
SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
24 FEBRUARY 2021

Present:

The Mayor, Councillor Mrs Blatchford
The Sheriff, Councillor Houghton
Councillors P Baillie, Barnes-Andrews, J Baillie, Bell, Bogle, Bunday,
Chaloner, Coombs, Cooper, Fielker, Fitzhenry, Fuller, G Galton, S Galton,
Guthrie, Hammond, Hannides, B Harris, L Harris, Harwood, Kataria, Kaur,
Keogh, Laurent, Leggett, Professor Margetts, McEwing, Mintoff, Mitchell,
Murphy, Noon, Dr Paffey, Payne, Prior, Rayment, Renyard, Savage,
Shields, Spicer, Streets, Taggart, T Thomas, Vaughan, Whitbread, White
and Windle

51. APOLOGIES

It was noted that apologies had been received from Councillor Murphy.

52. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

- (i) The Mayor announced the death of former City Councillor, Mayor (2004) and Honorary Alderman Denny Harryman on 3rd February. Denny Harryman was first elected to the Harefield Ward in 1999, Redbridge in 2002 and 2004. He had been living at Oaktree Lodge Care Home with his wife who died last year. As a mark of respect Council observed a minute's silence.
- (ii) The Mayor also announced that the Mayor's Chaplain John Attenborough The Mission to Seafarers Port Chaplain who received the Thomas Grey Memorial Trust Silver Medal Award from the Marine Society and Merchant Navy Welfare Board recognition of this exceptional deeds of merit. John has been making a difference to the lives of seafarers who visit Southampton port from all over the world for the past 26 years but exceptionally so during the pandemic for example by getting medications to crew members and providing practical and emotional support with so many unable to return home.
- (iii) The Leader announced the recent appointment of Dr. Debbie Chase, Director of Public Health.
- (iv) The Leader thanked communities in the Shirley area of the City who came forward to take part in surge testing last week.

53. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

It was noted that no requests for deputations, petitions or public questions had been received.

54. AMENDMENT TO THE CONTRACT PROCEDURE RULES - FEBRUARY 2021

Report of the Service Director, Legal and Governance seeking approval to amend the Contract Procedures Rules and the Officer Scheme of Delegation to ensure the Constitution reflects recent changes to legislation.

RESOLVED to approve the proposed amendments to the CPRs and OSD as set out in the report.

55. **EXCLUSION OF THE PRESS AND PUBLIC - EXEMPT PAPERS INCLUDED IN THE FOLLOWING ITEM**

RESOLVED that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the exempt appendix 5 to the following item.

Appendix 5 is exempt from publication by virtue of category 3 of rule 10.4 of the Council's Access to Information Procedure Rules i.e. information relating to the financial or business affairs of any particular person. It is not in the public interest to disclose this information due to an ongoing commercial dispute which is subject to a protected alternative dispute resolution procedure. If the information was disclosed then the Council's financial position would be available to other parties to the dispute and prejudice the Council's ability to achieve best value.

56. **THE REVENUE BUDGET 2021/22, MEDIUM TERM FINANCIAL FORECAST 2021/22 TO 2024/25 AND CAPITAL PROGRAMME 2020/21 TO 2025/26**

Report of the Cabinet Member for Finance and Income Generation detailing the Revenue Budget for 2021/22 and the Medium Term Financial Forecast (MTFF) for the period 2021/22 to 2024/25. It provides detail to inform Council in setting Council Tax and rents for 2021/22. The report also details the General Fund and Housing Revenue Account (HRA) Capital Strategy and Programme for the period 2020/21 to 2025/26.

The Council agreed to suspend Council Procedure Rules 14.2, 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

Amendment moved by Councillor Hannides and seconded by Councillor Fitzhenry, attached as Appendix 1 to these minutes.

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED LOST

NOTE – FOR THE AMENDMENT: Councillors J Baillie, P Baillie, Bell, Fuller, Fitzhenry, G Galton, S Galton, Guthrie, Hannides, B. Harris, L. Harris, Harwood, Houghton, Laurent, Prior, Streets, Vaughan and White.

NOTE – AGAINST THE AMENDMENT: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Bunday, Chaloner, Coombs, Cooper, Fielker, Hammond, Kataria, Kaur, Keogh, Leggett, Margetts, McEwing, Mintoff, Mitchell, Noon, Paffey, Payne, Renyard, Rayment, Savage, Shields, Spicer, Taggart, Thomas, Whitbread and Windle.

