

CABINET**Wednesday, 13 February 2019**

Attendance:

Councillor Horrill (Chairman)	– The Leader with Portfolio for Housing
Councillor Humby (Vice-Chairman)	– Portfolio Holder for Business Partnerships
Councillor Ashton	– Portfolio Holder for Finance
Councillor Brook	– Portfolio Holder for Built Environment
Councillor Godfrey	– Portfolio Holder for Professional Services
Councillor Miller	– Portfolio Holder for Estates
Councillor Warwick	– Portfolio Holder for Environment

Others in attendance who addressed the meeting:

Councillors Porter, Thompson and Weir

Others in attendance who did not address the meeting:

Councillor McLean

Apologies for Absence:

Councillors Griffiths

1. **MEMBERSHIP OF CABINET COMMITTEES ETC.**

The Chairman announced the establishment of new Informal Policy Group (IPG) to advise the Portfolio Holder for Estates with respect to market contract procurement, with membership as set out below.

In addition, the membership of the River Park Area IPG which had been established at the previous Cabinet meeting on 31 October 2018 (Report CAB3093 refers) was agreed.

RESOLVED:

That the following appointments to Informal Policy Groups be agreed for the remainder of the 2018/19 Municipal Year:

- a) River Park Area IPG – Councillors Burns (Chairman), Hiscock, Lumby, McLean and Rutter;
- b) Market Contract Procurement IPG – Councillors Miller (Chairman), Ashton, Berry, Clear and Izard.

2. **MINUTES OF THE PREVIOUS MEETING HELD ON 23 JANUARY 2019**

RESOLVED:

That the minutes of the previous meeting held on 23 January 2019 be approved and adopted.

3. **PUBLIC PARTICIPATION**

There were no questions asked or statements made.

4. **LEADER AND PORTFOLIO HOLDERS' ANNOUNCEMENTS**

The Leader announced the proposal for £50,000 to be granted to the Winchester Hospice fund raising appeal. This was be an addition to the Capital Investment Strategy (report CAB3134 below) and had been discussed previously with Councillor Thompson as leader of the opposition group. A Portfolio Holder Decision Notice would follow to authorise the expenditure.

Councillor Humby reported on the success of the recent Winovation grant awards which had granted awards to various groups (including Wickham Community Association, Winnall Rock School and the Natural Death Centre).

5. **GENERAL FUND BUDGET 2019/20**
(CAB3132)

Councillor Ashton gave a presentation on the overall Council budget and finances for 2019/20. His presentation referred to the above report, together with:

- General Fund (CAB 3132)
- Medium Term Financial Strategy (CAB3131);
- Capital Investment Strategy (CAB3134); and
- Treasury Management Strategy Statement (CAB3133).

It also included some consideration as of the Housing Revenue Account (HRA) Budget (Report CAB3111(HSG) refers).

The presentation was available on the Council's website from the following page:
<https://democracy.winchester.gov.uk/ieListDocuments.aspx?CId=136&MId=176&Ver=4>

In summary, Councillor Ashton highlighted the following elements of the proposals.

- recommendation to freeze the Council Tax levels for 2019/20 (noting that other precepting authorities were recommending increases of differing levels);
- Maintaining and improving Council services and infrastructure to meet its strategic aims;
- taking an entrepreneurial approach to increasing income streams;

- concentrating on improving effectiveness and efficiency of Council services;
- Mitigating the impact of Government grants which were set to reduce to zero or negative;
- Proposed new policies regarding Council Tax on vacant dwellings and for care leavers;
- Strategic Asset Purchases would be required to produce a “double win” of furthering the Council’s strategic aims and a financial return;
- The Council’s accounts had been delivered on time against shorter timescales;
- The Council had a healthy level of reserves and a low level of liabilities compared to assets.
- The contents of the reports had been considered by The Overview and Scrutiny Committee at its meetings on 28 January and 4 February 2019 which had not made at recommendations to be considered by Cabinet.

At the invitation of the Chairman, Councillors Weir and Thompson addressed Cabinet as summarised below.

As Chairman of the Winchester Town Forum, Councillor Weir drew attention to comments that had been made about the Forum’s decision to increase the precept on the Town Account by 3% for 2019/20 and she offered Cabinet Members the opportunity to ask any questions they might have regarding the Forum decision.

