINED WITHIN APPENDIX 2 OF THE REPORT.

2. THAT IN ACCORDANCE WITH FINANCIAL PROCEDURE RULE 7.3, COUNCIL BE REQUESTED TO APPROVE A SUPPLEMENTARY ESTIMATE OF £770,000 TO BE ALLOCATED FOR DESIGN, PROJECT MANAGEMENT AND OTHER PROFESSIONAL SERVICES REQUIRED TO PROGRESS THE REPLACEMENT LEISURE CENTRE PROJECT UP TO RIBA DESIGN STAGE 3, FUNDED FROM THE MAJOR INVESTMENT RESERVE.

RESOLVED:

1. That (subject to Council approval of the necessary supplementary estimate) Cabinet authorises the procurement of the design, project management and other professional services required to progress up to RIBA Design Stage 3 (with an option to extend such services to the construction Stage) provided that the approval of

Cabinet shall be obtained prior to submission of a planning application, supported by a report setting out the business case for the new facility.

2. That the mechanism for the procurement of these professional services be either through the use of an EU compliant Framework agreement or, if that proves unsuitable, through an EU compliant tender process.

3. That authority be delegated to the Assistant Director (Estates and Regeneration) in consultation with the Leader to:-

- (i) Determine the choice of procurement route (within the scope set out in Resolution 2 above);
- (ii) Select and approve a suitable EU compliant Framework (if required);
- (iii) Appoint the selected consultants for the professional services set out in Resolution 1 above.

3. **CAPITAL EXPENDITURE OUTTURN 2015/16**

(Report CAB2811 refers)

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

RECOMMENDED:

THAT THE CARRY FORWARD OF CAPITAL BUDGET TOTALLING £2.314M FROM 2015/16 (AS DETAILED IN APPENDIX A OF THE REPORT) BE APPROVED, IN ACCORDANCE WITH FINANCIAL PROCEDURE RULE 7.9.

RESOLVED:

That the capital expenditure and financing for 2015/16 and the implications on the future capital programme be noted.

4. **GENERAL FUND REVENUE OUTTURN 2015/16**

(Report CAB2812 refers)

The Chairman commended the careful management by Officers resulting in favourable improvements to the General Fund despite a difficult year financially with many fluctuations. Discussions with the new Head of Finance had resulted in a reduction in the number of recommended carry forwards than in previous years. The Head of Finance confirmed that the Report demonstrated that the Council was in a good financial position and was able to maintain the medium term financial situation to cope with future changes.

At the invitation of the Chairman, Councillor Thompson addressed Cabinet and in summary expressed concern about the proposed level of carry forwards. Monies held in reserves were generating very little interest. In particular, she raised concerns that approximately £300,000 savings in vacancy management had a consequential impact on day to day services provided. She suggested that The Overview and Scrutiny Committee investigate this further. Councillor Thompson also requested more detail be provided, for example on depreciation, costs of services and per Portfolio Holder.

The Chairman agreed that difficulty recruiting appropriate staff might have caused some issues in some services, but the programme of flexible staffing including through the "One Team" initiative meant that vacancies could be covered in key areas. He believed that any such issues should be focussed on by The Overview and Scrutiny Committee rather than examination of carry forwards.

The Head of Finance clarified that the figures regarding Impairment and Revaluation losses had increased in 2015/16 (and not Depreciation) due to a full revaluation of Council assets being undertaken. With regard to the level of reserves, he advised that the Council had a Medium Term Financial Strategy and, with the exception of Contingency Funds in the General Fund, the remaining reserves were all allocated towards delivering this Strategy.

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

RECOMMENDED:

THAT THE REQUESTS FOR GENERAL FUND CARRY FORWARD OF ONE-OFF EXPENDITURE BUDGET TO 2016/17 BE APPROVED FOR THE PURPOSES SPECIFIED IN APPENDIX B OF THE REPORT, AND THE AMOUNTS TO BE SUPPORTED FOR CARRY FORWARD BE CONFIRMED, IN ACCORDANCE WITH FINANCIAL PROCEDURE RULE 7.9 (NOTING THAT THESE ARE IN ADDITION TO THE HOUSING REVENUE ACCOUNT CARRY FORWARD REQUESTS DETAILED IN CAB2808(HSG), 29 JUNE 2016).

RESOLVED:

1. That the General Fund Revenue outturn position be noted, as set out in the Report.
 2. That the transfers to/from the Major Investment Reserve and other earmarked reserves be noted and the reserves and closing balances at 31 March 2016 be approved (as set out in Appendix D of the Report).
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