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

RESOLVED that Council:

General Fund

- i) Notes the general budget consultation process that was followed as detailed in paragraphs 34 to 39.
- ii) Notes that the budget consultation feedback has been taken into consideration by the Cabinet and has informed their final budget proposals. Further details are contained within the Members Room document 3.
- iii) Notes the Equality and Safety Impact Assessment process that was followed as set out in paragraphs 40 to 43. The updated ESIA's and Cumulative Impact Assessment are available documents in the Members Room, documents 1 and 2.
- iv) Note the forecast outturn position for 2020/21 as set out in paragraphs 29 to 32 of Appendix 1.
- v) Approves the revised Medium Term Financial Forecast (MTFF) for the period 2021/22 to 2024/25 attached as Annex 1.1.
- vi) Approves the 2021/22 General Fund Revenue Budget as detailed in Annex 1.1(a) of the MTFF at Annex 1.1.
- vii) Notes that the Executive's budget proposals are based on the assumptions detailed within the MTFF and that this includes an increase in the Adult Social Care precept of 3.00% and an increase in the general council tax of 1.99%, allowable under general powers to increase council tax without a referendum.
- viii) Approves additional general fund pressures totalling £36.81M in 2021/22 as detailed in paragraph 50 of Appendix 1.
- ix) Approves savings proposals totalling £10.68M that are included in the 2021/22 General Fund Revenue Budget, with £7.14M in 2022/23, as detailed in paragraphs 53 to 56 of Appendix 1.
- x) To note proposals for the use of the Local Council Tax Support Grant will be brought forward during 2021/22, as detailed in paragraph 75 of Appendix 1.
- xi) To delegate authority to the Executive Director for Finance, Commercialisation & S151 Officer, following consultation with the Cabinet Member for Finance and Income Generation, to do anything necessary to give effect to the proposals contained in this report.
- xii) Sets the Band D Council Tax for Southampton City Council at £1,644.39 for 2021/22, a Net Budget Requirement of £173.85M and the Council Tax Requirement for 2020/21 at £105.88M as per Annex 1.2.

- xiii) Notes the estimates of precepts on the council tax collection fund for 2021/22 as set out in Annex 1.3.
- xiv) Agrees that the following amounts be now calculated by the Council for the financial year 2021/22 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992; and Determines in accordance with Section 52ZB of the Act that the Council's relevant basic amount of Council Tax for 2021/22 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC of the Act.
 - (a) £512,018,229 (Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act).
 - (b) £406,137,601 (Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act).
 - (c) £105,880,628 (Being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year). (Item R in the formula in Section 31B(1) of the Act).
 - (d) £1,644.39 (Being the amount at (c) above (Item R), all divided by the tax base of 64,389 (Item T), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year).

General Fund Capital Programme

- xv) Approves the revised General Fund Capital Programme, which totals £466.43M (as detailed in paragraphs 4 to 6 of Appendix 2) and the associated use of resources.
- xvi) Approves additions of £6.52M which has been added to the General Fund programme requiring approval to spend, by Cabinet/Council subject to the relevant financial limits. These additions are detailed in paragraphs 14 to 23 of Appendix 2 and Annex 2.1.
- xvii) Approves the request to spend £2.50M as part of the SEND work as detailed in paragraph 11 of Appendix 2 and Annex 2.1.
- xviii) Approves the removal of schemes from the capital programme totalling £201.79M as set out in paragraphs 8 and 10 of Appendix 2 and detailed in Annex 2.1.
- xix) Approves the acceptance of government grant funding of £1.68M from the Department of Business, Energy & Industrial Strategy under the Public Sector Decarbonisation Scheme awarded following a bid made by the Green City & Place portfolio as detailed in paragraph 12 of Appendix 2.
- xx) Notes that the capital programme remains fully funded up to 2025/26 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.
- xxi) Approves the Council's capital strategy detailed in Annex 2.3.
- xxii) Approves the Council's MRP strategy detailed in Annex 2.3(a).
- xxiii) Approves the Council's investment strategy detailed in Annex 2.3(b).

Housing Revenue Account

- xxiv) Approves that, from 1st April 2021, an average rent increase be applied to dwelling rents of 1.33%, as set out in paragraph 9 of Appendix 3, equivalent to an average increase of £1.14 per week in the current average weekly dwelling rent figure of £85.67.
- xxv) Approves an increase in weekly service charges of 1.5% as detailed in paragraphs 10 and 11 of Appendix 3 from 1st April 2021 (including supported accommodation).
- xxvi) Approves the Housing Revenue Account Revenue Estimates as set out in Appendix 3.
- xxvii) Approves the 40 year Business Plans for revenue and capital expenditure set out in Annexes 3.1 and 3.2 of Appendix 3 respectively, that based on current assumptions are sustainable and maintain a minimum HRA balance of £2.0M in every financial year.
- xxviii) Approves the increase in heating charges as detailed in paragraph 12 of Appendix 3 and Annex 3.3.
- xxix) Approves the revised Housing Revenue Account (HRA) Capital Programme, which totals £376.51M (as detailed in paragraph 22 & 32 of Appendix 3) and the associated use of resources.
- xxx) Approves the addition of £164.34M to the HRA Capital Programme and the request for approval to spend £164.34M as detailed in paragraph 31 of Appendix 3.

