
SOUTHAMPTON CITY COUNCIL

MINUTES OF THE EXTRAORDINARY COUNCIL MEETING HELD ON
6 MARCH 2024

Present:

The Mayor, Councillor Laurent
The Sheriff, Councillor Shields
Councillors Allen, P Baillie, Blackman, Mrs Blatchford, Barbour, Barnes-Andrews, Beaurain, Bogle (Except Minute 67), M Bunday, T Bunday, Cox, Denness, Every, Fielker, Finn, Fitzhenry, A Frampton, Y Frampton, Galton, Goodfellow, Greenhalgh, Houghton, Kataria, Kaur, Kenny, Keogh, Lambert, Leggett, Letts, McCreanor, McEwing, Mrs Mintoff, Noon, Dr Paffey, W Payne, Powell-Vaughan, Quadir, Renyard, Savage, Ugwoeme, Whitbread, Winning and Wood

62. APOLOGIES

It was noted that apologies had been received from Councillors, Chapman, J Baillie, Moulton, Rayment, Webb and Windle.

63. ANNOUNCEMENTS FROM THE LORD MAYOR AND LEADER

(i) FILMING

The Lord Mayor announced that the meeting is being live streamed and will also be available for members of the public to view online after the meeting. For any member of the public filming the right to film is limited to the duration of the meeting and recording must cease when I close the meeting. Filming or recording is not permitted if the effect would be to interrupt or disturb the proceedings or if it is intrusive of a specific individual or individuals. If this is occurring, it would not be permitted, and would be asked to stop. Similarly, some members of the public attending the meeting may object to being filmed, photographed or recorded and would expect that these wishes are complied with.

(ii) LORD MAYOR CHARITY EVENTS

The Lord Mayor announced with great pleasure the success of the Lord Mayor's Ball which recently took place and raised twelve thousand pounds. The Lord Mayor thanked everyone who helped to make it such a great event. The Lord Mayor with great pleasure also announced the forthcoming dance event on 18th March at the O2 Guildhall, tickets were available at the box office.

64. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

The Council received and noted a deputation from Nadia Ditta, Trade Unionist and Socialist Coalition – Annual Budget.

65. THE 2024/25 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY

Report of the Cabinet Member for Finance and Change detailing the 2024/25 Budget and Medium-Term Financial Strategy for 2024/25 to 2027/28. The report provided detail to inform Council in setting the council tax charge for 2024/25. A report setting out the Capital Strategy, Flexible Use of Capital Receipts Strategy, and details of the General Fund capital programme for 2023/24 to 2028/29 was considered elsewhere on this agenda. The council's financial position is such that the budget setting process for 2024/25 had been considerably more challenging than previous years, including during those under austerity and funding reductions. The council faces significant financial challenges to deliver a balanced budget. This included limited revenue reserves, ongoing financial pressures, especially in children's services and adult social care, and the continuing impact of inflation and interest rates.

The 2023/24 budget was balanced by a reliance on revenue reserves (£20.6M). In addition, sizable new budget pressures and increases to existing pressures have emerged during 2023/24. A combination of limited remaining reserves and high pressures has led to an underlying structural budget deficit in-year that is projected to continue into future years. It is against this backdrop that budget proposals for 2024/25 were presented. Despite considerable progress during 2023/24 in identifying measures to reduce expenditure and identify savings, a shortfall remains between the predicted level of spend and the council's funding available. A balanced budget for 2024/25 is only achieved with Exceptional Financial Support (EFS) from the government. This support would be in the form of a capitalisation direction, which would allow the council to use capital resources to meet revenue expenditure in 2024/25. Without this support the council would almost certainly have been facing a Section 114 notice.

The recommendations therein, were moved by Councillor Letts and seconded by Councillor Finn.

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 any amendments to be proposed, seconded and considered at the same time;
- (ii) to enable any amendment to be re-introduced later into the meeting; and
- (iii) to revise the time allowed for speakers as follows:-

Movers of motions - 20 minutes

Seconders - 10 minutes

Green Party/Independent Members – 5 minutes

Honorary Alderman - 5 minutes

Right of Reply (Executive only) – 10 minutes

RESOLVED:

- (i) That the revised Medium Term Financial Strategy (MTFS) for the period 2024/25 to 2027/28 as set out in Table 1 and Appendix 1 be approved.
- (ii) That the 2024/25 General Fund Revenue Budget as set out in Table 2 and Appendices 1 and 2 be approved.