Cabinet Members had no questions to ask at this point and the Chairman requested that they contact Councillor Weir directly should any be forthcoming.

Councillor Thompson raised the following points, in summary:

- expressed concern that the budget proposals did not include any detailed plan to reduce the predicted funding gap;
- The Medium Term Financial Strategy included reference to high level options to meet the challenge but did not specify that the options were. If there were difficult choices to be made it was important that all Councillors were made aware;
- Support additional policies regarding empty homes but this would not achieve significant increases in income;
- Where were the ambitions regarding improving the environment or reducing carbon footprint?
- Believed it was unacceptable to include the proposed funding for the new leisure centre as one line within the budget report without further justification or explanation;
- Concern about the impact of proposed funding for the leisure centre on other budgets;
- In response to a request that the Liberal Democrat group offer alternative suggestions for the budget, she emphasised that this was the role of the administration.

Councillor Ashton responded to Cabinet Members’ questions on his presentation and the contents of the four finance reports listed above. In addition, the

Strategic Director: Services (Interim) advised that the proposal to remove the one month exemption for empty dwellings would have a minor impact on the Housing Revenue Account but it would be minimised by the Council's good record on void turnaround (the void average was 15 days). The Strategic Director: Resources confirmed that the Council compared favourably to others on financial resilience.

Cabinet thanked the Finance Team and other Council Officers involved in preparation and administration of the Council's finances.

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

RECOMMENDED:

1. THAT THE LEVEL OF GENERAL FUND BUDGET FOR 2019/20, UPDATED FORECAST FOR 2018/19 AND THE SUMMARY AS SHOWN IN APPENDIX A OF THE REPORT BE AGREED.

2. 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 £967,333 BE TREATED AS SPECIAL EXPENSES UNDER SECTION 35 OF THE LOCAL GOVERNMENT FINANCE ACT 1992 IN RESPECT OF THE WINCHESTER TOWN AREA, APPENDIX D.

3. THAT THE COUNCIL TAX FOR THE SPECIAL EXPENSES IN THE WINCHESTER TOWN AREA AT BAND D FOR 2019/20 BE INCREASED TO £69.19.

4. THAT THE DEFICIT BALANCE ON THE COUNCIL TAX COLLECTION FUND FOR DISTRIBUTION TO THIS COUNCIL, CALCULATED IN JANUARY 2019 OF £1,712, BE APPROVED.

5. THAT THE LEVEL OF COUNCIL TAX AT BAND D FOR CITY COUNCIL SERVICES FOR 2019/20 BE HELD AT £138.92.

6. THAT THE COUNCIL TAX REQUIREMENTS PER PARISH AREA, LISTED IN APPENDIX E BE NOTED.

7. THAT THE IMPLEMENTATION OF A 100% PREMIUM ON COUNCIL TAX FOR ALL PROPERTIES THAT HAVE BEEN VACANT FOR 2 YEARS OR MORE WITH EFFECT FROM 1ST APRIL 2019 BE APPROVED.

8. THAT THE FUTURE IMPLEMENTATION OF A 200% AND 300% PREMIUM ON COUNCIL TAX FOR ALL PROPERTIES THAT

HAVE BEEN VACANT FOR 5 YEARS AND 10 YEARS, OR MORE, WITH EFFECT FROM 1ST APRIL 2020 AND 2021, RESPECTIVELY BE APPROVED.

9. THAT THE 1 MONTH DISCOUNT FOR ALL COUNCIL TAX PROPERTIES THAT BECOME VACANT (A PROPERTY WHERE NO ONE LIVES WHICH IS SUBSTANTIALLY UNFURNISHED) ON OR AFTER 1ST APRIL 2019 BE ABOLISHED.

10. THAT THE INTRODUCTION OF A FULL REDUCTION FROM COUNCIL TAX WITH EFFECT FROM 1ST APRIL 2019 FOR CARE LEAVERS LIVING ON THEIR OWN UNTIL THE DAY BEFORE THEIR 25TH BIRTHDAY BE APPROVED, AS DETAILED BY THIS REPORT.

