
SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
21 FEBRUARY 2018

Present:

The Mayor, Councillor L Harris
The Sheriff, Councillor Barnes-Andrews
Councillors P Baillie, J Baillie, Mrs Blatchford, Bogle, Burke, Chaloner, Claisse, Coombs, Denness, Fitzhenry, Fuller, Furnell, Hammond, Hannides, B Harris, Hecks, Inglis (except items 63 and 64), Jordan, Kaur, Keogh, Laurent, Letts, Lewzey, McEwing, Mintoff, Morrell, Moulton, Murphy, Noon, O'Neill, Dr Paffey, Painton, Parnell, Payne, Rayment, Savage, Shields, Taggart, T Thomas, Vassiliou, Whitbread, White and Wilkinson

60. APOLOGIES

It was noted that apologies had been received from Councillors Houghton, Pope and D Thomas.

61. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received and noted a deputation from Mrs Amanda Guest and Mrs Lisa Stead concerning the Adult Social Care financial budget (Kentish Road Respite Centre); and
- (ii) The Council received and noted a deputation from Mrs Sue Atkins, Chair of Southampton TUSC concerning proposals for a Southampton People's Budget to end cuts to city services, as part of a campaign to restore Central Government Council funding and vital services lost since 2010.

62. INTERIM APPOINTMENT OF CHIEF EXECUTIVE AND HEAD OF PAID SERVICE

The Leader of the Council reported to Council that the Chief Officer Employment Panel met on the 19th February, 2018. Shortlisting for the permanent role of Chief Executive and Head of Paid Service was completed and an interview for the interim role. Following interview the Panel selected Richard Crouch, Chief Operating Officer, as a suitable candidate for the interim position.

In accordance with the Local Government and Housing Act 1989 and The Local Authorities (Standing Orders) (England) Regulations 2001 the appointment was confirmed by Council that Richard Crouch as interim Chief Executive and Head of Paid Service effective from 23rd March, 2018 until a new permanent appointment was made.

63. COUNCIL TAX SETTING AND RELATED MATTERS

- (a) The Revised Medium Term Financial Strategy 2018/19 to 2021/22
- (b) The General Fund and Housing Revenue Account Capital Strategy and Programme 2017/18 to 2021/22

The reports of the Cabinet Member for Finance were submitted seeking approval to the Revised Medium Term Financial Strategy 2018/19 to 2021/22, and the General Fund and Housing Revenue Account Capital Strategy and Programme for 2017/18 - 2021/22 and outlining the main issues that needed to be addressed in considering the Cabinet's budget and Council Tax proposals. The recommendations therein as amended by Executive Budget Resolution 2018/19 to comprise the Executive's budget proposals were moved by Councillor Chaloner and seconded by Councillor Letts (a copy of the amended Executive Budget resolution as circulated at the meeting attached as Appendix 1 to these minutes).

The Council agreed to suspend Council Procedure Rules 14.2, 14.4, 14.5, 14.6, 14.7, 14.8, 14.9 and 16.2:-

- (i) to enable the above items to be considered together;
- (ii) to enable any amendments to be proposed, seconded and considered at the same time;
- (iii) to enable any amendment to be re-introduced later into the meeting; and
- (iv) to revise the time allowed for speakers as follows:-
 - Movers of motions - 20 minutes
 - Seconders - 10 minutes
 - Other Speakers - 4 minutes
 - Right of Reply (Executive only) – 10 minutes

With the consent of the Mayor, Honorary Alderman Vinson addressed the meeting.

Amendment moved by Councillor Hannides and seconded by Councillor Moulton:

“Add £250,000 from general resources to the Adult Services GF capital programme for 2018/2019 for the refurbishment and upgrade of the former respite centre at 32 Kentish Road, to enable the centre to be reopened to deliver 7 day a week respite and other services to those with learning difficulties, in co-operation with local charities.”

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED LOST

NOTE – FOR THE AMENDMENT: Councillors J Baillie, P Baillie, Claisse, Fitzhenry, Fuller, Hannides, B. Harris, L. Harris, Hecks, Laurent, Morrell, Moulton, O'Neill, Painton, Parnell, T. Thomas, Vassiliou, White and Wilkinson.

NOTE – AGAINST THE AMENDMENT: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Burke, Chaloner, Coombs, Denness, Furnell, Hammond, Jordan, Kaur, Keogh, Letts, Lewzey, McEwing, Mintoff, Murphy, Noon, Paffey, Payne, Rayment, Savage, Shields, Taggart and Whitbread.

