

MINUTES OF PREVIOUS MEETINGS

To approve minutes for the following meetings:

- 19 November 2014 – Council Meeting
- 19 November 2014 – Extraordinary Council Meeting
- 11 February 2015 – Council Meeting

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
19 NOVEMBER 2014

Present:

The Mayor, Councillor Mrs Blatchford
The Sheriff, Councillor Norris
Councillors Baillie, Barnes-Andrews, Bogle, Burke, Chaloner, Chamberlain, Claisse, Coombs, Daunt, Denness, Fitzhenry, Galton, Hammond, Hannides (minutes 57 to 62b only), B Harris, L Harris, Hecks, Inglis, Jeffery, Kaur, Keogh (minute 60(ii) onwards), Letts, Lewzey, Lloyd, McEwing, Mintoff, Morrell, Moulton, Noon, O'Neill, Dr Paffey (minutes 57 to 62b only), Painton, Parnell, Payne, Pope, Rayment, Shields, Smith, Spicer, Stevens, Thomas, Thorpe, Tucker, Vassiliou, Whitbread and White (minutes 57 to 62b only)

57. APOLOGIES

It was noted that no apologies for absence had been received.

58. MINUTES

RESOLVED that the minutes of the Council meeting held on 17th September 2014 be approved and signed as a correct record.

59. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

(i) University of Hof

The Mayor welcomed to the meeting German students from the University of Hof. It was noted that they had visited the Mayor's Parlour and were seated in the Public Gallery to observe proceedings.

(ii) Remembrance Sunday at Fratton Park

The Mayor informed Members that prior to the FA Cup match on Remembrance Sunday between the Army Town of Aldershot and the Navy City of Portsmouth, a wreath, with a note that it was from the people of Southampton, was taken on to the pitch and displayed with the assembled Veterans, Military Personnel and the Royal British Legion.

The Chairman and Directors of Portsmouth Football Club had asked for their thanks to be conveyed to the people of Southampton on behalf of all those present at Fratton Park on Sunday.

60. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received and noted a deputation from Mr Reynard concerning the pros and cons of four yearly elections;

- (ii) The Council received and noted a deputation from Mr Houghton regarding Woodmill Lane River Crossing;
- (iii) The Council received and noted a deputation from Rowenna Davis, Carol Furnell and Ben Hibbett concerning the Bitterne Walk-in Centre; and
- (iv) The Council received and noted a deputation from Kevin Lancashire, Chair of Cobbett Road Library Friends Group, Anneliese Walker, Volunteer and Friend of Cobbett Road Library and Rose Hickman, a library user.

61. EXECUTIVE BUSINESS

The report of the Leader of the Council was submitted setting out the details of the business undertaken by the Executive.

The Leader and the Cabinet made statements and responded to Questions.

The following questions were then submitted in accordance with Council Procedural Rule 11.1:

1. Band 3 Payments to Special Schools

Question from Councillor White to Councillor Jeffery

There are significant differences in the band 3 payments to the special schools in the City e.g. one feeder school gets 32% more than its associated school. Can the Cabinet Member explain why this happens and what steps are being taken to adjust the payments to reflect the needs of these special schools in an equitable way?

Answer

There are differences in the rates of 'top-up' funding between each of the maintained special schools in the city (which relates to the size and type of school as well as to the needs of pupils) and these rates haven't been reviewed for 9 years.

At the meeting between the City Council and the head-teachers of special schools on Oct 23rd, there was a discussion about this issue, the need for the situation to be looked at and unanimous agreement that the Council's SEND service should lead a Special Schools Funding Review, supported by council finance staff and reporting its findings and options for future funding back to the meeting of Heads of special schools, to Schools Forum and to the Council.

2. Townhill Park Regeneration

Question from Councillor Baillie to Councillor Payne

What is the delivery model and budget for the Townhill Park Estate Regeneration?

Answer

Finances of nearly £60M are already in place for this scheme. A budget of £11.8M was approved by Council on 14 November 2012 for site preparation costs to progress this scheme. In addition, it was noted that a provision of £47.7M would be included in the HRA Business Plan for the acquisition of units. This provision is being increased annually in line with inflation and the money is available. Before proceeding with the scheme, a report will come to full council with the detailed financial case, which is likely to be in early 2015. This may include the use of a development company, as set out in greater detail in the response to question 3.

3. Millbrook/Maybush Regeneration

Question from Councillor Baillie to Councillor Payne

What is the delivery model and budget for the Millbrook/Maybush Regeneration?

Answer

The Council is considering as an option setting up a development company to deliver the upcoming improvements to Millbrook and Maybush, including new council housing. Such a delivery model would ensure the Housing Revenue Account's budget cap, set by Government, would not be a barrier to delivering significant modernisation and improvement. The council's strategic partner, Capita, is already engaged in investigating this approach and more information should be available in the New Year, after which, it will also be determined if such a delivery model could have a role to play in the Townhill Park redevelopment. It is also worth noting that £10m already exists in the Housing Revenue Account budget to support the citywide estate regeneration process, including the ongoing preparation work for Millbrook and Maybush.

4. Financial contributions to regeneration schemes

Question from Councillor Baillie to Councillor Payne

How much is the HRA and General Fund expected to contribute in each of the Townhill Park and Millbrook/Maybush Regeneration Schemes?

Answer

For Townhill Park, the report to Council in November 2012 noted that the General Fund would need to cover estimated costs of £2.6M. For the HRA, finances of nearly £60M are already in place for this scheme, as already covered in detail in the reply to question two.

For Millbrook and Maybush, the full cost of the scheme will be known once the emerging plans are finalised. A budget of £10m to support citywide estate regeneration already exists in the HRA budget to support this process, and no costs to the general fund have been identified at this stage.

5. Affordable homes in Townhill Park

Question from Councillor Baillie to Councillor Payne

What is the Cabinet Member going to do to make the new homes in Townhill Park affordable, assuming that if they are built it will take 5-10 more years to build them?

Answer

Detailed market appraisals were carried out in 2013 and 2014 to look at potential sales values for the new market homes in the light of changes in the housing market. Looking at comparable properties and canvassing the views of agents, sales values were calculated on a competitive basis. It is expected that sale prices will be around 15 per cent less than surrounding neighbourhoods, as properties on Southampton council estates often change hands for less than other areas, so the new homes will be more affordable than most other new-builds in the city and should represent good value for money, given the upcoming investment in Townhill Park.

