

Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
----------------	-------	----------	---------	---------------------

Part A – Items considered in public

A7	Waste and Recycling Strategy	<p>That, in respect of the recycling service offered by the city council it be agreed:</p> <ol style="list-style-type: none"> 1. That as a result of resident feedback and the options appraisal set out in paragraph 11.40 of report CAB3439, the preferred option is a co-mingled recycling collection service collecting a wider range of materials and that Hampshire County Council be advised accordingly. 2. To seek to introduce a separate collection of food waste by 31 March 	<p>In response to the Council's 'go greener faster' priority, the Environment Act 2021 and the government's 'Simpler Recycling' announcement in October 2023, the council proposes to, and must by law, introduce changes to the waste and recycling service that allow residents to recycle more, including food waste, and wishes to do so in the most environmentally friendly way possible.</p> <p>A recent consultation exercise provided strong evidence that our residents care about recycling, want to recycle more, and want to</p>	<p>To support the development of the council's waste collection strategy different options for waste collection methods are being considered and modelled by cost, ease of use and recycling rate prior to selecting a preferred option. Details are set out in the main body of the report CAB3439 above.</p> <p>In relation to food waste collection, an option considered but not pursued was collection via a split-bodied vehicle (also called a 'pod') i.e., able to collect food in the front 1/3 and recyclables in the rear 2/3, versus a separate food waste</p>
----	------------------------------	--	---	--

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>2026 with the Council's current contractor Biffa, including to provide quoted prices for the required food waste collection vehicles.</p> <p>3. That the Council will pursue the current lowest carbon viable options as a priority for service delivery.</p>	<p>keep it simple. In response to this and the government's latest guidance, and following an options appraisal, it is being recommended that the council introduce a co-mingled recycling collection and a weekly food waste collection. This recommendation needs to be confirmed with Hampshire County Council by 1 March 2024. Further consultation and engagement detailing these proposed changes and how they impact residents will be completed before any change is implemented.</p> <p>Discussion of all these changes is ongoing and includes consideration of financial and carbon costs, infrastructure, and timescales</p>	<p>only vehicle. It was noted that the pod vehicle had been used in Eastleigh Borough Council but subsequently changed to single food waste trucks due to potential health risks from splashback when loading. Other determining factors are cost – the vehicles are more expensive, and difficult to hire in the event of breakdowns; practicality – require more trips to the tipping point and less suited to urban areas than rural; operating tonnages - wet food waste is far heavier than dry recyclables.</p> <p>The council is not currently considering three-weekly residual waste collections. This has been ruled out by Government.</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
			<p>for implementation, as well as changes to the service offered by our waste disposal authority, Hampshire County Council. Report CAB3439 aims to be an update on these work streams with a further report, for decisions to be made, coming back to Cabinet in March 2024.</p>	<p>The council has considered twin stream collection of recyclables versus co-mingled. Twin stream was the system formerly agreed with Hampshire County Council. However, the Government has determined through its consistency announcement that co-mingled is acceptable as a collection method. It is considered that a co-mingled collection system is a more cost-effective method of collection and is simpler for residents to use. District Councils in Hampshire need to give the County Council its preferred collection method in March of this year (2024).</p> <p>Consideration has also been given as to whether a separate procurement for food waste collection should</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
				<p>be pursued. This is not currently considered to be practical i.e., having potentially two different contractors collecting the council’s waste. This would also lose the economies of scale of having just one contractor and would likely be more expensive.</p>
A8	Housing Revenue Account (HRA) Budget 2024/25	<p><u>That Cabinet recommend that Council*:-</u></p> <ol style="list-style-type: none"> 1. Note the HRA Financial Plan operating account extract, including annual working balances, as detailed in Appendix 6 of report CAB3445. 2. Approve the 2024-25 Housing Revenue Account budget as detailed in Appendices 1 	<p>Report CAB3445 requests approval for the proposed HRA revenue budget for 2024/25, as detailed in Appendices 1 and 2 of the report.</p> <p>The report also requests approval for the capital programme budget proposal for 2024/25 and the 10-year indicative plan to 2033/34. These figures are detailed in Appendices 3 and 4, taking</p>	<p>The council could consider investing less in customers’ homes than is required to achieve the regulatory requirement of EPC C by 2030. This is not recommended as it would breach the regulatory requirements and in addition would not support the council’s policy objective of being greener faster.</p> <p>The council could also seek increased revenue savings</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>and 2 to the report.</p> <p>3. Approve the 10-year indicative HRA capital programme as set out in appendices 3 and 4 of the report.</p> <p>4. Approve capital expenditure in 2024-25 of £18.649m for the Maintenance, Improvement and Renewal programme as detailed in Appendix 3 of the report in accordance with Financial Procedure Rule 7.4.</p> <p>5. Approve the proposed budget in 2024-25 for new homes of £15.524m as detailed in Appendix 4 of the report subject to individual scheme approvals.</p>	<p>account of the funding shown in Appendix 5.</p> <p>Despite the unprecedented budget challenges and interest rate rises faced by the Council's housing service this report offers policy options to achieve the Council's policy objectives to go greener faster, address the cost of living crisis and maintain the commitment to deliver 1000 new homes.</p> <p>Continuing inflationary building supply and construction pressures and increased underlying Public Works Loan Board (PWLB) interest rates are increasing new homes build costs. To address this significant rise in building costs and maintain the commitment to delivering</p>	<p>than those identified in this report so as to provide investment capacity in the HRA. At this time the level of revenue savings identified are achievable and will not lead to a reduction in the quality of service delivered. Investment in improving the digital access to services may generate efficiencies in the future that can be realised without detriment to services. Therefore, increased revenue savings are not recommended at this time.</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>6. Approve the proposed indicative funding for the HRA Capital Programme as detailed in Appendix 5.</p> <p>7. Note the proposed additional investment in the council housing stock of £30m over the next eight years to 2030-31 to retrofit properties on a fabric first basis to help improve their energy efficiency and reduce energy costs for tenants. This additional annual investment brings the total annual investment here to £5.6m a year and £45m in total (see paragraph 12.5 of the report).</p> <p>8. Approve the proposed strategic change in</p>	<p>1000 new homes, the business plan has been rebalanced with a new homes acquisition strategy to prioritise purchase of new homes from developers in the short to medium term, where costs are currently significantly lower, and continue to develop schemes where the business case is proven to be viable.</p> <p>In addition to high building costs, significantly increased energy costs are impacting many of the most vulnerable residents in our homes.</p> <p>To mitigate the additional energy costs for residents and to drive de-carbonisation of our council homes, an additional investment of £30m is proposed to be</p>	

