

CABINET

Wednesday, 16 December 2020

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 Bell, Brook, Godfrey, Lumby and Horrill

Monica Gill and David Light (TACT)

1. MEMBERSHIP OF CABINET BODIES ETC.

Cabinet agreed the following for the reasons outlined on the agenda.

RESOLVED:

That Councillor Weir be appointed to the Kings Barton Forum for the remainder of the 2020/21 Municipal Year.

Full Winchester City Council membership would be: Councillors Rutter (Chairperson), Godfrey, Horrill, Learney, Porter, Prince, Scott and Weir

2. DISCLOSURE OF INTERESTS

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

3. **MINUTES OF THE PREVIOUS MEETINGS**

RESOLVED:

That the minutes of the previous meeting held on 21 October 2020 and the previous additional meeting held 10 November 2020, be agreed as a correct record.

4. **PUBLIC PARTICIPATION**

There were no questions asked or statements made.

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

There were no Leader or Cabinet Member announcements.

6. **GENERAL FUND BUDGET OPTIONS AND MEDIUM TERM FINANCIAL STRATEGY (LESS EXEMPT APPENDIX)**
(CAB3276)

Councillor Cutler introduced the report, emphasising the difficulties caused by the ongoing Covid pandemic in making predictions, particularly regarding future income levels and emphasised that the continued uncertainty might require further review of the budget during the year.

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

Considered that the budget focussed too much on the short term and should consider more the medium term. It was not appropriate to suggest the sale of assets to maximise income or to use the transitional reserve to bolster the revenue budget. Highlighted the significant funding received from Government so far with the prospect of additional funds being available. In general, considered the proposed budget was not sufficiently strategic to ensure the proper use of assets in the longer term.

Councillor Cutler and other Cabinet Members responded to the comments made, including emphasising that the proposed budget maintained the commitment to the Council Plan outcomes whilst seeking to minimise the use of reserves.

Cabinet Members confirmed that they had fully considered the contents of the exempt appendix 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 the projections set out in Appendix A to the report be noted and the assumption that budget projections be based on the potential reduction in income, fees and charges for services of 20% of the 2020/21 original budget be supported.
2. That the Medium Term Financial Strategy be approved as set out in sections 20-24 of the report.
3. That the proposal to reduce net operating costs by £3m in 2021/22 be approved, with additional shortfalls (projected at £0.6m for 2021/22) being met from the Transitional Reserve.
4. That in the event of deficits being higher than the projected £3.7m for 2021/22, it be approved that the Transitional Reserve be used to maintain a balanced budget.
5. That a detailed budget be prepared for consideration by Council in February 2021 based on the above assumptions and:
 - a. A Council tax increase of 3%
 - b. The implementation of “cashless parking”, phased over 2 years, as set out in section 18.
 - c. That fees and charges are increased by an average of 3% and that a report be brought to Cabinet in January 2021 setting out all fees for services
 - d. That Building Control fees increase by 10%
 - e. That the budget for “small grants” is reduced by £15,000
 - f. That a one year grant agreement based on a maximum grant of £147,200 be approved for “Play to the Crowd”.
 - g. That the Council no longer directly delivers a programme of sports and physical activity but remains an active partner in the Winchester Sports and Physical Activity Alliance and continue to work with partners across the district to support programmes aimed at improving the health and wellbeing of residents.
 - h. That financial support for the annual Criterium event is not continued in 2021.
6. That the proposed additional revenue provision of £990,000 required to fund project work on 2021/22 and 2022/23 be noted and the proposal that this be funded from the Major Investment Reserve be supported, subject to the final budget to be agreed by Council in February 2021.
7. That charges for off street parking are not increased in April 2021, but that the impact of recent increases be assessed and a strategy developed to further encourage use of car parks outside of Winchester city centre (the air quality management area) and Park and Ride facilities.

8. That a supplementary budget estimate and expenditure of £400,000 for the redevelopment of Bishop's Waltham Depot, as detailed in paragraph 19.6 of the report, be approved.

9. That a supplementary budget estimate and expenditure of £140,000 for the works to the Guildhall Café, as detailed in paragraph 19.7 of the report, be approved.

10. That the requirement for additional funding for staff implications associated with implementing the Movement Strategy be noted and determine whether an additional £60,000 should be included within the detailed budget for February 2021.

11. That the proposal to write off the outstanding debt of £65,114 associated with the Barfield Depot be approved.

12. That the proposal to write off the outstanding National Non Domestic Rate debts listed in exempt Appendix D of the report totalling £264,250 be approved.