As for Council-owned properties, rents will be charged at Affordable Rent (80% of market rent) in line with Government guidance for new-build social housing. Figures previously supplied to the Overview Scrutiny and Management Committee showed projected rents would not be high enough to trigger the benefit cap for those claiming housing benefit. Running costs of the new properties (i.e. fuel bills) should also be cheaper compared to most existing council housing in the city, improving their affordability.

6. Cobbett Road Library

Question from Councillor Baillie to Councillor Barnes-Andrews

What will be the yearly revenue saving achieved by closing Cobbett Road Library? What is the yearly cost of closing Cobbett Road Library?

Answer

The annual cost of operating Cobbett Road Library is £52,300. This figure has been calculated by disaggregating a range of centralised costs that serve all libraries and apportioning these to each library. The cost therefore includes staffing, IT, stock, professional support, supplies and services.

The cost of closing Cobbett Road depends on what decision is taken as to the future of the service. Should the proposals proceed, the intention is that the building will be transferred to a community group with the aim of there being no cost retained by the Council.

7. Local Availability of Treatment in Hospitals

Question from Councillor Keogh to Councillor Shields

A recent audit by the Royal College of Surgeons tracking the treatment and survival chances of men suffering with prostate cancer concluded there are vast variations in the treatment of this disease with the consequence that some men are not receiving the health care they should. Only 20% of English hospitals

offer the advanced high dose brachytherapy which reduces the side effects of alternative treatments.

Would the Cabinet Member be able to inform Council if this treatment is available at any of the two main hospitals in Southampton and how does Southampton compare in its treatment and survival of prostate cancer with other similar authorities.

Answer

There are continuing advances in the treatment of prostate cancer, and the Cancer Centre in Southampton provides a range of treatments for different stages of the disease. These currently include advanced high dose brachytherapy as well as some of the most advanced forms of treatment available anywhere in the country.

The most recent data for Wessex (which includes Southampton patients) shows a 5-year survival rate of 79.0% for men diagnosed with prostate cancer between 2005 and 2007 (similar to the England average of 78.8%).

8. Bitterne Walk-in Centre

Question from Councillor Smith to Councillor Letts

What date did you meet with the CCG to discuss the proposal to close the Bitterne Walk-in Centre?

Answer

I have had no formal meetings with the CCG regarding the closure of the Bitterne Health Centre – I was informed by the CCG of the intention to seek a temporary closure of the walk in centre from December 1st in a brief encounter at the Civic centre on the afternoon of October 2nd.

9. Traffic Management

Question from Councillor Smith to Councillor Rayment

How many instances of traffic chaos have you now presided over?

Answer

Councillor, you could not improve the network, redesign roads, introduce major schemes and invest £45M into the roads network in Southampton and not see some slowing of the traffic, some confusion and problems.

Clearly we have to do everything that we can to ensure that disruption is avoided and where this is not possible it is minimised and this will continue to be a focus and priority for us.

But what I can assure you is that when the problem has been our fault we have been quick to respond, learn the lessons and apologise.

10. Exford Avenue

Question from Councillor Smith to Councillor Payne

When will the Harefield regeneration scheme at Exford Avenue be complete?

Answer

Due to the size of the Exford Avenue regeneration site (127 homes and 3 – 4 shops), the development will be completed over two phases:

Phase 1 = 41 units (34 affordable and 7 private) due to complete by the end of June 2015

Phase 2 = 86 units (38 affordable and 48 private) due to complete by the end of July 2017.

It is anticipated that the affordable homes in Phase 1 will be completed by the end of March 2015. The private homes and retail units will be completed by June 2015.

11. Council Employees

Question from Councillor Smith to Councillor Barnes-Andrews

How many people will be directly employed by the Council by the end of the financial year 2018/19?

Answer

Future funding settlements yet to be announced will impact on the overall financial position of the Authority, which in turn will impact overall spend, service delivery and ultimately staff numbers.

However, based on what we know, I would anticipate that by 2019 the Council will directly employ significantly less people than we do now.

As we continue work on proposals beyond 2015/16 financial year, it would be unwise to predict the absolute number or range at this stage and place in the public domain. As members are aware the Cabinet will be bringing forward its Target Operating Model and Transformation Plans in the near future, and this will inform how staffing numbers may be impacted through until 2017.

The Cabinet remains of the view that the Council will remain a mixed economy of services provided both by direct employees and by other organisations external to the Council, be they private, mutual, partnership etc. Therefore any overall reduction in directly employed staff does not necessarily correlate to redundancies'.

62. MOTIONS

(a) Bitterne Walk-in Centre

With the consent of the meeting, Councillor Letts altered and moved his motion and Councillor Stevens seconded:

Alteration to include the words “the (now withdrawn)” in the first line of the motion.

First line of motion to read, “Council notes with concern, the (now withdrawn)...”

Altered motion to read:

“Council notes with concern, the (now withdrawn) proposals by the Southampton City CCG to temporarily suspend services at the Bitterne Walk-in Centre.

The City Council registers alarm at the present crisis confronting the City’s healthcare system directly as a consequence of Government austerity policy. A position made worse by the unnecessary reorganisation of the NHS, a re-organisation which cost £16,000,000 in this City.

Council notes that this resource would have been enough to both keep the walk in centre open and improve community services to reduce hospital admissions.

Council calls upon its representatives to work with the CCG, Solent Healthcare and other care providers to create a more workable model for a modern, integrated primary care system which enables patients – especially on the east side of the city – to see their GP at times when it is convenient to them including weekends and evenings.

Council calls on the CCG to keep the walk in centre open until a suitable out of hours GP based service can be delivered”.

Amendment moved by Councillor Smith and seconded by Councillor Moulton:

1st Paragraph 1st Line after “concern” INSERT “(now withdrawn)”

DELETE 2nd Paragraph

DELETE 3rd Paragraph

4th Paragraph 4th Line after “the City” – DELETE

“to see their GP at times when it is convenient to them including weekends and evenings”

And REPLACE with

“to continue to have walk-in facilities such as those offered at the Minor Injuries Unit at the Royal South Hants Hospital”

DELETE 5th Paragraph

The amended motion to read:

“Council notes with concern, the (now withdrawn) proposal by the Southampton City CCG to temporarily suspend services at the Bitterne Walk-in Centre.