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>direction moving from a plan based upon direct delivery of new homes to one based upon a mixture of actively acquiring s106 affordable housing directly from developers alongside future development with grant funding and using Right to Buy resources (see paragraph 13.7 of the report), including the continuing commitment to rural housing, including through rural exception sites.</p> <p>9. Note the current financial viability assessment for new build and that at present all potential development sites based on current assumptions</p>	<p>allocated into the Retrofit program to meet regulatory decent homes energy standards.</p> <p>The budget options contained in this report support the council's commitment to increase investment in customers' homes to go greener faster and to deliver the 1000 new homes programme by 2032/33.</p> <p>The report proposes a 7.7% increase in rent (consistent with the Government rent regime for affordable housing) to ensure the HRA Budget remains sustainable and viable over the 30-year period given significant inflationary and other cost pressures, and to allow for</p>	

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>evaluated this year have not been assessed as being financially viable within the existing viability model (see paragraphs 13.1-13.10 of the report).</p> <p>10. Approve the proposed move to 80% market rent to help improve the viability of new homes development and to mitigate the increasing cost of delivery (see paragraph 13.5 of the report).</p> <p>11. Approve a revenue savings target of £400k over two years to assist with bridging the forecast gap in financing future capital expenditure (see paragraph 14.2 of the</p>	<p>the additional investment of £30m in tenants' homes as detailed within the report.</p>	

