

CABINET

Thursday, 11 February 2021

Attendance:

Councillor Thompson (Chairperson)	– Leader and Cabinet Member for Communications
Councillor Cutler (Vice-Chair)	– Deputy Leader and Cabinet Member for Finance and Risk
Councillor Ferguson	– Cabinet Member for Local Economy
Councillor Learney	– Cabinet Member for Housing and Asset Management
Councillor Murphy	– Cabinet Member for Climate Emergency
Councillor Porter	– Cabinet Member for Built Environment and Wellbeing
Councillor Prince	– Cabinet Member for Sport, Leisure and Communities
Councillor Tod	– Cabinet Member for Service Quality and Transformation

Others in attendance who addressed the meeting:

Councillors Godfrey, Horrill, Lumby, Miller, Pearson and Read

Mrs M Gill (TACT)

[Full audio recording and video recording](#)

1. MEMBERSHIP OF CABINET BODIES ETC.

There were no changes to the membership of cabinet bodies to be made.

2. DISCLOSURE OF INTERESTS

Councillors Porter and Tod declared personal (but not prejudicial) interests in respect of reports due to their role as a County Councillors.

3. MINUTES OF THE PREVIOUS MEETING HELD ON 20 JANUARY 2021.

RESOLVED:

That the minutes of the previous meeting held on 20 January 2021 be agreed as a correct record.

4. **PUBLIC PARTICIPATION**

Chris Holloway (WinACC) spoke during public participation regarding report CAB3286, as summarised briefly below:

Welcomed the opportunity to work with the council and share ideas and expertise. With regard to the Council Plan (report CAB3286 refers) welcomed the continued commitment to tackle the climate emergency and the emphasis on transport and renewable energy. Suggested that the council should also concentrate efforts on making its existing buildings more energy efficient. With regard to the Capital Investment Strategy (report CAB3283 refers), considered that the document should be specific about what expenditure was required each year to ensure the council met its target to be carbon neutral. She asked that in addition to supporting the climate emergency declaration, all councillors support the necessary actions required.

The Leader thanked Mrs Holloway for her support and noted the comments which would be considered further under the relevant items below.

5. **LEADER AND CABINET MEMBERS' ANNOUNCEMENTS**

The Leader and Cabinet members made a number of announcements as summarised briefly below.

Councillor Porter

Announced the launch of the consultation on the Local Plan on 15 February 2021, entitled "Your Place Your Plan". Further information was available by calling 01962 848 508 or at www.localplan.winchester.gov.uk.

Provided an update on the action taken to tackle fly-tipping, including the utilisation of the Neighbourhood Services Team to inspect incidents and gather evidence in order to pursue prosecutions.

Councillor Ferguson

Announced the launch of the new hardship fund as part of the discretionary grant funding for business support during pandemic with individual grants of up to £10,000. Further details were available on the business page of the council's website.

A consultation on the use of digital services had also been launched with further details available on the Citizens Space section of the website.

Councillor Prince

The process of approving small grants had recommenced with the first announcements of grants awarded due shortly.

6. **GENERAL FUND BUDGET 2021/22** (CAB3289)

Councillor Cutler introduced the report outlining the key elements of the proposed budget and emphasising the continued significant impact of the Covid

pandemic. He drew Members' attention to a correction to the report as published to replace paragraph 17.1 with the text set out below:

“Business Rates – The business rates collection fund is forecast to be balanced at the end of 2020/21. A technical collection fund deficit caused by government reliefs is expected to be balanced off by S31 government grants. This means that a claim to government for 75% of any losses incurred is not expected to be made and there will also be no losses to spread over three years.”

At the invitation of the Leader, Councillors Horrill and Lumby addressed Cabinet as summarised briefly below.

Councillor Horrill

Acknowledged the achievements of the Council in maintaining services during the Covid pandemic and also the significant amounts of government grants received. Believed that the proposed increases to council tax and fees were not justified and expressed concern about the proposals to delete staffing posts. Considered that there should be increased efforts to bring in additional income and progress key projects to enable this.