7. **HOUSING REVENUE ACCOUNT (HRA) BUDGET BUSINESS PLAN AND BUDGET OPTIONS**
(CAB3275)

Councillor Learney introduced the report, emphasising the new homes building programme together with the commitment to maintain existing homes and to retrofit properties in line with the Council's carbon reduction commitments.

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

Monica Gill

Stated that she was speaking in a personal capacity because the report had not been taken to a TACT meeting prior to its consideration at Cabinet. The Housing Finance Manager had attended a TACT meeting but did not have the full information available. She believed that consultation with TACT members was not adequate at the current time.

David Light

Concurred with the points raised by Mrs Gill.

Councillor Horrill

Also believed that engagement with TACT had fallen short in recent times. In addition, did not consider adequate time or information made available to enable proper consideration of forward planning of the HRA budget at the meeting of the Business and Housing Policy Committee on 1 December 2020. Emphasised the importance of social rents in addition to affordable rents. In general supported the proposals but had concerns about the decision-making processes.

The Corporate Head of Housing advised that ongoing discussions were taking place with TACT representatives to ensure they remained engaged. She highlighted that some difficulties were because of the current requirement for meetings to take place virtually and further consideration was being given to try and address this.

Councillor Learney and other Cabinet Members responded to the report and comments made and confirmed that the potential for social rents would be considered further as appropriate.

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

RESOLVED:

1. That the HRA Business 30 year Plan for 2020-21 to 2049-50 be approved as summarised in the Operating Account included as Appendix 4 of the report.

2. That an increase in the projected capital programme of £173m be supported subject to the approval of individual items below, and the proposed long term funding strategy that will see borrowing increase to £407m subject to the final detailed HRA budget and the Capital Strategy being approved by Council in February 2021.

3. That it be noted that the business plan is viable and sustainable and will support the council's ambitious delivery of 1,000 new affordable homes over the next ten years.

4. That the changes proposed to refresh and simplify the current financial viability hurdles to recognise the residual value of housing within the HRA and take full advantage of historically low borrowing rates be approved.

5. That it be noted that the calculation of the minimum HRA reserves will in future take account of both the scale of new build as well as the net operating expenditure within the HRA.

6. That 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 be approved, subject to the final detailed HRA budget being approved by Council in February 2021.

7. That the proposed increase in capital funding of £2.5m in retro fitting capital funding which will increase the funding from £10.7m to £13.2m be supported, subject to the final detailed HRA budget and the Capital Strategy being approved by Council in February 2021.

8. That the proposal for a £10m investment in the purchase of a potential site for new housing development be supported, as well as £0.5m for nitrate mitigation offset measures subject to the final detailed

HRA budget and the Capital Strategy being approved by Council in February 2021.

9. That the allocation of an additional £0.2m of investment as described at paragraph 17.2 of the report for sewage treatment works be supported, subject to the final detailed HRA budget and the Capital Strategy being approved by Council in February 2021.

10. 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, subject to the final detailed HRA budget and the Capital Strategy being approved by Council in February 2021.

8. **QUARTER 2 FINANCE AND PERFORMANCE MONITORING**
(CAB3273)

Councillor Tod introduced the report and emphasised that there had been good progress towards the Council's main objectives and the priority adopted to main high quality services during the pandemic.

At the invitation of the Leader, Councillor Horrill address Cabinet as summarised briefly below.

As Chair of the Performance Panel, drew attention to a number of issues that were raised including recovery of the local economy post-Covid and the requests for further updates on the Movement Strategy and flood alleviation schemes. The requirement to ensure the Council undertook effective consultation with all residents. Did not consider the concerns raised at Scrutiny Committee regarding the Performance Panel were fair or were raised in an appropriate manner.

Councillor Tod responded to comments made, including highlighting that both the Movement Strategy and flood alleviation were County Council led projects which impacted at times on when updates were available to share. He also emphasised the importance of ensuring that the reports being scrutinised were available to all Members and the wider public.

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

RESOLVED:

That the progress achieved during Q2 of 2020/21 be noted and the contents of the report be endorsed.

9. **THE COUNCIL TAX REDUCTION SCHEME – CONSULTATION RESULTS & SCHEME AMENDMENTS**
(CAB3255)

Councillor Cutler introduced the report which set out a proposed response to the consultation on the scheme. The consultation responses had been broadly supportive of the majority of the recommendations with the exception of the changes to the savings limit and it was therefore proposed that this be retained. He emphasised that the scheme would be reviewed annually.

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

RECOMMENDED (TO COUNCIL):

THAT THE NEW INCOME BANDED COUNCIL TAX REDUCTION SCHEME FOR WORKING AGE APPLICANTS WITH EFFECT FROM 1ST APRIL 2021 BE RECOMMENDED FOR AGREEMENT AT COUNCIL AS SET OUT IN REPORT CAB3255.

