

EXECUTIVE DECISION MAKING  
RECORD OF THE DECISION MAKING HELD ON 7 FEBRUARY 2011

Present:

Councillor Smith	-	Leader of the Council
Councillor Moulton	-	Cabinet Member for Resources and Workforce Planning
Councillor Baillie	-	Cabinet Member for Housing
Councillor Dean	-	Cabinet Member for Environment and Transport
Councillor Hannides	-	Cabinet Member for Leisure, Culture and Heritage
Councillor Holmes	-	Cabinet Member for Children's Services and Learning
Councillor White	-	Cabinet Member for Adult Social Care and Health
Councillor P Williams	-	Cabinet Member for Local Services and Community Safety

73. HOUSING REVENUE ACCOUNT BUDGET REPORT

DECISION MADE: (Ref: CAB 10/11 4887)

On consideration of the report of the Cabinet Member for Housing Cabinet agreed the following:

- (i) To approve the following recommendations to Council at the meeting on 16 February 2011.

Council Recommendations:

- (i) To thank Tenant Association Representatives for their input to the capital and revenue budget setting process and to note their views as set out in this report.
- (ii) To agree that, with effect from the 4<sup>th</sup> April 2011, the current average weekly dwelling rent figure of £65.15 should increase by 6.99%, which equates to an average increase of £4.55 per week, and to approve the following to calculate this increase:
- That the percentage increase applied to all dwelling rents should be 5.1%, equivalent to an increase of £3.32 per week; and
  - That the revised phased introduction of the Government's Rent Restructuring regime should be followed, giving an increase in average rent levels of 1.89% (£1.23 per week) and to note that:
  - The total percentage increase in individual rents will vary according to the restructured rent of their property in 2015/16.
- (iii) To agree that the charges for garages and parking spaces for 2011/12 should be increased by 6.99% in line with the increase in average rents.

- (iv) To approve the Housing Revenue Account Revenue Estimates as set out in the attached Appendix 1.
- (v) To approve the revised Housing Revenue Account Capital Programme set out in Appendix 2 which includes total spending of £55.028M on work that meets the definition of “affordable housing”.
- (vi) To approve the use of resources to fund the HRA Capital Programme as shown in Appendix 3, including the following use of unsupported (prudential) borrowing:
  - £2.150M to support the overall programme (unchanged from the report in September 2010);
  - £3.356M to fund the new build programme that is not funded from HCA grant,
  - £2.230M to fund the digital TV proposals,
  - £0.870M to fund the estate regeneration programme pending the receipt of capital receipts from sale of the sites and
  - £3.100M of short term borrowing to sustain the programme in 2010/11, which can be repaid by the end of 2012/13.
- (vii) To amend that parking charges at Wyndham Court as set out in Appendix 5.
- (viii) To adopt the rent setting policy for new build, acquired and converted dwellings set out in Appendix 6.
- (ix) To note that rental income and service charge payments will be paid by tenants over a 48 week period.
- (x) To note that the overall shortfall in resources of £3.079M to fund the capital programme is within the tolerances set by the Executive Director for Resources in the approved Medium Term Financial Strategy and that plans are in place to close this gap as set out in paragraph 35.

#### 74. GENERAL FUND CAPITAL PROGRAMME - 2010/12 TO 2013/14

DECISION MADE: (Ref: 10/11 4930)

On consideration of the report of the Cabinet Member for Resources and Workforce Planning Cabinet agreed the following:

Recommends that Full Council:

- (i) Approve the revised General Fund Capital Programme (which totals £219.5M as detailed in paragraph 4) and use of resources.
- (ii) Approve the over programming of £9.2M as detailed in paragraph 11 which is within the previously approved tolerances.
- (iii) Add £1.4M to the Leader’s capital programme in 2011/12 for the following schemes to be funded by revenue:

- Major Site Development Posts - £150,000
  - Watermark West Quay - £346,000
  - West Quay Site B Phase 2 - £37,000
  - Royal Pier - £445,000
  - Town Depot - £381,000
  - Former Tyrrell & Green Site - £60,000
  - Fruit & Vegetable Market - £25,000
- (iv) Add £3.8M to the Environment & Transport capital programme in 2011/12 for the following works to be funded by government grants (LTP Settlement):
- Roads & Other Highways - £1,923,000
  - Integrated Transport - £1,900,000
- (v) Add £2,649,000 to the Environment & Transport capital programme in 2011/12 for roads to be funded by revenue.
- (vi) Add £2,054,000 to the Environment & Transport capital programme in 2011/12 for Roads to be funded by Council Resources (Highways Borrowing).
- (vii) Add £1.0M to the Environment & Transport capital programme for the Itchen Bridge Toll Automation - £150,000 in 2010/11 and £850,000 in 2011/12, to be funded by council resources (unsupported borrowing) £510,000 and contributions £490,000.
- (viii) Add £920,000 to the Environment & Transport capital programme for the following schemes to be funded by revenue:
- Congestion Relief - £100,000 in 2011/12
  - Pavement Works - £200,000 in 2010/11 and £550,000 in 2011/12
  - St Denys Footway & Lighting - £70,000 in 2010/11
- (ix) Add £800,000 to the Environment & Transport capital programme in 2011/12 for the following schemes to be funded by contributions:
- Civic Centre Place - £625,000
  - Legible Cities - £175,000
- (x) Add £310,000 to the Adult Social Care & Health capital programme in 2011/12 for the following schemes to be funded by revenue:
- Care Standards and Health & Safety £260,000
  - Essential Appliances and Equipment £50,000

- (xi) Add an additional £50,000 to the Local Services & Community Safety capital programme for the Daisy Dip scheme to be funded by council resources (Aster House capital receipt).
- (xii) Note that the revised General Fund Capital Programme takes into account the Comprehensive Spending Review (CSR) for 2011/12 and future years.