Councillor Lumby

Noted the report had been discussed at Scrutiny Committee on 2 February 2021 and welcomed the commitment that there would be no further increase to waste collection charges this year. Believed that the proposal to reduce staffing levels in the Planning team would have a significant negative impact on the service provided, particularly enforcement.

Cabinet Members responded to the comments made, including emphasising that all councils in Hampshire now charged for garden waste collection and that, regrettably, it was not possible to achieve the levels of savings required without reducing staffing costs. Smarter working practices would be examined to minimise the impact on service levels.

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

RECOMMENDED (TO COUNCIL):

- 1. That the level of General Fund Budget for 2021/22 be agreed and the summary as shown in appendix A of the report.**
- 2. That the investment proposals set out in section 15 of this report be supported, including:**
 - a. Additional staff provision to support the delivery of the Movement Strategy at an annual cost of £60,000;**

- b. **£60,000 per annum in to cover potential additional costs in relation to Meadowside leisure centre;**
- c. **Increased provision for Local Council Tax Support, with £169,000 additional one off provision to the Council's Hardship Fund, funded directly from Government grant;**
- d. **Provision of £250,000 to meet Covid related/recovery costs in 2021/22 funded from the "tranche 5" Covid grant confirmed in the Government Settlement;**
- e. **Additional revenue budget provision, funded from the Major Investment Reserve, of £2m required to fund Central Winchester Regeneration project work in 2021/22 and 2022/23, subject to the approval of the business case which will be brought to Cabinet later in the year;**
- f. **Additional revenue provision, funded from the Major Investment Reserve of £250,000 to fund the creation of an interim open space at the Friarsgate site in Winchester.**

3. That the savings proposals set out in section 16 of the report be approved, including:

- a. **The implementation of "cashless parking", phased over 2 years;**
- b. **Fees and charges for services to be increased by an average of 3% (not including parking charges or garden waste, where no increase is proposed for April 2021);**
- c. **Building Control fees increase by 10% on average;**
- d. **That no additional revenue contributions be made to the Property and Asset Reserve and that use of the reserve be reviewed as part of the refresh of the Asset Management Strategy in 2021;**
- e. **That the annual revenue contribution to the Car Park and Transport reserve be reduced to £150,000 per annum for the next four years;**
- f. **The budget for "small grants" is reduced by £15,000;**
- g. **A one year grant agreement based on a maximum grant of £147,200 for "Play to the Crowd";**
- h. **That financial support for the annual Criterium event is not continued.**

4. That £1.5m be transferred from the Transitional Reserve to the Major Investment Reserve to ensure sufficient resources are

available to cover major investment after accounting for the CWR provision set out in recommendation 2 e) above.

5. That the policy as previously agreed by the Council on 14 July 1999 (min 186 refers) is 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 £1,061,591 be treated as Special Expenses under Section 35 of the Local Government Finance Act 1992 in respect of the Winchester Town area, Appendix D.

6. That the Council Tax for the Special Expenses in the Winchester Town area at Band D for 2021/22 be increased to £73.41.

7. That the deficit balance on the Council Tax Collection Fund for distribution to this Council, calculated in January 2021 of £153,843.75, be approved.

8. That the level of Council Tax at Band D for City Council services for 2021/22 be increased to £147.38.

9. That the Council Tax requirements per parish area, listed in Appendix E, be noted.

7. **CAPITAL INVESTMENT STRATEGY 2021-2031**
(CAB3283)

Councillor Cutler introduced the report which set out the capital spending programme for the next ten years. He proposed an amendment to recommendation 7 of the report due to the Council receiving £260,000 from the Salix fund. This was agreed, as set out in the resolution below. In response to comments made by WinACC during public participation, Councillor Cutler highlighted that a number of capital projects would assist with tackling the climate emergency, but agreed that this aim could be stated more explicitly throughout the strategy.

At the invitation of the Leader, Councillors Godfrey and Miller addressed Cabinet as summarised briefly below.

Councillor Godfrey

Emphasised the critical role of the capital budget, particularly during the current pandemic, and welcomed the proposals to deliver refurbishment and improvements to council housing stock through the Housing Revenue Account. However, he believed there were a lack of projects and proposals which would generate future income for expenditure within the General Fund. He cited a number of examples of council owned buildings which were currently unused. He considered there was also a shortage of investment in the council's existing assets and overall the strategy lacked vision.