- (iii) That an increase in the 'core' council tax of 2.99% and an increase in the Adult Social Care precept of 2.00%, allowable under general powers to increase council tax without a referendum be approved.
- (iv) That additional General Fund pressures totalling £42.03M in 2024/25, increasing to £51.21M in 2027/28, as detailed in paragraph 33 be approved.
- (v) That the new commitments totalling £0.86M in 2024/25, increasing to £4.89M in 2027/28, as detailed in paragraph 36 be approved.
- (vi) That savings proposals totalling £22.68M that are included in the 2024/25 General Fund Revenue Budget, reducing to £20.94M in 2027/28, as detailed in paragraph 40 be approved.
- (vii) That the Government was minded to provide Exceptional Financial Support (EFS) to the Council be noted. This would be in the form of a capitalisation direction, to ensure the council could agree a balanced budget for 2024/25, had sufficient resources to pay for transformation and other work needed to ensure the council was on a sustainable financial footing in future, and meet other potential liabilities.
- (viii) That the establishment of a comprehensive Transformation Programme as detailed in paragraphs 59 to 63 and associated funding of up to £10.62M from a combination of capital resources and Transformation Reserve be approved. To further recommend to delegate to the Chief Executive (after consultation with the Leader of the Council) the draw-down of funding and the establishment of a resource plan as required for the Transformation Programme.
- (ix) That the adoption of the Business Planning Framework set out at paragraph 64 and Appendix 6 be approved.
- (x) Delegate authority to the Executive Director Corporate Services & Section 151 Officer, following consultation with the Cabinet Member for Finance and Change, to do anything necessary to give effect to the proposals contained in this report.
- (xi) Set the Band D Council Tax for Southampton City Council at £1,812.69 for 2024/25, a Net Budget Requirement of £239.24M and the Council Tax Requirement for 2024/25 at £121.43M as per Appendix 9.
- (xii) That the estimates of precepts on the council tax collection fund for 2024/25 as set out in Appendix 10 be noted.
- (xiii) That the summary of changes to fees and charges set out in paragraph 89 and Appendix 12 be noted and the increase in Careline charges set out in Appendix 12 be approved.
- (xiv) That the Statement of the S151 Officer as set out in paragraphs 118 to 124 on the robustness of the budget and the adequacy of the council's reserves be noted and endorsed.
- (xv) That the content of the procurement pipeline 2024-29 contained at Appendix 7 be noted.
- (xvi) Delegate authority to the Executive Director Corporate Services & S151 Officer and the Executive Director of Place (after consultation with the relevant Cabinet Member) everything that was necessary to prepare a specification, carry out a procurement process or other route to market and to appoint a single provider(s) for the delivery of highways and associated services for a maximum period of 15 years, including approving the utilisation of any contractually permitted extension as set out in Appendix 8.
- (xvii) That the draft corporate debt policy and combined council tax and business rates recovery policy at annexes 6 and 7 to the MTFS (Appendix 1) be noted and adopted.

- (xviii) That the application of Council Tax premiums for properties empty for 12 months or more (from 2024/25) and second homes (from 2025/26) be agreed.
- (xix) That the following amounts be now calculated by the council for the financial year 2024/25 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992 be agreed; and determine in accordance with Section 52ZB of the Act that the council's relevant basic amount of council tax for 2024/25 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC of the Act.
 - a) **£595,220,372** (being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act).
 - b) **£473,790,082** (being the aggregate of the amounts which the council estimates for the items set out in Section 31A(3) of the Act).
 - c) **£121,430,290** (being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated 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).
 - £1,812.69** (being the amount at (c) above (Item R), all divided by the tax base of 66,989 (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).

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

NOTE: NOTE: FOR THE RECOMMENDATIONS: Councillors Allen, Barnes-Andrews, Blatchford, Bogle, M Bunday, Cox, Denness, Evemy, Fielker, Finn, A Frampton, Y Frampton, Goodfellow, Greenhalgh, Kataria, Kaur, Kenny, Keogh, Lambert, Leggett, Letts, McCreanor, McEwing, Mintoff, Noon Paffey, Payne, Quadir, Renyard, Savage, Shields, Ugwoeme, Whitbread, Winning and T Bunday.