Council calls upon its representatives to work with the CCG, Solent Healthcare and other care providers to create a more workable model for a modern, integrated primary care system which enables patients – especially on the east side of the City - to continue to have walk-in facilities such as those offered at the Minor Injuries Unit at the Royal South Hants Hospital”.

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED LOST

UPON BEING PUT TO THE VOTE THE ALTERED MOTION IN THE NAME OF COUNCILLOR LETTS WAS DECLARED CARRIED

RESOLVED that the altered motion in the name of Councillor Letts be approved.

NOTE: Councillors Bogle, Thorpe, Lewzey and Shields declared personal interests in the above matter, in view of their respective status as a Governor at the UHS, NHS Foundation Trust, an employee of the NHS (non-City based Trust), a Governor of Southern Health NHS Foundation Trust and a Member of the CCG Board and Solent NHS Trust Council of Governors and remained in the meeting during the consideration of the matter.

(b) Transatlantic Trade and Investment Partnership (TTIP)

Councillor Pope moved and Councillor Shields seconded:

“Proposals under the Transatlantic Trade and Investment Partnership (TTIP) to govern trade relations between the EU and USA are currently being negotiated. While TTIP offers the potential to unlock US markets for EU businesses, including those from Southampton, there are legitimate concerns from the public, NGOs, the GMB, Unite and Unison unions and other parts of civic society such as 38 Degrees.

These concerns include a lack of transparency in the negotiations, a lack of sufficient regulation, a lack of democracy in dispute resolution and challenges by private interests to Southampton City Council, national and supra-national governments (e.g. via Investor-State Dispute Settlement), threats to local public services and ethical procurement provided Southampton City Council, and TTIP easing the path to privatisation of the NHS from the Coalition Government such as the Health and Social Care Act 2012.

TTIP also threatens local Southampton businesses and residents from predatory companies that undermine employment rights, environmental rights and the benefits of their employment to Southampton residents.

Council therefore RESOLVES to call upon the Leader of the Council to write to the Prime Minister, Deputy Prime Minister, the Department of Business, Innovation and Skills, and all South East MEPs, asking them to ensure that TTIP does not include an extension of ISDS and will not threaten the NHS, and to follow Shadow Health Minister Andy Burnham's example in stating publicly that they would protect the NHS from TTIP if an appropriate deal is not reached.

Council also RESOLVES to respond to the European Ombudsman Own-Initiative Inquiry on Transparency in TTIP, and any future similar public inquiry,

outlining the above potential threats to this Council's ability to lead Southampton's communities with social, environmental, ethical and economic initiatives, and the threats to Southampton's local businesses and partners”.

UPON BEING PUT TO THE VOTE THE MOTION WAS DECLARED CARRIED

RESOLVED that the motion be approved.

(c) Southampton Sports Centre and Golf Course

Councillor L Harris moved and Councillor Moulton seconded:

“This Council endorses the original purpose and intent of the establishment of the Southampton Sports Centre and Golf Course, as enshrined in the following text:

“The provision of outdoor facilities for the benefit of all the residents of Southampton was the brainchild of Sir Sidney Kimber who proposed “to create for the present and future generations another civic centre – an outdoor sports and recreation centre - large, central, compact, beautifully situated for the use of thousands of both sexes, young and old, robust and frail, rich and poor, for the provision of all known outdoor games, which centre is bound to promote health, enjoyment and happiness to untold numbers; and, as the years roll on and the population multiplies enormously, will prove to be one of the outstanding assets of a town and port destined for unrivalled supremacy.”

The Council urges the Executive to reject any non sport or leisure related proposals to develop land within the boundaries of the Sports Centre and Golf Course, regardless of whether it is currently accessible by members of the public”.

Amendment moved by Councillor Barnes-Andrews and seconded by Councillor Coombs:

DELETE paragraph 3

“The Council urges the Executive to reject any non sport or leisure related proposals to develop land within the boundaries of the Sports Centre and Golf Course, regardless of whether it is currently accessible by members of the public.”

and REPLACE with

“The Council, therefore, welcomes opportunities presented for further development and enhancement of the Sports Centre and Golf Course that are broadly in keeping with the Sir Sidney Kimber’s original vision and which can confer lasting benefits for all Southampton residents”.

The amended motion to read:

“This Council endorses the original purpose and intent of the establishment of the Southampton Sports Centre and Golf Course, as enshrined in the following text:

“The provision of outdoor facilities for the benefit of all the residents of Southampton was the brainchild of Sir Sidney Kimber who proposed “to create for the present and future generations another civic centre – an outdoor sports and recreation centre - large, central, compact, beautifully situated for the use of thousands of both sexes, young and old, robust and frail, rich and poor, for the provision of all known outdoor games, which centre is bound to promote health, enjoyment and happiness to untold numbers; and, as the years roll on and the population multiplies enormously, will prove to be one of the outstanding assets of a town and port destined for unrivalled supremacy.”

The Council, therefore, welcomes opportunities presented for further development and enhancement of the Sports Centre and Golf Course that are broadly in keeping with the Sir Sidney Kimber’s original vision and which can confer lasting benefits for all Southampton residents”.

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED CARRIED

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

RESOLVED that the motion as amended be approved.

NOTE: Councillor Coombs declared a personal interest in the above matter, as a Member of the Southampton Athletic Club Committee and remained in the meeting during the consideration of the matter.

63. QUESTIONS FROM MEMBERS TO THE CHAIRS OF COMMITTEES OR THE MAYOR

Parking SPD (Supplementary Planning Document)

Question from Councillor Moulton to Councillor Lewzey, Chair of the Planning and Rights of Way Panel.