Councillor Miller

Welcomed some aspects of the report but overall believed that the lack of action on major projects was costing the council money. Highlighted that the aims and objectives of the Strategic Assets Purchase Scheme were not solely to generate income and cited the example of Unit 12, Winnall as providing a valuable service for the district.

The Leader and Cabinet Members responded to comments made including emphasising the current constraints on new use of some of the council buildings mentioned and the significant impact of the Covid pandemic in terms of the ability to predict the likely future demands and requirements of new capital projects.

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

RECOMMENDED (TO COUNCIL):

- 1. That the Capital Programme and Capital Programme Financing (appendices A and B of the report) be approved.**
- 2. That the Minimum Revenue Provision (MRP) Policy Statement (appendix E of the report) be approved.**
- 3. That the Flexible Use of Capital Receipts Strategy (appendix G of the report) including the proposed use of capital receipts towards severance costs be approved.**
- 4. That the Prudential indicators detailed in the report and its appendices be approved.**

RESOLVED:

5. That, subject to Council approval of the capital programme, IMT equipment and software expenditure (£534,000 in 2021/22) be approved, as detailed in paragraph 11.8.6 of the report.
6. That, subject to Council approval of the capital programme, additional expenditure of £250,000 on essential repairs to the Weirs be approved, as detailed in paragraph 11.2.2 of the report.
7. That authority be delegated to the S151 officer, in consultation with the Cabinet member for Housing and Asset Management to approve expenditure of up to £260,000 on decarbonisation works to City Offices, as outlined in paragraph 11.2.2, to enter into the grant agreement with Salix and to implement the project, subject to a satisfactory business case and Council approval of the capital programme.

8. That the requirement to ensure Members have the right knowledge and skills to undertake their governance role be noted.

8. **TREASURY MANAGEMENT STRATEGY 2021/22**
(CAB3282)

Councillor Cutler introduced the report which contained the annual refresh of the strategy. Following consideration of the report at Scrutiny Committee on 2 February 2021, section 11.3 had been added which detailed the changes to the strategy from the previous year.

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

RECOMMENDED (TO COUNCIL):

1. That the Treasury Management Strategy Statement which includes the Annual Treasury Investment Strategy for 2021/22 (and the remainder of 2020/21) is approved.
2. That authority is delegated to the Section 151 Officer to manage the Council's high yielding investments portfolio and long term borrowing according to the Treasury Management Strategy Statement as appropriate; and
3. That authority is delegated to the Section 151 Officer, who in turn discharges this function 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.

9. **HOUSING REVENUE ACCOUNT BUDGET 2021/22 AND PROCUREMENT OF TERM MAINTENANCE CONTRACTS**
(CAB3290)

Councillor Learney introduced the report emphasising that the proposals prioritised tenants' requirements whilst also furthering the Council's carbon neutrality aims. The proposals regarding the procurement of term maintenance contracts responded to feedback from tenants. In addition, in recognition of the significant impact on tenants of the Covid pandemic, an additional £0.5m was proposed to increase tenant support. Councillor Learney proposed an additional recommendation to enable this which was agreed as set out in recommendation 11 below.

At the invitation of the Leader, Monica Gill (TACT) and Councillor Horrill addressed Cabinet as summarised briefly below.

Monica Gill (TACT)

The Finance and Resource Manager – Housing had previously attended a TACT meeting and outlined the budget proposals as set out. The proposals were generally welcomed, particularly the additional funding to support tenants and the £10m to purchase land to build new council homes. TACT had suggested that the Council investigate the possibility of Bar End depot being allocated for the development of new homes.

Councillor Horrill

Welcomed a number of proposals in the report, including the additional commitment of £0.5 for tenant support and the funding for providing additional new council homes. Believed that Councillors should have had the chance to scrutinise the housing development strategy prior to its consideration by Cabinet and in general, considered that the decision making processes regarding housing matters required improvement. Queried why it was proposed to delete the Outreach worker post when they carried out important work.

Councillor Learney and other Cabinet Members responded to the comments made, including confirming that the timing of future housing reports would be considered further and emphasising the commitment to the new homes programme.