75. GENERAL FUND REVENUE BUDGET - 2011/12 TO 2013/14

DECISION MADE: (Ref: CAB 10/11 4929)

On consideration of the report of the Cabinet Member for Resources and Workforce Planning, having received representations from the Pensioners Forum and Members of the Council, Cabinet agreed the following:

- (a) To note the position on the estimated outturn and revised budget for 2010/11 as set out in paragraphs 5 to 11.
- (b) To approve that the Executive Director for Health & Adult Social Care enter into an agreement with NHS Southampton City (NHSSC) under section 256 of the National Health Act 2006 for a period of two years and three months. Under the agreement NHSSC will transfer budget to the Council to spend on services that benefit health as directed within the Local Government Finance Settlement announced on 13<sup>th</sup> December 2010 and notification from Department of Health on 4<sup>th</sup> January in respect of 2010/11. The sums to be transferred by NHSSC and for inclusion within the Council's budget are £776,200, £3.1M and £3.0M in 2010/11, 2011/12 and 2012/13 respectively.
- (c) To note the position on the forecast roll forward budget for 2011/12 as set out in paragraphs 13 to 23.
- (d) To note and approve the arrangements made by the Leader, in accordance with the Local Government Act 2000, for the Cabinet Member for Resources and Workforce Planning to have responsibility for financial management and budgetary policies and strategies, and that the Cabinet Member for Resources and Workforce Planning will, in accordance with the Budget & Policy Framework Rules as set out in the Council's Constitution, be authorised accordingly to finalise the Executive's proposals in respect of the Budget for 2011/12, in consultation with the Leader, for submission to Full Council on 16<sup>th</sup> February 2011.
- (e) Recommends that Full Council:
  - (i) Notes the Consultation process that was followed as outlined in Appendix 1.
  - (ii) Approves the revised estimate for 2010/11 as set out in Appendix 2.
  - (iii) Approves the use of £0.5M of in year under spends to increase the Organisational Development Reserve in 2010/11 to ensure that adequate provision is made for the costs associated with the implementation of staff related savings.
  - (iv) Notes the position on the forecast roll forward budget for 2011/12 as set out in paragraphs 13 to 23.
  - (v) Approves an additional draw from General Fund Balances of up to £0.5M in 2011/12 if required during the year.
  - (vi) Approves the Invest to Save Bids set out in Appendix 3.

- (vii) Approves the revenue pressures and revenue developments as set out in Appendices 4 and 5.
- (viii) Approves the efficiencies, income and service reductions as set out in Appendix 6.
- (ix) Approves the changes to staff terms and conditions set out in Appendix 7.
- (x) Approves the dismissal and re-engagement of staff in order to implement the changes to terms and conditions in the event that a collective agreement cannot be reached with the Unions.
- (xi) Delegates authority to the Chief Executive as Head of Paid Service in consultation with the Chief Financial Officer (CFO) and the Solicitor to the Council to take any steps in connection with amendments to the Terms and Conditions changes, the negotiation of any potential changes with the Unions and any process associated with the implementation of these changes.
- (xii) Delegates authority to the CFO in consultation with the Solicitor to the Council to make changes to the budget for 2011/12 to reflect negotiated changes to the proposals or if a collective agreement cannot be reached with the Unions.
- (xiii) Notes that the Independent Remuneration Panel are currently being convened so that they may review and make recommendations on Members' Allowances to Standards and Governance Committee and thereafter Full Council before September 2011 as required by the law.
- (xiv) Approves the General Fund Revenue Budget as set out in Appendix 8, which assumes a council tax freeze.
- (xv) Delegates authority to the CFO to action all budget changes arising from the approved pressures, bids, efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- (xvi) Notes that after taking these items into account, there is an estimated General Fund balance of £5.1M at the end of 2013/14 as detailed in paragraph 54.
- (xvii) Delegates authority to the CFO, in consultation with the Solicitor to the Council, to do anything necessary to give effect to the recommendations in this report.
- (xviii) Sets the Budget Requirement for 2011/12 at £190,688,500.
- (xix) Notes the estimates of precepts on the Council Tax. collection fund for 2011/12 as set out in Appendix 10.
- (xx) Notes the Medium Term Forecast as set out in Appendix 11.
- (xxi) Authorises the Chief Executive and Chief Officers to pursue the development of the options for efficiencies, income and service reductions as set out in Appendix 6 for the financial years 2012/13 and 2013/14 and continue to develop options to close the remaining projected gaps in those years.