At the planning and rights of way panel meeting on 11th November the panel considered an application for 8 Norfolk Road, which involved converting a C3 house into 2 x 3 bed flats. At the meeting it was recognised that the lack of on street parking in the area was a problem. This was recognised by the residents, ward councillors, the panel and the applicant's own parking survey. The site of the application had no parking of its own. The council has a parking SPD stating a maximum standard of 4 spaces applies for 2 x 3 bed flats. He stated that despite all of this that the application should be approved as the SPD only provided maximum standards and therefore could be ignored. Given that the SPD was recently introduced specifically to ensure that adequate parking is provided where appropriate for new developments, where it is needed, when would he consider that the parking SPD should be a reason to refuse an application on parking grounds?

Answer

In determining any planning application, Members of PROW Panel must take account of all material considerations and use their judgment to give weight to each of these. Panel's role is to weigh all material considerations and reach a decision based on the overall balance between these factors.

The SPD will be a material consideration where car parking is an issue which is relevant and material to a particular application. A reason for refusal based on the SPD would be forthcoming after taking into account all material considerations and it is considered that the failure to meet the requirements of the SPD outweighs any benefits that might accrue from other material considerations relating to the proposal.

Each application must be determined on its own merits. Whether or not the SPD would generate a reason for refusal will therefore depend upon whether it is applicable to the application, whether its requirements can be met (directly or indirectly) and whether the harm caused by not meeting the requirements of the SPD outweigh, in the Panel's view, other material considerations.

64. APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES AND OTHER BODIES

It was noted:

- (i) That Councillor Lloyd had replaced Councillor Thorpe on the Air Quality Scrutiny Inquiry Panel; and
- (ii) that following the establishment of the Children and Families Scrutiny Panel by the Overview and Scrutiny Management Committee, the political composition for the new Panel would be 4:2:1.

65. MEMBERS' ALLOWANCE SCHEME

The report of the Head of Legal and Democratic Services was submitted concerning a review of Members' Allowances, having regard to the recommendations of the Independent Remuneration Panel (copy of report circulated with agenda and appended to signed minutes).

David Gilani and Kevin Liles, representative members of the Independent Remuneration Panel, were in attendance and with the consent of the Mayor, addressed the meeting.

Councillor Burke, as Chair of the Governance Committee, informed members of the outcome of the Committee's deliberations and its decision to endorse the Panel's recommendations.

RESOLVED

- (i) That the recommendations of the Independent Remuneration Panel as set out in the Panel's report at Appendix 1 to the report, be approved;
- (ii) That the necessary amendment to the Council's Constitution be approved; and
- (iii) That the members of the Independent Remuneration Panel be thanked for their work in reviewing the Members' Allowance Scheme.

NOTE: In accordance with the Members' Code of Conduct, all members declared a pecuniary interest in the above matter and remained in the meeting during consideration of the matter.

66. REVIEW OF POLLING DISTRICTS AND POLLING PLACES

The report of the Director of Corporate Services was submitted detailing the review of Polling Districts and Polling Places (copy of report circulated with the agenda and appended to signed minutes).

RESOLVED that the recommendations in respect of the polling districts and polling places as set out in Appendix 3 to the report be approved.

NOTE: Councillor Galton declared a personal interest in the above matter, as a Governor of Tanners Brook Primary School and remained in the meeting during the consideration of the matter.

67. LOCALISM ACT 2011 - PROPOSAL FOR A PAN-HAMPSHIRE MEMBERS' CODE OF CONDUCT

The report of Head of Legal and Democratic Services was submitted seeking approval for a pan-Hampshire Members' Code of Conduct (copy of report circulated with agenda and appended to signed minutes).

RESOLVED that in the interests of achieving a consistent approach to Member Conduct across the HIOWLA authorities, the Members' Code of Conduct be amended to include provision regarding gifts and hospitality as detailed in the report.

68. OFSTED INSPECTION AND ACTION PLAN

The report of the Director, People was submitted detailing the Ofsted Inspection and Action Plan (copy of report circulated with agenda and appended to signed minutes).

RESOLVED UNANIMOUSLY

- (i) that the Ofsted Inspection report and the LSCB review report be noted; and
- (ii) that the action plan be reviewed in order to monitor progress and confirm the direction of travel.

69. CORPORATE PARENTING COMMITTEE ANNUAL REPORT 2013-14

The report of the Cabinet Member for Children's Safeguarding was submitted outlining activity in relation to the range of statutory activities of the Council and its corporate parenting activity and the impact on outcomes for looked after children and care leavers (copy of report circulated with agenda and appended to signed minutes).

RESOLVED UNANIMOUSLY

- (i) that the contents of the report be noted; and
- (ii) that the Council sign up to the pledge to looked after children.

70. THORNHILL DISTRICT HEATING SCHEME

The report of the Cabinet Member for Housing and Sustainability was submitted detailing the Thornhill District Energy Scheme (copy of report circulated with agenda and appended to signed minutes).

RESOLVED

- (i) that the funding on the Thornhill District Energy Scheme line be increased in the HRA Capital Programme, from £8,035,000 to £12,820,000 and that the title be changed to the Thornhill District Heating Scheme;
- (ii) that the approved budget of £6,712,000, for the Thornhill District Energy Scheme be removed from the General Fund capital programme;
- (iii) that delegated authority be granted to the Director, Place after consultation with the Chief Financial Officer, to accept an ECO funding grant of £4,190,000 to part fund the scheme;
- (iv) that in accordance with Financial Procedure Rules, capital expenditure of £12,820,000, phased £300,000 in 2014/15, £9,365,000 in 2015/16, £2,245,000 in 2016/17 and £910,000 in 2017/18, on the Thornhill District Heating Scheme be approved;
- (v) that in accordance with Financial Procedure Rules, capital expenditure of £1,200,000 phased £100,000 in 2015/16, £700,000 in 2016/17 and £400,000 in 2017/18, on works around the 3 Thornhill tower blocks, provision for which exists in the unapproved Future Decent Neighbourhood Schemes line in the HRA Capital Programme be approved;
- (vi) that delegated authority be granted to the Director, Place, after consultation with the Head of Legal and Democratic Services, to enter into negotiations with the preferred Delivery Partner to design and build a suitable scheme that represents the best value for the residents of Thornhill, and for the Council;
- (vii) that delegated authority be granted to the Head of Legal and Democratic Services to agree and sign the relevant contracts and;
- (viii) that delegated authority be granted to the Director, Place, after consultation with the Head of Legal and Democratic Services, to take any other action necessary to implement and operate the scheme.

71. TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS MID YEAR REVIEW 2014

The report of the Chief Financial Officer was submitted regarding the Treasury Management Strategy and Prudential Limits Mid Year review (copy of report circulated with agenda and appended to signed minutes).

RESOLVED

- (i) that any changes to the Council's Prudential Indicators as detailed within the report be approved;
- (ii) that continued delegated authority be granted to the Chief Financial Officer, following consultation with the Cabinet Member for Resources, to approve any changes to the Prudential Indicators or borrowing limits that will aid good treasury management. For example, increase the percentage for variable rate borrowing to take advantage of the depressed market for short term rates. Any amendments to be reported as part of the quarterly financial and performance monitoring and in revisions to the strategy;
- (iii) that it be noted that the continued proactive approach to Treasury Management (TM) had led to reductions in borrowing costs and safeguarded investment income whilst increasing the yield; and
- (iv) that the increase in the non-specified investment limit for institutions falling below the Council's minimum investment limit of A- to £5M, as detailed in paragraph 29 of the report, be approved.

Chair



17th March 2015

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
19 NOVEMBER 2014

Present:

The Mayor, Councillor Mrs Blatchford
The Sheriff, Councillor Norris
Councillors Baillie, Barnes-Andrews, Bogle, Burke, Chaloner, Chamberlain, Claisse, Coombs, Daunt, Denness, Fitzhenry, Galton, Hammond, Hannides, B Harris, L Harris, Hecks, Inglis, Jeffery, Kaur, Keogh, Letts, Lewzey, Lloyd, McEwing, Mintoff, Morrell, Moulton, Noon, O'Neill, Dr Paffey, Painton, Parnell, Payne, Pope, Rayment, Shields, Smith, Spicer, Stevens, Thomas, Thorpe, Tucker, Vassiliou, Whitbread and White

72. APOLOGIES

It was noted that no apologies for absence had been received.

73. ELECTORAL CYCLE AND OTHER GOVERNANCE MATTERS

The report of the Director of Corporate Services was submitted seeking a decision on options regarding changes to the electoral cycle and other Governance issues (copy of report circulated with agenda and appended to signed minutes).

It was noted that under the provisions of Section 33 of the Local Government and Public Involvement in Health Act 2007, the resolution to change the electoral cycle would need to be passed by not less than two thirds of the members voting at the meeting.

RESOLVED

- (i) That the results of the consultation in relation to local elections and governance issues be noted;
- (ii) That the existing number of councillors be retained and that it be noted that an electoral review would not be required;
- (iii) That the current Leader and Cabinet governance model be retained; and
- (iv) That the current process of elections by thirds be retained.

Chair

17th March 2015

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
11 FEBRUARY 2015

Present:

The Mayor, Councillor Mrs Blatchford
The Sheriff, Councillor Norris
Councillors Baillie, Barnes-Andrews, Bogle, Chaloner, Chamberlain, Claisse,
Coombs, Daunt, Denness, Fitzhenry, Galton, Hammond, Hannides, B Harris,
L Harris, Hecks, Inglis, Jeffery, Kaur, Keogh (item 76 (ii) onwards), Letts, Lewzey,
Lloyd, McEwing, Mintoff, Morrell, Moulton, Noon, O'Neill, Dr Paffey, Painton,
Parnell, Payne, Pope, Rayment, Shields, Spicer, Stevens, Thomas, Thorpe, Tucker,
Vassiliou, Whitbread and White

74. APOLOGIES

Apologies for absence were received on behalf of Councillors Burke and Smith.

75. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

Director, Place, Stuart Love

The Mayor thanked Stuart Love for his work with the Council since his appointment as Director, Place in 2013. On behalf of all Members, the Mayor wished him well in his future career and in his new appointment at Westminster Council.

76. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received and noted a deputation together with a petition from Mr P. Williams and Mr S. Gould concerning the Library Service in Southampton; and
- (ii) The Council received and noted a deputation from Mr N. Chaffey concerning the Council Budget.

77. EXCLUSION OF THE PRESS AND PUBLIC - CONFIDENTIAL PAPERS INCLUDED IN MINUTE 78

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 confidential appendix to Minute 78.

Appendix 5 is confidential, the confidentiality of which is based on category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this because doing so would prejudice the authority's ability to achieve best consideration for the disposal of land (the identify of preferred developer and the figures associated with the land transaction are commercially sensitive).

78. COUNCIL TAX SETTING AND RELATED MATTERS

(A) GENERAL FUND CAPITAL PROGRAMME 2014/15 TO 2017/18

(B) GENERAL FUND REVENUE BUDGET 2015/16 TO 2017/18

The reports of the Cabinet Member for Resources and Leisure were submitted seeking approval to the updated Capital Programme for 2014/15 - 2017/18 together with the latest estimated overall financial position on the General Fund Revenue Budget for 2015/16 - 2017/18 and outlining the main issues that needed to be addressed in considering the Cabinet's budget proposals. The recommendations therein as amended by Executive Budget Resolution 2015/16 to comprise the Executive's budget proposals were moved by Councillor Barnes-Andrews and seconded by Councillor Letts (copies of reports circulated with agenda and appended to signed minutes and 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 - 10 minutes
 - Seconders - 5 minutes
 - Other Speakers - 4 minutes

Amendment moved by Councillor Hannides and seconded by Councillor Moulton:

"To amend the General Fund Budget by removing the £391,000 from the Medium Term Financial Reserve and instead placing it in General Fund Balances".

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED LOST

UPON BEING PUT TO THE VOTE THE EXECUTIVE'S BUDGET PROPOSALS AS AMENDED WERE DECLARED CARRIED.

RESOLVED that the General Fund Capital Programme 2014/15 to 2017/18 and the General Fund Revenue Budget 2015/16 to 2017/18, as amended by Executive Budget Resolution 2015/16 (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.