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>report).</p> <p>12. Approve the disposal in principle of Barnes house in 2024-25, and in addition the disposal of £0.500m of surplus HRA property per year over the next eight years to generate additional capital receipts to help fund the increased investment requirement over these years (see paragraph 14.3 of the report).</p> <p>13. Approve the average formula rent increase for 2024-25 for all affordable and social housing of 7.7% based on the September 2023 CPI figure of 6.7% +1% (see paragraphs 15.1-15.4 of</p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>the report).</p> <p>14. Approve the proposed move from RPI+0.5% to CPI+1% for existing council shared owners in the HRA from 2024-25 onwards, as well as in all future HRA shared ownership leases. Note that the impact of this in 2024-25 will be a reduction in rent rises this year from 9.4% to 7.7% (see paragraph 15.4 of the report).</p> <p>15. Approve a 7.7% increase in tenant service charges in 2024-25 (see paragraph 15.5 of the report).</p> <p>16. Approve consultation on the move to full cost recovery from 2025-26</p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>for both private and tenant connections of the council's sewage treatment works and note that this will include transitional protection and be achieved within a nine-year timeframe, but subject to a further report in Autumn 2024 (see paragraphs 15.7-15.12 of the report).</p> <p>17. Note that officers are currently beginning a review of the current Housing IT management system with a view to evaluating whether it is still fit for purpose or needs to be replaced, as well as beginning work on the re-procurement of the repairs and maintenance contract.</p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>The Business plan provides for this to happen over the following two years at a provisional one-off cost of up to £2m (see paragraph 12.10 of the report).</p> <p>18. Note that the draft HRA Business 30-year Plan is viable and sustainable and has the capacity to support the council's ambitious delivery of 1,000 new affordable homes over the next 10 years. The proposed plan provides sufficient funds over the life of the plan to still deliver over 1,500 new affordable homes in total.</p> <p><i>*NB recommendations to</i></p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<i>Council are not subject to call-in.</i>		
A9	General Fund Budget 2024/25	<p><u>That Cabinet recommend to Council*:</u></p> <ol style="list-style-type: none"> 1. That the level of General Fund Budget for 2024/25 be agreed, and recommend the summary as shown in Appendix A of report CAB3444. 2. That the Greener Faster and carbon reduction investment proposals set out in section 14 of the report be approved, including: <ol style="list-style-type: none"> a. £200,000 per annum for the carbon reduction measures on waste and recycling vehicles to enable the change to HVO fuel. 	<p>The purpose of report CAB3444 is to consider and recommend to Council the 2024/25 General Fund Revenue Budget. The report details the proposals for additional savings, spending and investment for the year ahead in order to support core council services and enhance continued delivery of the priorities in the Council Plan. There is particular focus on the Greener Faster priority by investing in enhanced recycling and food waste collection, and decarbonisation of our waste vehicle fleet, which will cut the Council's carbon emissions by 25%. Support for residents experiencing</p>	<p>Consideration has been given to not increasing Council tax in 2024/25. However, it should be noted that the Government settlement and additional resources allocated to the Council is a one-year announcement and forecasts still indicate increasing deficits in future years and therefore this cannot be recommended.</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>b. £1,400,000 per annum (less assumed 80% government funding) to expand recycling services to include food waste collections.</p> <p>c. £400,000 per annum to implement other changes to the collection of recyclables.</p> <p>d. £250,000 reduction in the annual waste income budget to reflect proposed changes to the Hampshire Inter Authority Agreement on waste.</p> <p>3. That in relation to the Cost of Living focus of the Council Plan, the following be approved:</p> <p>a. In the absence of any government funded</p>	<p>Cost of Living hardship is maintained by uprating the Council Tax Reduction scheme and additional funding for the Council Tax Hardship schemes, while the Council continues to maintain its community grants scheme.</p> <p>The financial landscape is particularly challenging for local government with more than one in five councils at risk of financial failure within the next 12 months if they do not receive significant additional income or make substantial cuts to services¹.</p> <p>Winchester City Council faces many of the same pressures, particularly the uncertainty about future</p>	

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>scheme, the allocation of up to £100,000 from the Cost of Living / Living Well reserve to wholly or partially fund a local Council Tax Support Fund for 2024/25 in accordance with section 19 of the report.</p> <p>b. Extending the council tax Exceptional Financial Hardship Fund, with the remaining balance of 2023/24 funding (£38,000 as at Jan 2024), to 2024/25 to support any council tax payers experiencing exceptional hardship, regardless of whether they are in receipt of Council Tax Reduction.</p> <p>c. A discretionary 7.7% cap for 2024/25 on the annual increase in rent for</p>	<p>funding, with no indication of settlements beyond this next year. However, due to sound financial management in the difficult last 5 years, it is in a strong and stable position in the short term. The General Fund budget shown in Appendix B of report CAB3444 shows a balanced position for 2024/25 without needing to draw down reserves to achieve this.</p> <p>The Medium-Term Financial Strategy (report CAB3430 in November 2023) set out the forecast position for the medium term. Projections have now been updated and the new Medium Term Financial Plan (MTFP) is shown at Appendix A of the report. This shows that, although the council's immediate financial position</p>	