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

RECOMMENDED (TO COUNCIL):

1. **Approve the 2021/22 Housing Revenue Account budget as detailed in Appendices 1 and 2 to report CAB3290.**
2. **Approve a rent increase in 2021/22 in accordance with the Government's national rent standard (September CPI + 1%) resulting in an average rent increase of 1.5%.**
3. **Approve the HRA capital programme as set out in appendices 3 and 4 of report CAB3290.**
4. **Approve capital expenditure in 2021/22 of £11.027m for the Maintenance, Improvement and Renewal programme as detailed in Appendix 3 of the report, in accordance with Financial Procedure Rule 7.4**
5. **Approve funding for the HRA Capital Programme, as detailed in Appendix 5 of report CAB3290.**
6. **Approve the HRA Financial Plan operating account extract, including annual working balances, as detailed in Appendix 6 of report CAB3290.**

7. **Approve the creation of an Energy Officer post to facilitate the council's carbon reduction agenda and embed it within the current and future housing stock at a cost of £53k.**

8. **Agree to support the proposed increase in capital funding of £2.5m in retro fitting capital funding which will increase the funding available for climate change initiatives over the next 10 years to £15.675m (including inflation) .**

9. **Agree to support the proposal for a £10m investment in the purchase of a potential site for new housing development, as well as £0.5m for nitrate mitigation offset measures.**

10. **Agree to support the allocation of an additional £0.2m of investment as described at paragraph 17.2 of the report for sewage treatment works.**

11. **That an additional one off sum of £0.5m, funded from the existing HRA balance, be set aside to fund additional support for Council tenants and that officers bring forward formal proposals in July 2021, following discussions with TACT and tenants.**

RESOLVED:

12. That the increase in budgetary provision of £0.064m to support the increase in costs of the current 1 year Orchard contract and enable officers to procure a longer term 3 year contract be approved.

13. That, subject to the agreement of the contractor, the housing term maintenance contracts (Lot 1 - day to day responsive repairs and Lot 2 - repair and re-instatement of empty properties), currently awarded to Osborne Property Services Ltd, be extended for a further and final period of five years (from 1/8/2021 to 31/7/2026) in accordance with Exception to Contract Procedure Rules 41.1(e).

14. That, the current contract (with British Gas T/A PH Jones) for heating appliance servicing and responsive repairs not be extended beyond 30/9/2021 and that, for the new contract, delegated authority be given to the Strategic Director - Services following consultation with the Cabinet Member for Housing and Asset Management to:

- a. select a suitable competitive procurement option
- b. Select and subscribe to (if deemed appropriate and necessary) an existing external Framework agreement to procure these works.
- c. select and invite contractors to be invited to tender or mini-competition
- d. evaluate tenders
- e. select a preferred bidder and prepare, award and enter into the contract

15. That the evaluation for heating appliance servicing and responsive repairs tender be assessed on the basis of Most Economically Advantageous Tender and the tender model utilised to be 50% Cost, 50% Quality.

16. That authority is delegated to the Service Lead – Legal to prepare and enter into the contracts to enable the extension of the contract with Osborne and a contract for the heating appliance servicing and responsive repairs of the city councils housing stock.

10. **ANNUAL COUNCIL PLAN REFRESH 2021/22**
(CAB3286)

Councillor Thompson introduced the report which set out a refresh to the previous plan, having regard to the significant impact of the Covid pandemic, but with the five strategic priorities and focus on the climate emergency remaining unchanged. The report also summarised some of the achievements of the council over the previous year. Councillor Thompson proposed an additional recommendation to allow minor editing changes to the Plan and this was agreed as set out in recommendation 2 below.

At the invitation of the Leader, Councillors Pearson and Read addressed Cabinet as summarised briefly below.

Councillor Pearson

Welcomed much of the contents of the plan but raised a number of specific queries. This included questions regarding what exact measures were proposed to tackle the climate emergency and also a belief that the plan focussed on the city area rather than the district as a whole.

Councillor Read

Noted the likely ongoing and long term impacts of the pandemic. Raised a detailed query regarding the type of housing proposed to be built by the proposed new housing company. Believed that generally there had been a lack of action taken and decisions made.