NOTE - FOR THE AMENDMENT: Councillors Baillie, Claisse, Daunt, Fitzhenry, Galton, Hannides, B. Harris, L. Harris, Hecks, Inglis, O'Neill, Moulton, Norris, Painton, Parnell, Vassiliou and White

NOTE - AGAINST THE AMENDMENT: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Chaloner, Chamberlain, Coombs, Denness, Hammond, Jeffery, Kaur, Keogh, Letts, Lewzey, Lloyd, McEwing, Mintoff, Noon, Dr. Paffey, Payne, Pope, Rayment, Shields, Spicer, Stevens, Thorpe, Tucker and Whitbread

ABSTAINED – Councillors Morrell and Thomas

NOTE – FOR THE SUBSTANTIVE MOTION: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Chaloner, Chamberlain, Coombs, Denness, Hammond, Jeffery, Kaur, Keogh, Letts, Lewzey, Lloyd, McEwing, Mintoff, Noon, Dr. Paffey, Payne, Pope, Rayment, Shields, Spicer, Stevens, Thorpe, Tucker and Whitbread

NOTE – AGAINST THE SUBSTANTIVE MOTION: Councillors Baillie, Claisse, Daunt, Fitzhenry, Galton, Hannides, B. Harris, L. Harris, Hecks, Inglis, O'Neill, Morrell, Moulton, Norris, Painton, Parnell, Thomas, Vassiliou and White

79. HOUSING REVENUE ACCOUNT BUDGET REPORT AND BUSINESS PLAN

The report of the Cabinet Member for Housing and Sustainability was submitted seeking approval for the Housing Revenue Account budget proposals and long term business plan (copy of report circulated with agenda and appended to signed minutes).

RESOLVED:

- (i) that the Tenant Resources Group be thanked for their input to the capital and revenue budget setting process and their endorsement of the recommendations set out in the report be noted together with the broad support for the proposals received at the Tenants' Winter Conference;
- (ii) that the following be approved to calculate the dwelling rent increase from 1 April 2015:
 - That the standard increase applied to all dwelling rents should be 2.2% (CPI plus 1.0%), as set out in paragraph 11 of the report, equivalent to an average increase of £1.84 per week; and
 - That dwelling specific adjustments should be made to give an additional increase in average rent levels of 1.3% (£1.09 per week), subject to the total increase from both elements not exceeding £10.00 per week for any individual property, as set out in paragraph 13 of the report;
- (iii) that based on the calculation set out in resolution (ii) above, it be approved that with effect from the 1 April 2015, the current average weekly dwelling rent figure of £83.92 should increase by 3.5%, which will equate to an average increase of £2.93 per week;
- (iv) that it be noted that the actual total increase in individual rents would vary by property, as explained in paragraph 14 of the report;
- (v) that it be noted that the following weekly service charges from 1 April 2015 based on a full cost recovery approach:
 - Digital TV £0.42 (unchanged from 2014/15)
 - Concierge £1.20 (unchanged from 2014/15)
 - Tower Block Warden £4.97 (unchanged from 2014/15);
- (vi) that it be noted the new cleaning charge for walk up blocks of £0.63 per week, which was introduced from July 2014, would also be unchanged from 1 April 2015;

- (vii) that it be noted the service charges for supported accommodation would continue at the rates approved in February 2013;
- (viii) that it be noted the charges for garages and parking spaces for 2015/16 will be increased by 1.2% in line with the increase in CPI;
- (ix) that the Housing Revenue Account Revenue Estimates as set out in Appendix 1 to the report be approved;
- (x) that the addition of £12,272,000 to the Housing Revenue Account Capital Programme for a Provision of Social Housing Scheme, funded from retained 'right to buy' capital receipts (30%) and borrowing (70%), as set out in paragraphs 34 to 36 of the report, be approved;
- (xi) that the revised Housing Revenue Account 5 Year Capital Programme set out in Appendix 2 to the report be approved and the key variances and issues as set out in Appendix 3 to the report be noted;
- (xii) that the 30 year Business Plans for revenue and capital expenditure as set out in Appendices 4 and 5 to the report respectively be approved;
- (xiii) that the HRA Business Plan - Planning Assumptions, as set out in Appendix 6 to the report, be noted; and
- (xiv) that it be noted that the rental income and service charge payments would continue to be paid by tenants over a 48 week period.

80. TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS 2015/16 TO 2017/18

The report of the Chief Financial Officer was submitted regarding the Council's proposed treasury management strategy for the coming year in relation to the Council's cash flow, investment and borrowing, and the management of the numerous risks related to this activity (copy of report circulated with agenda and appended to signed minutes).

RESOLVED:

- (i) that the Council's Treasury Management (TM) Strategy and Prudential Indicators for 2015/16, 2016/17 and 2017/18, as detailed within the report, be approved;
- (ii) that the 2015 Minimum Revenue Provision (MRP) Statement, as detailed in paragraphs 68 to 77 of the report, be approved;
- (iii) that the Annual Investment Strategy, as detailed in paragraphs 37 to 48 of the report, be approved;
- (iv) that it be noted that at the time of writing the report the recommendations in the Capital Programme Update report, had not been approved. The indicators in the report were based on the assumption that such recommendations would be approved, but should this not be the case, the Prudential Indicators may have to be recalculated; and
- (v) that delegated authority continue to be delegated to the Chief Financial Officer (CFO), following consultation with the Cabinet Member for Resources and Leisure, to approve any changes to the Prudential Indicators or borrowing limits that will aid good treasury management. Any amendments would be reported as part of quarterly financial and performance monitoring and in revisions to the TM Strategy.

81. IMPLEMENTING THE COUNCIL STRATEGY 2014-2017: TRANSFORMATION PROGRAMME UPDATE

The joint report of the Cabinet Member for Education and Change and the Cabinet Member for Resources and Leisure was submitted detailing the progress made in implementing the transformation programme (copy of report circulated with agenda and appended to signed minutes).

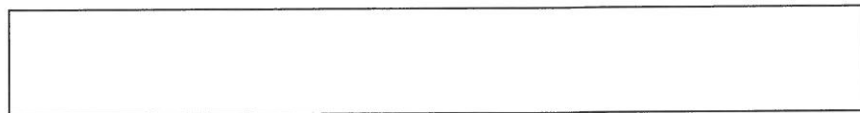
RESOLVED:

- (i) that the Outline Business Case set out in Section A of the report be approved;
- (ii) that the new operating model for the Council as set out in Section D of the report be endorsed;
- (iii) that the high level implementation plan set out in Appendix 1 to the report be approved;
- (iv) that it be noted that regular updates on the position and progress of the Transformation Programme would be provided to Cabinet and (by agreement with the Chair), Overview and Scrutiny Management Committee; and
- (v) that delegated authority be granted to the Chief Executive to take any further action necessary to give effect to the decisions of the Executive in relation to this matter.