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>Partnered Home Purchase scheme property owners, in line with the increase in social and affordable rents to existing tenants and for shared owners in the HRA.</p> <p>4. That in relation to the council's Homes for All priority the following be approved:</p> <p>a. an additional £20,000 per annum contribution to the New Burdens Reserve to support the Preventing Homelessness Strategy, including funding the increased costs of providing temporary accommodation for homeless households where required.</p>	<p>to 2026 is stable, there are increasing forecast deficits in the longer term. To address these future pressures, the Council has embarked on an organisation wide transformation programme in order to close the £3m gap in funding within 3 years.</p> <p><i>Transformation Challenge 2025 (TC25)</i> has already identified immediate savings of £0.6m which have been removed from the baseline budget. Transformational changes over the next few years are underway, focusing on digital redesign to enhance service delivery while producing savings, income generation and contracts review.</p> <p>¹ Grant Thornton UK 'Financial Foresight' analysis at January 2024</p>	

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<ul style="list-style-type: none"> b. to reduce the long term empty property period from 2 years to 1 year, of the 100% council tax premium which applies to all unoccupied and unfurnished property. 5. That in relation to the council's TC25 transformation programme the following be approved: <ul style="list-style-type: none"> a. The £607,000 of immediately recognised TC25 savings set out in section 13 of the report be reassigned to contributions to the Transitional Reserve for 2024/25 and 2025/26 to support the delivery of the wider transformation programme. b. A new budget of 		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>£100,000 per annum for the support and coordination of digital channel shift work across the council's services.</p> <p>c. The transfer of the £130,000 of additional 4% Funding Guarantee income to the transitional reserve to invest in the TC25 transformation programme.</p> <p>6. That the unavoidable budget growth of £100,000 per annum to fund increased external audit fees be approved.</p> <p>7. That savings in corporate property budgets for Non Domestic Rates (NNDR) of £177,000 to reflect reduced liabilities be approved.</p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>8. That service income annual budgets be amended as follows, in response to revised estimates:</p> <ul style="list-style-type: none"> a. Building control fees reduced by £100,000 b. Land charges income reduced by £100,000 c. Legal services reduced by £50,000 d. Garden waste service income increased by £90,000 e. Car parking income increased by £100,000 <p>9. That the sum of £1,273,758 be treated as Special Expenses under Section 35 of the Local Government Finance Act 1992 in respect of the Winchester Town area as</p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>set out in section 16 and Appendix D of the report.</p> <p>10. That the Council Tax for the Special Expenses in the Winchester Town area at Band D for 2024/25 be increased by the maximum allowed under the referendum limit of 2.99% combined between the town and district.</p> <p>11. That the surplus balance on the Council Tax Collection Fund for distribution to this Council, calculated in January 2024 of £118,152.14, be approved.</p> <p>12. That the level of Council Tax at Band D for City Council services for</p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>2024/25 be increased to £159.36, an increase of £4.07 reflecting an average Council tax increase of 2.6%.</p> <p>13. That the new Council Tax Reduction scheme income bands (set out in appendix E of the report) that ensure claimants continue to receive the same level of support after the increase in Universal Credit from April 2024 be approved.</p> <p><i>*NB recommendations to Council are not subject to call-in.</i></p>		
A10	Capital Investment Strategy 2024-2034	<u>That Cabinet recommends to</u>	The Capital Investment Strategy sets out the	The council could elect to have no capital programme

