

SOUTHAMPTON CITY COUNCIL
EXECUTIVE DECISION MAKING

RECORD OF THE DECISION MAKING HELD ON 19 FEBRUARY 2019

Present:

Councillor Hammond	Leader of the Council, Clean Growth and Development
Councillor Rayment	Cabinet Member for Transport and Public Realm
Councillor Chaloner	Cabinet Member for Finance and Customer Experience
Councillor Fielker	Cabinet Member for Adult Care
Councillor Jordan	Cabinet Member for Children and Families
Councillor Kaur	Cabinet Member for Homes and Culture
Councillor Leggett	Cabinet Member for Green City
Councillor Dr Paffey	Cabinet Member for Aspiration, Schools and Lifelong Learning
Councillor Shields	Cabinet Member for Community Wellbeing

38. CAPITAL FINANCIAL MONITORING FOR THE PERIOD TO THE END OF DECEMBER 2018

On consideration of the report of the Cabinet Member for Finance and Customer Experience, Cabinet noted the following:

- (i) That the overall forecast position at 31st December 2018 is £117.02M, resulting in a potential underspend of £27.08M, as detailed in table 3, and Appendix 1.
- (ii) That £8.73M has been added to the programme as at 31st December 2018 under the relevant approvals and that approval will be sought to add a further £44.64M to the programme as part of the Capital Strategy & Programme update report to Council in February 2019. These additions will be reported in due course. The additions of £8.73M are detailed in tables 1 and 2 and paragraphs 6.
- (iii) That the capital programme remains fully funded up to 2022/23 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.

39. CORPORATE REVENUE FINANCIAL MONITORING FOR THE PERIOD TO THE END OF DECEMBER 2018

On consideration of the report of the Cabinet Member for Finance and Customer Experience, Cabinet noted the following:

- i) The forecast outturn position is an underspend of £0.58M, as outlined in paragraph 3.
- ii) That the forecast overspend for portfolios is £7.70M as outlined in paragraph 4 to 14.

- iii) The delivery to date of the agreed savings proposals approved for 2018/19 as detailed in paragraphs 15 to 18.
- iv) The Key Financial Risk Register as detailed in paragraph 25 and appendix 1.
- v) The performance against the financial health indicators detailed in paragraphs 29 and 30 and appendix 2.
- vi) The performance of treasury management, and financial outlook in paragraphs 31 to 38 and appendix 3.
- vii) The performance outlined in the Quarterly Collection Fund Statement attached at appendix 4 and detailed in paragraphs 42 to 43.
- viii) The forecast outturn position is an overspend of £0.97M as outlined in paragraphs 39 to 41.

40. SOUTHAMPTON LIVING WELL SERVICE

DECISION MADE: (CAB 18/19 23235)

On consideration of the report of the Leader, Clean Growth and Development, Cabinet agreed the following:

- (i) To approve the exit of the lease with Saxon Weald Housing Association for the Brook Centre (day care accommodation) and delegate authority to the Director of Quality and Integration following consultation with the Leader, the Service Lead: Capital Assets and Director of Legal and Governance, to take all necessary steps to terminate the current lease arrangement.
- (ii) To delegate authority to the Director of Quality and Integration, in consultation with the Director of Legal and Governance, to enter into a legal agreement with Saxon Weald Housing Association in order to make a financial contribution of up to a maximum of £190,000 from the improved Better Care Fund (IBCF) grant (which has been earmarked for this purpose) in the form of a grant towards the costs of converting the property into two self-contained flats and that subject to a grant condition they be used for Council clients with learning disabilities.
- (iii) To delegate authority to the Director of Quality and Integration, in consultation with the Director of Legal and Governance, to take all necessary steps to enter into a Nomination and Void Agreement with Saxon Weald Housing Association, on completion of the conversion works, for the use of the flats.
- (iv) To delegate authority to the Director of Quality and Integration, in consultation with the Service Lead: Capital Assets and the Council's Procurement Services, to take the necessary steps to appoint a property consultant to develop an estates plan for the establishment of Community Wellbeing Centres across the city and specifically on the East of Southampton (as set out in Section 14).