11. THAT THE REMAINING MINOR DETAILS OF THE IMPLEMENTATION OF CHANGES TO COUNCIL TAX LISTED IN POINTS 7. TO 10. ABOVE BE ALLOWED TO BE DETERMINED BY THE HEAD OF REVENUES AND BENEFITS, IN AGREEMENT WITH THE STRATEGIC DIRECTOR (RESOURCES).

12. THAT IT BE NOTED THAT FEES AND CHARGES WILL BE INCREASED WITH A TARGET INFLATIONARY INCREASE OF 2.4%. SOME INDIVIDUAL CHARGES MAY INCREASE AT DIFFERENT RATES OR NOT AT ALL (FOR EXAMPLE SOME CHARGES SUCH AS PLANNING FEES ARE SET BY CENTRAL GOVERNMENT).

**6. HOUSING REVENUE ACCOUNT (HRA) BUDGET 19-20 AND BUSINESS PLAN
(CAB3111(HSG))**

Cabinet noted that due to an administrative error, the above report had not been notified on the agenda within the statutory deadline. The Chairman agreed to accept the report onto the agenda as a matter requiring urgent consideration to allow the recommendations to be considered prior to Council on 28 February 2019.

The Leader introduced the report and highlighted key elements, including further financial commitment for fire safety provisions and to mitigate the impact of universal credit.

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

RECOMMENDED:

1. THAT THE 2019/20 HOUSING REVENUE ACCOUNT BUDGET AND FINAL FORECAST FOR 2018/19 AS DETAILED IN APPENDICES 1 AND 2 TO THE REPORT BE APPROVED.

2. THAT THE HRA CAPITAL PROGRAMME FOR 2018/19 TO 2028/29, AS SET OUT IN APPENDIX 3 & 4 TO THE REPORT, BE APPROVED.

3. THAT THE PROPOSED FIRE SAFETY PROVISION OF £1M IN 2019/20 IDENTIFIED IN 11.5 BE APPROVED.

4. THAT IN 2019/20, THE HRA CONTINUES TO INCLUDE A PROVISION OF £100K TO MITIGATE AGAINST THE IMPACT OF THE UNIVERSAL CREDIT ROLLOUT THROUGHOUT THE DISTRICT.

5. THAT AUTHORITY BE GIVEN TO INCUR CAPITAL EXPENDITURE IN 2019/20 OF £9.046M FOR THE MAINTENANCE, IMPROVEMENT AND RENEWAL PROGRAMME AS DETAILED IN APPENDIX 3 OF 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), BE APPROVED.

6. THAT AUTHORITY BE GIVEN TO INCUR CAPITAL EXPENDITURE IN 2019/20 OF £22.407M FOR THE NEW BUILD PROGRAMME AS DETAILED IN APPENDIX 4 OF 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), BE APPROVED.

7. THAT THE PROPOSED FUNDING FOR THE HRA CAPITAL PROGRAMME AS DETAILED IN APPENDIX 5, INCLUDING THE ADDITIONAL BORROWING REQUIREMENT, BE APPROVED.

8. THAT THE HRA BUSINESS PLAN OPERATING ACCOUNT EXTRACT, INCLUDING ANNUAL WORKING BALANCES AS DETAILED IN APPENDIX 6, BE APPROVED.

7. **MINUTES OF CABINET (HOUSING) COMMITTEE HELD 30 JANUARY 2019 (CAB3137)**

Cabinet noted that the recommended minute had been considered by Cabinet under consideration of Report CAB3111(HSG) above.

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

RESOLVED:

That the minutes of the Cabinet (Housing) Committee held 30 January 2019 be received.

8. **MEDIUM TERM FINANCIAL STRATEGY**
(CAB3131)

The detail of this report had been considered alongside the General Fund Budget report (CAB3132) as set out above.

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

RESOLVED:

That the medium term financial strategy be approved, as set out in the report.

9. **CAPITAL INVESTMENT STRATEGY**
(CAB3134)

The detail of this report had been considered alongside the General Fund Budget report (CAB3132) as set out above.

Cabinet also noted the Leader's announcement regarding the proposal to award £50,000 towards the Winchester Hospice appeal and this would be subject to a further Portfolio Holder Decision Notice. Cabinet agreed that this additional £50,000 be included in the recommendation to Council.