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p><u>Council*:</u></p> <p>1. The Capital Investment Strategy be approved including:</p> <p>(i) the Capital Programme and Capital Programme Financing (Appendices A and B to report CAB3443);</p> <p>(ii) the Minimum Revenue Provision (MRP) Policy Statement (Appendix E of the report);</p> <p>(iii) the Flexible Use of Capital Receipts Strategy (Appendix G of the report); and</p>	<p>council's capital spending programme and the principles which underpin this in order to deliver the desired priorities as set out in the Council Plan.</p> <p>It details the overall programme for the next 10 years, how this will be financed, and the impact of the programme on the council's Medium Term Financial Strategy. At a time when financial resources are under pressure, careful decisions must be made when considering capital investments in order for the council to deliver the objectives of the council plan, and to achieve the best outcomes possible for the district's residents.</p> <p>It includes several prudential</p>	<p>at all or to plan for an alternative programme. Both these options have been rejected as the council would no longer be able to meet its objectives.</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>(iv) the prudential indicators detailed in the report and Appendix F of the report.</p> <p><u>That Cabinet:</u></p> <p>2. Subject to Council approval of the capital programme, approves the following capital expenditure in 2024/25:</p> <p>(i) IMT equipment and software (£30,000) as detailed in paragraph 11.8.7 of the report;</p> <p>(ii) £191,000 (subject to successful UKSPF funding bid) on Friarsgate Medical Centre interim open space (paragraph</p>	<p>indicators that are required to be published by the CIPFA Prudential Code for Capital Finance and the Department for Levelling Up, Housing and Communities (DLUHC) Statutory Investment Guidance and, in addition to outlining how the council ensures it has access to the right knowledge and skills (internal and external), it details how it ensures elected Members have sufficient knowledge and skills to undertake their governance role.</p>	

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>11.2.4 of the report);</p> <p>(iii) Up to £200,000 for essential repairs works to the Weirs (paragraph 11.2.4 of the report)</p> <p>(iv) £40,000 in respect of fees for the replacement of North Walls pavilion (paragraph 11.2.4 of the report); and</p> <p>(v) £485,000 for refurbishment works to the Guildhall to improve fire safety (paragraph 11.2.4 of the report).</p> <p>3. Notes the requirement to ensure Members have the right knowledge and skills to undertake their</p>		

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>governance role and that the ongoing support and training offered to members is continued and enhanced as required.</p> <p><i>*NB recommendations to Council are not subject to call-in.</i></p>		
A11	Treasury Management Strategy 2024/25	<p>That Cabinet recommends to Council*:</p> <ol style="list-style-type: none"> 1. That the Treasury Management Strategy Statement which includes the Annual Treasury Investment Strategy for 2024/25 (and the remainder of 2023/24) be approved; 2. That authority be delegated to the Section 	<p>Report CAB3446 sets out the proposed Treasury Management Strategy Statement, including the Annual Investment Strategy for the Council for 2024/25.</p> <p>Following the Council's declaration of a Climate Emergency in June 2019 the Investment Strategy (Section 16) includes a commitment not to make equity investments either directly or</p>	<p>The council could elect to bring all treasury management activity back in-house. This option has been rejected as the arrangement with Hampshire County Council's Investments and Borrowing team provides significant resilience and economies of scale.</p> <p>The CIPFA Code does not prescribe any particular</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
		<p>151 Officer to manage the Council’s pooled property investment and long-term borrowing according to the Treasury Management Strategy Statement as appropriate; and</p> <p>3. That authority be delegated to the Section 151 Officer, who in turn discharges this function to Hampshire County Council’s Deputy Chief Executive and Director of Corporate Operations, 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</p>	<p>indirectly (via pooled funds) in companies directly involved in the fossil fuel industry.</p> <p>In addition, following changes to the Public Works Loans Board (PWLB) lending criteria which precludes a local authority from borrowing from PWLB for any purpose if it plans to purchase assets primarily for yield, the Borrowing Strategy (section 15) confirms the Council has no such plans.</p>	<p>treasury management strategy for local authorities to adopt. The Section 151 Officer believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed in Table 11 at paragraph 20.2 of report CAB3446.</p>

Winchester City Council – Decisions taken by the Cabinet on Thursday, 8 February 2024

Agenda Item No	Topic	Decision	Reasons	Alternative Options
----------------	-------	----------	---------	---------------------

		<p align="center">appropriate.</p> <p><i>*NB recommendations to Council are not subject to call-in.</i></p>		
--	--	---	--	--