82. SAFE CITY AND YOUTH JUSTICE STRATEGIES

The report on the urgent decision made by the Chief Executive on 30th November 2014 to approve the Safe City and Youth Justice Strategies was noted (copy of report circulated with the agenda and appended to signed minutes).

Chair



17th March 2015

APPENDIX 1

LABOUR GROUP BUDGET RESOLUTION 2015/16

It is recommended that Council:

- i) Notes the budget consultation process that was followed as outlined in Appendix 1 to the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda and notes that this year's process took into consideration feedback from last year on how to improve the process.
- ii) Notes that the consultation feedback has been taken into consideration by the Cabinet and has informed their final budget proposals.
- iii) Notes the Equality and Safety Impact Assessment process that was followed as set out in paragraphs 18 to 20 and the details contained in Appendix 2 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda, which reflect the feedback received through the consultation process.
- iv) Approves the revised estimate for 2014/15 as set out in Appendix 3 of the General Fund Budget 2015/16 to 2017/18 report on the Council agenda.
- v) Notes the position on the forecast roll forward budget for 2015/16 as set out in paragraphs 34 to 77 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council Agenda.
- vi) Approves the revenue pressures and bids as set out in Appendix 4 and 5 respectively of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda.
- vii) Approves the efficiencies, income and service reductions as set out in Appendix 6b of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda.
- viii) Approves the updated General Fund Revenue Budget 2015/16 as set out in Annex 2 of this resolution, which assumes a council tax increase of 1.99%, with detailed changes from the published General Fund Revenue Budget 2015/16 to 2017/18 Report set out in Annex 1.
- ix) Delegates authority to the Chief Financial Officer (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.
- x) Notes that after taking these items into account, there is an estimated General Fund balance of £9.6M at the end of 2017/18 as detailed in paragraph 114 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda. An updated balances table is attached as Annex 5.
- xi) Delegates authority to the Chief Financial Officer, in consultation with the Head of Legal and Democratic Services, to do anything necessary to give effect to the recommendations in this Resolution.

- xii) Sets the Council Tax Requirement for 2015/16 at £77.27M.
- xiii) Notes the estimates of precepts on the Council Tax collection fund for 2015/16 as set out in Annex 3 to this Resolution.
- xiv) Delegates authority to the Chief Financial Officer to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire Fire and Rescue Authority precept and the Police and Crime Commissioner for Hampshire precept.
- xv) Notes the Medium Term Financial Strategy as detailed in Appendix 10 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda including the updated Medium Term Financial Forecast in Annex 4 of this Resolution.
- xvi) Approves the Reserves Policy as set out in the Medium Term Financial Strategy at Appendix 10 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda.
- xvii) Approves the creation of a Medium Term Financial Risk Reserve with a contribution of £3.28M in 2015/16 and to delegate authority to draw on this reserve to the Chief Financial Officer and Chief Executive in consultation with the Cabinet Member for Resources as set out in paragraph 119 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda and amended by the changes in Annex 2 to this Resolution.
- xviii) 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 6b of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda, for the financial years 2016/17 and 2017/18 and continue to develop options to close the remaining projected gaps in those years.
- xix) Approves entering in to an agreement with the Local Capital Finance Company and to approve a £20,000 investment in the Company in 2015/16 to enable SCC to have access to this competitive alternative borrowing source, as set out in paragraph 85 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda.
- xx) Approves entering into a Section 75 (S75) of the National Health Service Act 2006 Partnership Agreement pooled fund, noting the minimum statutory requirement to pool £15.325m revenue (SCC contribution £5.085M) and £1.526m (all SCC contribution) capital as detailed in paragraphs 124 to 128 of the General Fund Revenue Budget 2015/16 to 2017/18 report on the Council agenda.
- xxi) Note the actual S75 pooled fund to be set up will be an estimated £61M and approve a total SCC contribution of £5.3M revenue and £1.526M capital, from 1 April 2015.
- xxii) Approves, in conjunction with recommendation xxiii, the addition of the remaining budgets included within the schemes as per the Better Care Plan, into the pooled fund as and when appropriate, bringing the total value to approximately £132M (SCC contribution of £51M).

- xxiii) Delegates authority to the Director of People, following consultation with the lead Cabinet Member for Health and Adult Social Care, the Chair of the Health and Wellbeing Board and the Head of Legal and Democratic Services, to (a) agree the terms and conditions of the pooled fund agreement under S75 of the National Health Service Act 2006 and (b) to carry out any ancillary actions needed to give effect to this recommendation.
- xxiv) Approves the following amounts now calculated by the Council for the year 2015/16 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992 as amended (the Act).
- xxv) Determines in accordance with Section 52ZB of the Act that the Council's relevant basic amount of Council Tax for 2015/16 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 31A(2) of the Act.		£533,293,900
b)	Aggregate the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.		£456,024,300
c)	Calculation in accordance with Section 31A(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 formula in Section 31B(1) of the Act.		£77,269,600
d)	The amount at c) above (Item R), divided by the Council Tax Base of 58,825.0 (Item T in the formula in Section 31B(1) of the Act), as the basic amount of Council Tax for the year.		£1,313.55
e)	Precepting Authority – Southampton City Council	Valuation Band	Amount
		A	£875.70
		B	£1,021.65
		C	£1,167.60
		D	£1,313.55
		E	£1,605.46
		F	£1,897.36
		G	£2,189.26
	H	£2,627.11	
	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 2015/16 that the Police And Crime Commissioner for Hampshire are 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	£104.89
		B	£122.37
		C	£139.85
		D	£157.33
		E	£192.29
		F	£227.26
		G	£262.22
		H	£314.66
g)	That it be noted for the year 2015/16 that the Hampshire Fire and Rescue Authority are 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	£40.92
		B	£47.74
		C	£54.56
		D	£61.38
		E	£75.02
		F	£88.66
		G	£102.30
		H	£122.76
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 2015/16 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	£1,021.51
		B	£1,191.76
		C	£1,362.01
		D	£1,532.26
		E	£1,872.77
		F	£2,213.28
		G	£2,553.78
		H	£3,064.53



EXPLANATIONS OF CHANGES

When the General Fund Revenue Budget 2015/16 to 2017/18 report was published, it was acknowledged that a number of factors could potentially change which would affect the budget proposed. It was advised that any changes required would be highlighted and taken into account if necessary in a revised budget proposal for the Council meeting on 11 February 2015.