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

RECOMMENDED:

1. THAT THE CAPITAL PROGRAMME AND CAPITAL PROGRAMME FINANCING (APPENDICES A AND B TO THE REPORT) BE APPROVED, SUBJECT TO THE ADDITION OF £50,000 TO WINCHESTER HOSPICE.

2. THAT THE MINIMUM REVENUE PROVISION (MRP) POLICY STATEMENT (APPENDIX E) BE APPROVED.

3. THAT IT BE NOTED THAT THE COUNCIL IS LIKELY TO NEED TO INCREASE ITS EXTERNAL BORROWING IN 2019/20 SUBJECT TO DELIVERY OF THE PROPOSED CAPITAL PROGRAMME.

4. THAT THE PRUDENTIAL INDICATORS DETAILED IN THE REPORT AND ITS APPENDICES BE APPROVED.

RESOLVED:

5. That under Financial Procedure Rule 6.4 expenditure for the following budget items be approved:

- a) the IMT equipment and software expenditure (£240,000 in 2019/20) as detailed in paragraph 11.8.6;
- b) expenditure of £500,000 for the refurbishment of the West Wing as detailed in 11.2.3; and
- c) expenditure of £50,000 for preliminary works in respect of the development of small business units at the Goods Shed, Barfield Close as detailed in 11.2.4.

6. That the requirement to ensure Members have the right knowledge and skills to undertake their governance role as detailed in 11.12 of the report be noted.

10. **TREASURY MANAGEMENT STRATEGY STATEMENT 2019/20**
(CAB3133)

The detail of this report had been considered alongside the General Fund Budget report (CAB3132) as set out above.

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

RECOMMENDED:

1. THAT THE TREASURY MANAGEMENT STRATEGY STATEMENT WHICH INCLUDES THE ANNUAL TREASURY INVESTMENT STRATEGY FOR 2019/20, (AND THE REMAINDER OF 2018/19) IS APPROVED; AND

2. THAT AUTHORITY BE DELEGATED TO THE SECTION 151 OFFICER, WHO IN TURN DELEGATES TO HAMPSHIRE COUNTY COUNCIL'S DIRECTOR OF CORPORATE RESOURCES, AS AGREED IN THE SERVICE LEVEL AGREEMENT, TO MANAGE ALL COUNCIL INVESTMENTS (OTHER THAN THE HIGH YIELD PORTFOLIO) AND SHORT TERM BORROWING ACCORDING TO THE TREASURY MANAGEMENT STRATEGY STATEMENT AS APPROPRIATE.

11. **QUARTER 3 FINANCIAL AND PERFORMANCE MONITORING**
(CAB3127)

The Chairman stated that the report had been considered by The Overview and Scrutiny Committee at its meeting on 28 January 2019.

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

RESOLVED:

That the progress achieved during the third quarter of 2018/19 be noted and the content of the report be endorsed.

12. **GYPSY AND TRAVELLER DEVELOPMENT PLAN DOCUMENT - PROPOSED ADOPTION**
(CAB3138)

Councillor Brook introduced the report, emphasising that the Development Plan Document (DPD) had been subject to extensive consultation previously. However, in order to progress the DPD to statutory adoption, the Council must accept the Inspector's Main Modifications as contained as Appendix 1 to the report.

At the invitation of the Chairman, Councillor Porter addressed the Committee as summarised below. She did not challenge the DPD but queried whether there was adequate Council capacity available to ensure effective enforcement of the DPD once adopted and also the quality of living accommodation on offer on sites (particularly on sites which were being sub-divided).

Councillor Brook acknowledged the importance of adequate enforcement measures, both in terms of mitigating the impact on local residents and also ensuring the provision of adequate accommodation on sites for those living there. She confirmed that the Council would take action as appropriate.

In response to questions, the Head of Strategic Planning advised that acceptance of the Inspector's recommended Main Modifications were required to ensure the DPD was sound and could proceed to adoption. The key change related to the insertion of a new criteria based policy for the Council to consider additional sites that might come forward in the future.