Amendment moved by Councillor Morrell and seconded by Councillor T Thomas:

“This Council agrees to amend the Executive's 2018/19 General Fund Budget proposals as follows:

1. Make a revenue provision of £110,000 (in addition to the existing Budget provision of £190,000) to enable the re-opening of the Kentish Road Respite

- Centre on a full-time basis, to be funded from the recently-received Adult Social Care Grant of £693,000;
2. Make a capital funding provision of £175,000 to carry out a refurbishment and enhancement of the Centre and its facilities, to be funded from reserves.”

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED LOST

NOTE – FOR THE AMENDMENT: Councillors J Baillie, P Baillie, Claisse, Fitzhenry, Fuller, Hannides, B. Harris, L. Harris, Laurent, Hecks, Morrell, Moulton, O’Neill, Painton, Parnell, T. Thomas, Vassiliou, White and Wilkinson.

NOTE – AGAINST THE AMENDMENT: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Burke, Chaloner, Coombs, Denness, Furnell, Hammond, Jordan, Kaur, Keogh, Letts, Lewzey, McEwing, Mintoff, Murphy, Noon, Paffey, Payne, Rayment, Savage, Shields, Taggart and Whitbread.

UPON BEING PUT TO THE VOTE THE SUBSTANTIVE MOTION AS AMENDED WAS DECLARED CARRIED

RESOLVED that the Revised Medium Term Financial Strategy and Budget 2018/19 to 2021/22 including the General Fund and Housing Revenue Account Capital Programmes 2016/17 to 2021/22, as amended by the Executive Budget Resolution 2018/19 (Appendix 1 to these minutes) be adopted.

NOTE: All Members of the Council declared a pecuniary interest in the above matter, as payers and setters of Council Tax, and remained in the meeting during the consideration of the matter.

ABSTAINED – Councillors Morrell and T Thomas.

NOTE – FOR THE SUBSTANTIVE MOTION: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Burke, Chaloner, Coombs, Denness, Furnell, Hammond, Jordan, Kaur, Keogh, Letts, Lewzey, McEwing, Mintoff, Murphy, Noon, Paffey, Payne, Rayment, Savage, Shields, Taggart and Whitbread.

NOTE – AGAINST THE SUBSTANTIVE MOTION: Councillors J Baillie, P Baillie, Claisse, Fitzhenry, Fuller, Hannides, B. Harris, L. Harris, Hecks, Laurent, Moulton, O’Neill, Painton, Parnell, Vassiliou, White and Wilkinson.

64. TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS 2018/19 TO 2021/22

The report of the Service Director Finance and Commercialisation was submitted detailing the context within which the Council’s treasury management activity operates and setting out a proposed strategy for 2018/19 to 2021/22.

RESOLVED:

- (i) To approve the Council's Treasury Management (TM) Strategy and Prudential Indicators for 2018/19, 2019/20, 2020/21 and 2021/22, as detailed within the report.
- (ii) To approve the 2018 Minimum Revenue Provision (MRP) Statement as detailed in paragraphs 85 to 94 and to delegate authority to the Chief Financial Officer (CFO) to approve any changes necessary that aid good financial management whilst maintaining a prudent approach.
- (iii) To approve the Annual Investment Strategy as detailed in paragraphs 43 to 66.
- (iv) To note that at the time of writing this report the recommendations in the Capital update report, submitted to Council on the 21 February 2018, have not yet been approved. The indicators in the report are based on the assumption that they will be approved, but should the recommendations change, the Prudential Indicators may have to be recalculated.
- (v) To continue to delegate authority to the Chief Financial Officer (CFO) to approve any changes to the Prudential Indicators, Minimum Revenue Provision or borrowing limits that will aid good treasury management. For example, agreeing an increase in the percentage for variable rate borrowing to take advantage of the depressed market for short term rates. Any amendments will be reported to cabinet as part of quarterly financial and performance monitoring and in revisions to the TM Strategy.