41. THE REVISED MEDIUM TERM FINANCIAL STRATEGY AND BUDGET 2019/20 TO 2022/23

DECISION MADE: (CAB 18/19 23238)

On consideration of the report of the Cabinet Member for Finance and Customer Experience, Cabinet agreed the following:

- i) To note the position on the forecast adverse outturn position for 2019/20 as set out in paragraphs 31 to 38.
- ii) To note the revised Medium Term Financial Strategy 2019/20 to 2022/23 as detailed in Appendix 2.
- iii) To note the aims and objectives of the Medium Term Financial Strategy which will be presented to council for approval on 20 February 2019.
- iv) To note that formal budget consultation began on 24th October 2018 and ended on 16th January 2019. The outcome of the consultation is outlined in paragraphs 151 to 155.
- v) To approve in principle the proposal for the closure of Glen Lee Residential Care Home, subject to formal staff consultation and a further report to Cabinet to make a final decision.
- vi) To approve the Adult Social Care Charging Policy as amended following consultation as detailed in Members Room Document 5.
- vii) To note that the Executive's budget proposals will impact on staffing and that consultation will be undertaken in line with legislation and the Council's agreed processes before proposals are implemented. The savings proposals set out in Appendix 1 propose the deletion of 87.31 Full Time Equivalent (FTE) posts, of which 18.33 FTE are vacant, leaving 68.98 FTE at risk of redundancy or TUPE transfer.
- viii) To note that the Executive's budget proposals are based on the assumptions detailed within the MTFs and that this includes a council tax increase of 2.99%, allowable under general powers to increase council tax without a referendum.
- ix) To note that the report identifies additional general fund pressures totalling £17.71M in 2019/2020 as detailed in paragraphs 42 and 55.
- x) To note that further proposals will need to be considered to address the 2020/21 and future years budget gap.
- xi) To note and recommend to Council to approve a change in the Council Tax – Empty Property Premium as noted in paragraphs 72 to 75.
- xii) To note and recommend to Council where appropriate, the MTFs and General Fund Revenue Budget changes as set out in council recommendations i) to xxi).
- xiii) To note that, from 1st April 2019, a standard decrease be applied to all dwelling rents of 1.0%, as set out in paragraph 117 of this report, equivalent to an average decrease of £0.84 per week in the current average weekly dwelling rent figure of £84.39. This will be the final year of the required decreases.
- xiv) To note an increase in weekly service charges as detailed in paragraph 118 from 1st April 2019 (including supported accommodation).
- xv) To note savings totalling of £3.15m in 2019/20 as detailed in paragraph 120.
- xvi) To note and recommend the Housing Revenue Estimates as set out in the report.
- xvii) To note the 30 year Business Plans for revenue and capital expenditure set out in Appendices 7 and 8 respectively, that based on current assumptions are sustainable and maintain a minimum HRA balance of £2.0m in every financial year.

- xviii) To note that 2019/20 is a 53 week rent year and that rental income and service charges payments will be paid by tenants in 49 instalments across this period.

42. THE GENERAL FUND AND HOUSING REVENUE ACCOUNT CAPITAL STRATEGY AND PROGRAMME 2018/19 TO 2022/23

DECISION MADE: (CAB 18/19 23240)

On consideration of the report of the Cabinet Member for Finance and Customer Experience and having taken the following amendments into consideration:

Page 189 top of box 13 – Transport - £15.21m should read ££12.56m

Page 189 bottom of 13 – Highways - £9.86m should read £8.68m

Page 190 – Weston Shore - £1m should read £0.8m

Cabinet agreed the following:

- (i) To note the revised General Fund Capital Programme, which totals £184.11M (as detailed in paragraphs 6 & 30) and the associated use of resources.
- (ii) To note the revised Housing Revenue Account (HRA) Capital Programme, which totals £221.59M (as detailed in paragraph 6 & 30) and the associated use of resources.
- (iii) To note that a further £16.68M has been added to the General Fund programme and £36.69M to the HRA programme totalling £53.37M, requiring approval to spend, by Cabinet subject to the relevant financial limits. These additions are detailed in paragraphs 9 to 13 and Appendix 1.
- (iv) To note the net addition of £53.37M to the overall capital programme and the request for approval to spend £53.37M as detailed in paragraphs 9 to 13 and Appendix 1.
- (v) To note the slippage and re-phasing totalling £20.52M as set out in paragraphs 14 to 21 and as detailed in Appendix 2.
- (vi) To notes the removal of schemes from the general fund capital programme totalling £3.90M and £12.05M from the HRA capital programme as set out in paragraphs 14 to 21 and as detailed in Appendix 1.
- (vii) To note that the capital programme remains fully funded up to 2022/23 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.
- (viii) To note that a review of the Council's capital strategy has been undertaken as detailed in Appendix 4.

43. PLANNING FOR A "NO DEAL" BREXIT

DECISION MADE: (CAB 18/19 23398)

On consideration of the report of the Leader, Glean Growth and Development, Cabinet noted the risks, mitigations and ongoing planning activity for the UK's exit from the European Union.