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

RECOMMENDED:

THAT THE WINCHESTER DISTRICT GYPSY, TRAVELLER AND TRAVELLING SHOWPEOPLE DEVELOPMENT PLAN DOCUMENT ('TRAVELLER DPD'), AS SUBMITTED TO THE SECRETARY OF STATE IN MAY 2018 AND MODIFIED IN ACCORDANCE WITH THE INSPECTOR'S RECOMMENDED MAIN MODIFICATIONS (SEE APPENDIX 1 OF REPORT) AND THE ADDITIONAL MODIFICATIONS (SEE DPD AS RECOMMENDED FOR ADOPTION AT APPENDIX 2 OF THE REPORT), BE ADOPTED AND THAT FORMAL NOTICES BE PUBLISHED TO COMPLETE THE PROCESS OF STATUTORY ADOPTION.

RESOLVED:

That authority be delegated to the Head of Strategic Planning, in consultation with the Portfolio Holder for Built Environment, to undertake minor updating and amendments in order to incorporate the Modifications and consequential changes to the Plan, including to correct errors and format text, without altering the policy intentions of the Plan.

13. **PROPOSED REVISIONS TO COMMUNITY INFRASTRUCTURE LEVY (CIL) REGULATION 123 LIST AND PROPOSED ALLOCATION OF CIL FUNDS (CAB3123)**

Councillor Brook introduced the report and highlighted the recommendation to allocate £1.8m of CIL funding to the new Leisure Centre project (including £0.8m towards the cost of the access roundabout and associated facilities). A full review of CIL would be undertaken alongside the upcoming Local Plan review.

At the invitation of the Chairman, Councillor Porter addressed Cabinet as summarised below:

- Disappointment that the programme for parishes and community groups had not been published;
- Some confusion amongst parish councils about how they could access CIL funding;
- Disappointment that proposals to address flooding in Littleton and The Worthies had not been included;
- Some concern regarding the capacity of the County Council to deliver highway schemes;
- Query regarding whether education was included on the Regulation 123 list and whether provision for children with special needs could be increased.
- Suggested that the Regulation 123 required amending with regard to the Watercress Way item regarding possible extension to Wonston (rather than South Wonston). In general, how could amendments to the Reg 123 be made?

The Corporate Head of Regulatory confirmed that parishes were currently being given the opportunity to bid for a share of CIL funds and further clarification could be provided to parish councils if required. The report proposed a light touch revision of the Reg 123 list as the Government had indicated its intention to replace the list in the near future. He would clarify further with Councillor Porter any amendments required regarding the Watercress Way.

Cabinet agreed that the report's recommendations be amended to include delegation to the Strategic Director: Services (Interim) to make minor amendments to the Reg 123 List.

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

RESOLVED:

1. That, subject to any minor amendments required in relation to matters raised above to be agreed by the Strategic Director: Services (Interim), the revised Regulation 123 List attached at Appendix 1 be agreed and published.

2. That £1.8m of CIL funding be allocated to the Sport and Leisure Park at Bar End given its compliance with several criteria for allocating CIL funding.

14. **MINUTES OF CABINET (LEISURE CENTRE) COMMITTEE HELD 14 JANUARY 2019 (LESS EXEMPT MINUTE)**
(CAB3135)

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

RESOLVED:

That the minutes of the Cabinet (Leisure Centre) Committee held 14 January 2019 be received.

15. **MINUTES OF CABINET (CENTRAL WINCHESTER REGENERATION) COMMITTEE HELD 22 JANUARY 2019**
(CAB3136)

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

RESOLVED:

That the minutes of the Cabinet (Central Winchester Regeneration) Committee held 22 January 2019 be received.

16. **TO NOTE THE FUTURE ITEMS FOR CONSIDERATION BY CABINET AS SHOWN ON THE MARCH 2019 FORWARD PLAN.**

RESOLVED:

That the list of future items, as set out in the Forward Plan for March 2019, be noted.

17. **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>
20	Land Transaction) Information relating to the financial or business affairs of
19	Exempt minute of the Cabinet (Leisure Centre) Committee) any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)

18. **LAND TRANSACTION**
(CAB3121)

Cabinet considered the above report which dealt with a proposed land transaction (detail in exempt minute).

19. **EXEMPT MINUTE OF CABINET (LEISURE CENTRE) COMMITTEE HELD 14 JANUARY 2019**
(CAB3135 - EXEMPT)

RESOLVED:

That the exempt minute of the previous meeting held 14 January 2019 be received.

The meeting commenced at 4.30 pm and concluded at 6.10 pm

Chairman