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.

NOTE – FOR THE SUBSTANTIVE MOTION: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Bunday, Chaloner, Coombs, Cooper, Fielker, Hammond, Kataria, Kaur, Keogh, Leggett, Margetts, McEwing, Mintoff, Mitchell, Noon, Paffey, Payne, Renyard, Rayment, Savage, Shields, Spicer, Taggart, Thomas, Whitbread and Windle.

NOTE – ABSTAINED THE SUBSTANTIVE MOTION: Councillors J Baillie, P Baillie, Bell, Fuller, Fitzhenry, G Galton, S Galton, Guthrie, Hannides, B. Harris, L. Harris, Harwood, Houghton, Laurent, Prior, Streets, Vaughan and White.

APPENDIX 1

CONSERVATIVE GROUP BUDGET AMENDMENT GENERAL FUND MTFF 2021/22 to 2022/23

That the Budget proposals be amended as follows:

1) GENERAL FUND CAPITAL:

DESCRIPTION	2021/22 £M	2022/23 £M
NEW SCHEMES:		
Highways investment (extra £1m for pavements, road and potholes. Years 2021/22 & 2022/23)	1.00	1.00
Extra investment Golf course & Sports centre	0.20	-
Total new schemes:	1.20	1.00
To be funded by:		
Borrowing	(1.20)	(1.00)

That the Treasury management indicators be amended accordingly

2) GENERAL FUND REVENUE SPEND:

DESCRIPTION	2021/22 £M	2022/23 £M
NEW SCHEMES:		
Extra cleaning – city centre, districts & open spaces	0.30	0.30
Estates Regeneration Fund (to help tackle anti-social behaviour, provide grants to support Youth Clubs & other facilities/projects to improve the community culture & quality of life for residents)	0.50	-
Total new schemes:	0.80	0.30
REDUCTIONS IN INCOME:		
0% council tax 2022/23		2.11
Abolish evening off street parking fees	0.34	0.34
Abolish evening on street parking fees (funded by parking reserve)	0.50	0.50
Total reductions in income:	0.84	2.95
Capital Financing costs	0.05	0.10
TOTAL IMPACT:	1.69	3.35
To be funded by:		

Further procurement savings	(0.10)	
Shared service/outsource savings	(0.10)	
Draw from unallocated reserves	(0.99)	
Draw from On Street parking Reserve	(0.50)	(0.50)
Total funding identified	(1.69)	(0.50)
NET IMPACT ON BUDGET	0.00	2.85

Notes: (i) the on-street parking reserve would reduce to a balance of £0.84M by end of 2022/23 as part of the funding of these proposals (ii) estimated unallocated reserves would reduce to around £34.6M by the end of the Medium Term Financial Forecast period (31/03/2025) as part of the funding for these proposals.

Revised total budget deficit for 2022/23 would be £25.37M (an increase of £2.85M).

3) HOUSING REVENUE ACCOUNT CAPITAL:

DESCRIPTION	2021/22 £M	2022/23 £M
NEW SCHEMES:		
1,000 New parking spaces in City Estates (on HRA land)	2.00	2.00
Total new schemes:	2.00	2.00
To be funded by:		
Borrowing	(2.00)	(2.00)
Additional capital financing costs to be borne	0.09	0.18

COMMENTARY OF S151 OFFICER:

I have been consulted on the proposed amendments and have the following advice.

- Some proposals are not without risk but are not so fragile that they cannot be incorporated within the overall risk profile of the budgets
- The future financial targets to balance the budget are not so unreasonable that they can be ruled out on a medium term view
- The proposals in 2021/22 provide for a balanced budget

I thereby certify that this is valid budget amendment.

SIGNED: John Harrison

S151 Officer

DATE: 22 FEBRUARY 2020

CONSERVATIVE BUDGET AMENDMENT 2021/22

General Fund

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- ii. Notes that the budget consultation feedback has been taken into consideration by the Cabinet and has informed their final budget proposals. Further details are contained within the Members Room document 3.
- iii. Notes the Equality and Safety Impact Assessment process that was followed as set out in paragraphs 40 to 43. The updated ESIA's and Cumulative Impact Assessment are available documents in the Members Room, documents 1 and 2.
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- xvii. Approves the request to spend £2.50M as part of the SEND work as detailed in paragraph 11 of Appendix 2 and Annex 2.1.
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- xxix. Approves the revised Housing Revenue Account (HRA) Capital Programme, which totals £380.51M (as detailed in paragraph 22 & 32 of Appendix 3) and the associated use of resources.
- xxx. Approves the addition of £168.34M to the HRA Capital Programme and the request for approval to spend £168.34M as detailed in paragraph 31 of Appendix 3.