Medium Term Financial Strategy and Budget

- i) Note the position on the forecast adverse outturn position for 2017/18 as set out in paragraphs 32 to 38 of the revised Medium Term Financial Strategy and Budget 2018/19 to 2021/22 report on the Council agenda.
- ii) Approves the revised Medium Term Financial Strategy (MTFS) 2018/19 to 2021/22 detailed in Appendix 2 of the revised Medium Term Financial Strategy and Budget 2018/19 to 2021/22 report on the Council agenda.
- iii) Approves the aims and objectives of the Medium Term Financial Strategy.
- iv) Notes that the Executive's budget proposals are based on the assumptions detailed within the MTFS and that this includes a Council Tax increase of 5.99%, 2.99% under general powers to increase Council Tax without a referendum and 3.00% Social Care Precept in 2018/19.
- v) Approves additional general fund pressures totalling £10.07M as detailed in paragraphs 42 to 46 and 58 to 59 of the revised Medium Term Financial Strategy and Budget 2018/19 to 2021/22 report on the Council agenda, along with the proposed funding mitigations.
- vi) Approves direct investment in services totalling £2.46M, with a further sum of £1.18M invested in an Enterprise Resource Planning Programme in 2018/19 as detailed in paragraph 60 of the revised Medium Term Financial Strategy and Budget 2018/19 to 2021/22 report on the Council agenda, along with the proposed funding mitigations.
- vii) Notes that further proposals will need to be considered to address the 2019/20 and future years budget gap.
- viii) Notes and approve the arrangements made by the Leader, in accordance with the Local Government Act 2000, for the Cabinet Member for Finance to have responsibility for financial management and budgetary policies and strategies, and that the Cabinet Member for Finance will in accordance with the Budget and Policy Framework Rules as set out in the council's Constitution, be authorised to finalise the Executive's proposals in respect of the Budget for 2018/19, in consultation with the Leader, for submission to full Council 21 February 2018.
- ix) Delegates authority to the Service Director - Finance & Commercialisation (S151 Officer) following consultation with the Cabinet member for Finance, to do anything necessary to give effect to the proposals contained within the Medium Term Financial Strategy and Budget 2018/19 to 2021/22 report and any implications from the Final Local Government Settlement
- x) Sets the Council Tax Requirement for 2018/19 at £95.93M as per Appendix 3 and of the Medium Term Financial Strategy and Budget 2018/19 to 2021/22 and item c) of the resolution
- xi) Notes the estimates of the precepts on the council tax collection fund for 2018/19 as set out in Appendix 4 of the Medium Term Financial Strategy and Budget report 2018/19 to 2021/22.
- xii) Delegates authority to the Service Director – Finance & Commercialisation (S151 Officer), to implement any variation to the overall council tax arising from the final notification of the Hampshire Fire and Rescue Authority precept and the Police

and Crime Commissioner for Hampshire precept.

Housing Revenue Account

- xiii) To approve that from the 1st April 2018 a standard decrease to be applied to all dwelling rents of 1.0% as set out in paragraph 107 of the Medium Term Financial Strategy and Budget report 2018/19 to 2021/22, equivalent to an average decrease of £0.85 per week in the current average weekly dwelling rent figure of £84.57.
- xiv) To approve an increase in weekly service charges of 3% from 1st April 2018 (including supported accommodation) based on a full cost recovery approach – as detailed in paragraph 108 of the Medium Term Financial Strategy and Budget 2018/19 to 2021/22.
- xv) To approve an increase in the charges to council tenants for garages by 15% and parking spaces by 10% from 1st April 2018 as detailed in paragraph 106 of the Medium Term Financial Strategy and Budget 2018/19 to 2021/22.
- xvi) To approve savings totalling of £3.94M in 2018/19 as laid out in Appendix 9 of the Medium Term Financial Strategy and Budget 2018/19 to 2021/22.
- xvii) To approve the Housing Revenue Account Revenue Estimates as set out in the Medium Term Financial Strategy and Budget 2018/19 to 2021/22 report.
- xviii) To approve the 30 year Business Plans for revenue and capital expenditure set out in Appendices 7 and 8 respectively of the Medium Term Financial Strategy and Budget 2018/19 to 2021/22., that based on current assumptions are sustainable and maintain a minimum HRA balance of £2M in every financial year.
- xix) To note that rental income and service charge payments will continue to be paid by tenants in 48 instalments across a 52 week period.

General Fund and Housing Revenue Account Capital Strategy & Programme

- xx) Approve the revised General Fund Capital Programme, which totals £194.43M (as detailed in paragraph 77 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22) and the associated use of resources.
- xxi) Approve the revised HRA Capital Programme, which totals £216.89M (as detailed in paragraph 77 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22) and the associated use of resources.
- xxii) Note that £1.21M has been added to the programme, with approval to spend, either under delegated powers or by Cabinet subject to the relevant financial limits. These additions are detailed in paragraph 7 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxiii) Approve the addition of £0.25M to the Communities, Culture & Leisure programme and the request for approval to spend £0.25M as detailed in paragraph 10 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxiv) Approve the addition of £67.45M to the Education & Childrens Social Care programme and the request for approval to spend £67.45M as detailed in paragraph 11 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxv) Approve the reduction of £1.53M to the Education & Childrens Social Care programme as detailed in paragraph 11 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.