Councillor Thompson and other Cabinet Members responded to comments made including emphasising that the plan was a high level strategic document which covered the whole district area. The comments made by Chris Holloway (WinACC) during public participation in support of the council's continued commitment to tackling the climate emergency were also noted.

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

RECOMMENDED (TO COUNCIL):

1. That Council approves and adopts the refreshed Council Plan priorities.

RESOLVED:

2. That delegated authority be granted to the Strategic Director: Resources, in consultation with the Leader, to make minor typographical corrections and manuscript updates to the Plan.

11. **MINUTE EXTRACT FROM WINCHESTER TOWN FORUM HELD 28 JANUARY 2021**
(CAB3294)

Councillor Learney introduced the report which set out a recommendation from Winchester Town Forum requiring Cabinet approval for expenditure of pre-construction costs for the King George V (KGV) pavilion project. This funding would be allocated from the Winchester Town Account.

At the invitation of the Leader, Councillor Lumby addressed Cabinet as summarised briefly below.

Supported the proposals for the KGV pavilion and the progression of the North Walls pavilion project. Queried how the latter would be funded and also whether similar levels of funding and officer support would be made available for other pavilion projects across the district?

Councillor Learney responded to the comments made. She stated that KGV pavilion would be used as the district centre for women's and girls' football and consequently, an application for district community infrastructure level (CIL) funding would be made in due course.

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

RESOLVED:

That authority be given to incur expenditure of pre-construction costs of up to £30,000 in accordance with Financial Procedure Rule 7.4, financed by the Open Space monies in recommendation 6 of report WTF295 and that this work proceeds at financial risk to the Town Forum.

12. **MEADOWSIDE LEISURE CENTRE – UPDATE ON OPERATOR TENDER (LESS EXEMPT APPENDICES)**
(CAB3285)

Councillor Prince introduced the report which provided an update on the operator tender for Meadowside Leisure Centre which was a very valued facility for the southern parishes of the district.

At the invitation of the Leader, Councillor Lumby addressed Cabinet as summarised briefly below.

He thanked officers for the opportunity to discuss some of the detail of the report prior to the meeting and confirmed that he did not wish to make any comment or ask questions in exempt session. He welcomed the opportunity to discuss further with Councillor Prince future opportunities

for facilities across the district. In general, he welcomed the proposals contained in the report.

Councillor Cutler responded to comments made.

Cabinet Members confirmed that they had fully considered the contents of the exempt appendices and did not wish to ask any questions or have any debate thereon. Consequently, there was no need to move into exempt session prior to consideration of the report's recommendations.

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

RESOLVED:

1. That Everyone Active be awarded the operator contract to manage Meadowside Leisure Centre based on their variant bid for a period of ten years with a five year optional extension.

2. That a capital budget and expenditure for Meadowside Leisure Centre totalling £300,000 be approved, funded by prudential borrowing and approve incurring that capital budget as noted in the estimated financing costs outlined in section 2.2.

3. That additional revenue expenditure, (averaging £56,000 per annum over 15 years, based on the variant bid be approved, (which includes provision for the Council's capital financing costs), be met from the base budget provision included in the proposed 2021/22 General Fund budget set out in CAB3289 elsewhere on this agenda.

4. That it be agreed that costs in the first year be based on actual net operating costs, assessed on an "open book" basis, with all additional costs over and above the approved budget being met from "tranche 5" of the Government Covid-19 grant, future leisure grant allocations or a mix of the two.

5. That authority be delegated to the Service Lead - Legal to prepare, negotiate and enter into an operator contractor based on the Sports England template and associated agreements.

13. **FUTURE ITEMS FOR CONSIDERATION**

RESOLVED:

That the list of future items, as set out in the Forward Plan for March 2021, 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>
15	Meadowside Leisure Centre – update on operator tender (exempt appendices)) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)

15. **MEADOWSIDE LEISURE CENTRE – UPDATE ON OPERATOR TENDER (EXEMPT APPENDICES)**

(CAB3285 - exempt appendices)

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

RESOLVED:

That the contents of the exempt appendices be noted.

The meeting commenced at 10.00 am and concluded at 12.20 pm

Chairperson