10. **LOCAL PLAN ACTION PLAN**
(CAB3274)

Councillor Porter introduced the report and highlighted the background to the proposals, including the significant impact of the two Government announcements earlier in the year on proposed changes to the housing number requirements and the planning system more broadly which meant that it would not have been sensible to proceed with the previously planned Strategic Issues and Options consultation. The Government had announced earlier this morning that the calculations of the housing number requirements would be revised. Councillor Porter also clarified that Winchester Town Forum would have responsibility for developing its own Action Plan in the light of the Vision for Winchester.

At the invitation of the Leader, Councillors Hutchison, Bell and Brook addressed Cabinet as summarised briefly below.

Councillor Hutchison

Welcomed the report and the confirmation from Councillor Porter that the Winchester Town Forum would develop its own Action Plan.

Councillor Bell

Mentioned specific concerns in relation to the emerging Local Plan and the Strategic Housing and Employment Land Availability Assessment (SHELAA) in connection with the private Royal Down development proposal. Thanked Councillor Porter for the statement issued to local parish councils on this matter. Requested that the available documents in connection with the Local Plan be made easily accessible on the existing Council website. Believed that it was important that the SHELAA acknowledged all the constraints on the land, such as local gaps.

Councillor Brook

Disappointed about the lack of progress on the Local Plan and believed that there had also been a lack of communications with local people and parish councils generally. Considered that work on the Strategic Issues and Options should have proceeded despite the Government consultation announcements, with a caveat acknowledging the uncertainty.

Councillor Porter and other Cabinet Members responded to comments made, including emphasising the regular communications that had taken place with parish councils.

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

RESOLVED:

1. That the Local Plan Action Plan be approved and that officers undertake the work programme as set out at Appendix A of the report of the Local Plan Action Plan which will be published on the council's website as soon as practicable.
2. That officers continue work on the Local Plan and that a further report be brought to cabinet in early 2021 for approval to undertake consultation on Strategic Issues & Priorities in spring of 2021.
3. That it be noted that central government have yet to confirm the housing supply numbers relevant to the council.
4. That it be noted that additional funding will be required to implement the Local Plan Action Plan and that such implementation is a council priority.

11. **UPPER BROOK STREET CAR PARK SITE SALE FOR DEVELOPMENT OF NEW DOCTOR'S SURGERY (LESS EXEMPT APPENDICES)** (CAB3277)

Councillor Learney introduced the report and highlighted the complexities involved in developing new medical facilities. The proposal was for a long leasehold disposal and the preferred purchaser was a long term holder of medical facilities.

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

Thanked officers in the Council's Legal and Estates teams for answering his queries, including on the exempt appendices, and he did not require further questions or statements in the exempt session. Supported the proposals as set out in the report, and in particular that the disposal was via long leasehold, which he believed protected the Council's assets and as such, would be appropriate for other forthcoming disposals in relation to Central Winchester regeneration. Noted that further work was required

before the proposal could be finalised and asked that this be completed as soon as possible.

Cabinet Members confirmed that they had fully considered the contents of the two 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 the 150 year long leasehold disposal of the Upper Brook Street car park to the preferred purchaser be approved.
2. That authority be delegated to the Strategic Director – Place, in consultation with the Cabinet Member for Housing and Asset Management, to conclude final negotiations and sale based on the draft heads of terms in exempt appendix 3 of the report and for the Service Lead Legal to prepare, agree and enter in to all the relevant and necessary agreements.

12. **FUTURE ITEMS FOR CONSIDERATION**

RESOLVED:

That the list of future items, as set out in the Forward Plan for January 2021, be noted.

13. **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>
14	General Fund Budget Options (exempt appendix)) Information relating to the) financial or business affairs of) any particular person (including) the authority holding that

- 15 Upper Brook Street car) information). (Para 3 Schedule
 park / New Doctor's) 12A refers)
 surgery (exempt)
 appendices))

14. **GENERAL FUND BUDGET OPTIONS AND MEDIUM TERM FINANCIAL STRATEGY (EXEMPT APPENDIX)**

RESOLVED:

That the contents of the exempt appendix be noted.

15. **UPPER BROOK STREET CAR PARK SITE SALE FOR DEVELOPMENT OF NEW DOCTOR'S SURGERY (EXEMPT APPENDICES)**
(CAB3277)

RESOLVED:

That the contents of the exempt appendix be noted.

The meeting commenced at 9.30 am and concluded at 11.40 am

Chairperson