NOTE: AGAINST THE RECOMMENDATIONS: Councillors P Baille, Beaurain, Fitzhenry, Galton, Houghton, Laurent, Powell-Vaughan, Blackman, Wood and Barbour.

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

Lord Mayor moved 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 9 to the following Item.

Appendix 9 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.

67. THE GENERAL FUND CAPITAL PROGRAMME 2023/24 TO 2028/29

Report of the Cabinet Member for Finance and Change detailing the General Fund Capital Programme 2023/24 to 2028/29. The report set out for Council significant changes in the overall General Fund (GF) Capital Programme for the period of 2023/24 to 2028/29. This included highlighting the changes in the programme since the last reported position to Cabinet in February 2024.

The net result of the changes since the previous report was an increase to the General Fund programme of £29.12M. The capital budget proposals put forward in this report reflected the anticipated needs of the Council over the next five years. This provided certainty about future funding and enabled capital spending to be prioritised including to deliver purposeful investment alongside service and council priorities.

The recommendations therein, were moved by Councillor Letts and seconded by Councillor Fielker.

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 any amendments to be proposed, seconded and considered at the same time;
- (ii) to enable any amendment to be re-introduced later into the meeting; and
- (iii) to revise the time allowed for speakers as follows:-

Movers of motions - 20 minutes

Seconders - 10 minutes

Green Party/Independent Members – 5 minutes

Honorary Alderman - 5 minutes

Right of Reply (Executive only) – 10 minutes

RESOLVED:

- (i) That the Council's Capital Strategy detailed in Appendix 1 be approved.
- (ii) That the Council's MRP Strategy detailed in Appendix 2 be approved and delegate authority to the Executive Director for Corporate Services (S151 Officer) to make any changes required following the outcome of the consultation on changes to the statutory guidance and regulations: Minimum Revenue Provision.
- (iii) That the Council's Non-Treasury Investment Strategy detailed in Appendix 3 be approved.
- (iv) That the Council's Treasury Management Strategy detailed in Appendix 4 be approved.
- (v) That the Council's Flexible Use of Capital Receipts Strategy detailed in Appendix 5 be approved.
- (vi) That the revised fully funded General Fund Capital Programme, which totals £264.81M (as detailed in paragraphs 18 to 21) and the associated use of resources be approved.
- (vii) That the addition and spend of £31.09M which has been added to the General Fund programme be approved. These additions are detailed in paragraphs 24 to 48 and Appendix 7.

- (viii) That the removal of schemes from the capital programme totalling £2.18M, set out in paragraphs 40 and 48 and detailed in Appendix 7 be approved.
- (ix) That the spend of £39.66M for the SEND Expansion Programme, as set out in paragraph 32 be approved.
- (x) Approve the spend of £27.03M for the Outdoor Sports Centre, as set out in paragraph 37.
- (xi) To delegate authority to the Executive Director for Place following consultation with the Cabinet Member for Communities and Leisure, Executive Director for Corporate Services (S151 Officer), Head of Supplier Management Services and Head of Corporate Estate and Assets to conclude all necessary negotiations on the Football Foundation Grant Terms and Conditions be approved.
- (xii) To delegate authority to the Head of Corporate Estate and Assets to conduct actions necessary to enable decisions required and enter contracts for the delivery of the Outdoor Sports Centre project be approved.

NOTE: NOTE: FOR THE RECOMMENDATIONS: Councillors Allen, Barnes-Andrews, Blatchford, M Bunday, Cox, Denness, Evely, Fielker, Finn, A Frampton, Y Frampton, Goodfellow, Greenhalgh, Kataria, Kaur, Kenny, Keogh, Lambert, Leggett, Letts, McCreanor, McEwing, Mintoff, Noon Paffey, Payne, Quadir, Renyard, Savage, Shields, Ugwoeme, Whitbread, Winning and T Bunday.

NOTE: AGAINST THE RECOMMENDATIONS: Councillors P Baille, Beaurain, Fitzhenry, Galton, Houghton, Laurent, Powell-Vaughan,

NOTE: ABSTAINED THE RECOMMENDATIONS: Councillors Blackman, Wood and Barbour.