- xxvi) Approve the addition of £0.16M to the E&T – City Services programme and the request for approval to spend £0.16M as detailed in paragraph 12 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxvii) Approve the addition of £1.20M to the Finance programme and the request for approval to spend £1.20M as detailed in paragraph 13 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxviii) Approve the reduction of £1.50M to the Housing & Adult Social Care programme as detailed in paragraph 14 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxix) Notes the addition of £0.09M to the Leaders programme and the request for approval to spend £0.09M as detailed in paragraph 15 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxx) Approve the virement of £7.13M within the Leaders programme as detailed in paragraph 16 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxxi) Approve the reduction of £20.10M to the Leaders programme as detailed in paragraphs 17 – 18 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxxii) Approve the addition of £11.97M to the Transport – E&T programme and the request for approval to spend £11.97M as detailed in paragraphs 19 - 21 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxxiii) Approve the addition of £34.01M to the HRA programme and the request for approval to spend £34.01M as detailed in paragraphs 22 - 26 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxxiv) Approve the slippage and re-phasing as set out in paragraph 27 – 70 and as detailed in Appendix 2 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.
- xxxv) Notes that the capital programme remains fully funded up to 2021/22 based on the latest forecast of available resources although the forecast can be subject to change; most notably with regard to the value and timing of anticipated capital receipts and the use of prudent assumptions of future Government Grants to be received.
- xxxvi) Approve the Capital Strategy as detailed in Appendix 4 of the General Fund & Housing Revenue Account Capital Strategy & programme 2017/18 to 2021/22.

Council Tax Setting Matters

- xxxvii) Approves the following amounts now calculated by the Council for the year 2018/19 in accordance with Section 32 and Sections 34 to 36 of the Local Government Finance Act 1992 as amended (the Act).
- xxxviii) Determines in accordance with Section 52ZB of the Act that the Council's relevant basic amount of Council Tax for 2018/19 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC of the Act.

a)	Aggregate the amounts which the Council estimates for the items set out in Section 32(2) of the Act.		£537,753,757
b)	Aggregate the amounts which the Council estimates for the items set out in Section 32(3) of the Act.		£441,819,401
c)	Calculation in accordance with Section 32(4) of the Act, of the Council's council tax requirement for the year, being the amount by which the aggregate at a) above exceeds the aggregate at b) above. (Item R in the formulae in Section 33(1) of the Act.		£95,934,356
d)	The amount at c) above (Item R), divided by the Council Tax Base of 64,345.0 (Item T in the formula in Section 33(1) of the Act), as the basic amount of Council Tax for the year.		£1,490.94
e)	Precepting Authority – Southampton City Council	Valuation Band	Amount
		A	£993.96
		B	£1,159.62
		C	£1,325.28
		D	£1,490.94
		E	£1,822.25
		F	£2,153.58
		G	£2,484.89
		H	£2,981.87
	Being the amounts given by multiplying the amount of d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in the proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amount to be taken into account for the year in respect of the dwellings listed in different valuation bands.		
f)	That it be noted for the year 2018/19 that the Police and Crime Commissioner for Hampshire is provisionally recommending the following amounts of precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown in the following table:	Valuation Band	Amount
		A	£118.31
		B	£138.02
		C	£157.74
		D	£177.46
		E	£216.90
		F	£256.33
		G	£295.77
		H	£354.92
g)	That it be noted for the year 2018/19 that the Hampshire Fire and Rescue Authority is		

	provisionally recommending the following amounts of precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown in the following table:	Valuation Band	Amount
		A	£43.83
		B	£51.13
		C	£58.44
		D	£65.74
		E	£80.35
		F	£94.96
		G	£109.57
		H	£131.48
h)	That, having calculated the aggregate in each case of the amounts at e), f) and g) above, the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby set the following amounts of the Council Tax for the year 2018/19 for each of the categories of dwellings shown below subject to final notification of the precepts for the Police and Crime Commissioner for Hampshire and the Hampshire Fire and Rescue Authority:	Valuation Band	Amount
		A	£1,156.10
		B	£1,348.77
		C	£1,541.46
		D	£1,734.14
		E	£2,119.50
		F	£2,504.87
		G	£2,890.23
		H	£3,468.27