The areas that remained to be clarified were:

- The final Local Government Finance Settlement.
- The Council Tax Referendum threshold
- The provisional notification of the Hampshire Fire and Rescue Authority precept and the Police and Crime Commissioner for Hampshire precept.

The current position for each of these elements is set out below.

FINAL LOCAL GOVERNMENT SETTLEMENT

The final settlement was published on 3 February 2015 and confirmed that there are no changes to the proposals that were previously announced at the provisional settlement (i.e. the methodology used to determine Settlement Funding Assessment figures and related specific grants remain unchanged).

However, there has been an increase to Revenue Support Grant (RSG) nationally of £74M for 2015/16 to upper tier authorities to assist them in dealing with pressures on local welfare and health and social care. This has resulted in an increase in the Council's Revenue Support Grant of £391,000. This has resulted in the Council's actual reduction in RSG being 27.8% rather than 28.5%, and the actual grant allocation being £42.864M an increase of £0.652M on the original forecast position.

The table below details the revised level of non specific grants for the period 2015/16 to 2017/18

Grant	Estimate 2015/16 £M	Estimate 2016/17 £M	Estimate 2017/18 £M
Revenue Support Grant	42.864	30.054	19.214
Housing and Council Tax Benefit Subsidy Admin Grant	1.783	0.309	0.272
Lead Local Flood Authority - Paid Via LSSG	0.065	0.020	0.018
Education Services Grant	2.000	1.728	1.389
Community Right to Challenge	0.009	0.008	0.007
Community Right to Bid	0.008	0.007	0.006
Local Reform and Community Voices	0.150	0.126	0.105
Council Tax - New Burdens Funding	0.146	0.128	0.113
New Homes Bonus	4.342	0.000	0.000
Total	51.367	32.381	21.123

As the 2015/16 budget has already been balanced and this relatively small allocation has been notified at such a late stage it is proposed to transfer the additional allocation into the Medium Term Financial Risk Reserve, to assist in addressing the potential issues the Council faces in the forthcoming five years. This will bring the total being transferred into this reserve to £3.281M. The updated 2015/16 General Fund Revenue Account is attached at Annex 2 and an updated Medium Term Financial Forecast at Annex 4.

Attached at Annex 5 is also a Revised General Fund Balance table which rectifies an erroneous line. It does not impact on the final totals or any other areas of the report

COUNCIL TAX REFENDUM THRESHOLD

At the time of writing the General Fund Revenue Budget 2015/16 to 2017/18 report, the Government had provisionally announced a Council Tax Referendum threshold for the 2015/16 budget year at 2%. The Minister's written statement for the Final Local Government Finance Settlement confirmed that the referendum limit is set at 2%. Therefore there is no change to the 1.99% increase assumed in the published report.

THE PROVISIONAL NOTIFICATION OF THE HAMPSHIRE FIRE AND RESCUE AUTHORITY PRECEPT AND THE POLICE AND CRIME COMMISSIONER FOR HAMPSHIRE PRECEPT

The Police and Crime Commissioner for Hampshire are provisionally recommending an increase in precepts issued to the Council of 1.99%. This has not been reflected in the published General Fund Revenue Budget 2015/16 to 2017/18 report. The updated Collection Fund Estimates for 2015/16 are attached in Annex 3.

ANNEX 2

2015/16 GENERAL FUND REVENUE ACCOUNT

	2015/16 Forecast	Revenue Pressures	Revenue Bids	Savings & Income	2015/16 Budget
Portfolios	£000	£000	£000	£000	£000
Children's Services	55,096.0	3,100.0		(2,039.1)	56,156.9
Communities	2,090.7			(235.3)	1,855.4
Environment & Transport	36,218.1	205.0		(1,943.6)	34,479.5
Health & Adult Social Care	67,443.4	3,200.0		(3,115.7)	67,527.7
Housing & Sustainability	2,791.2			(104.4)	2,686.8
Leader's Portfolio	5,126.3			(338.1)	4,788.2
Resources & Leisure	29,891.5		126.0	(2,193.3)	27,824.2
	198,657.2	6,505.0	126.0	(9,969.5)	195,318.7
Levies & Contributions					
Southern Seas Fisheries Levy	32.4				32.4
Flood Defence Levy	39.8				39.8
Coroners Service	560.0				560.0
	632.2	0.0	0.0	0.0	632.2
Capital Asset Management					
Capital Financing Charges	13,321.6				13,321.6
Capital Asset Management Account	(24,503.4)				(24,503.4)
	(11,181.8)	0.0	0.0	0.0	(11,181.8)
Other Expenditure & Income					
Direct Revenue Financing of Capital	0.0				0.0
Trading Areas (Surplus) / Deficit	6.6			(10.5)	(3.9)
Net Housing Benefit Payments	(758.2)				(758.2)
Non-Specific Government Grants & Other Funding	(51,366.3)				(51,366.3)
Business Rates	(50,135.2)				(50,135.2)
Council Tax Collection Fund (Surplus) / Deficit	(3,205.5)				(3,205.5)
Business Rates Collection Fund (Surplus)/Deficit	(2,368.7)				(2,368.7)
Open Spaces and HRA	435.7				435.7
Risk Fund	4,502.5				4,502.5
Contingencies	250.0				250.0
	(102,639.1)	0.0	0.0	(10.5)	(102,649.6)
NET GF SPENDING	85,468.5	6,505.0	126.0	(9,980.0)	82,119.5
Draw from Balances:					
Addition to / (Draw From) Balances	(7,130.4)				(7,130.4)
Addition to / (Draw From) Reserves	2,280.5				2,280.5
To Fund the Capital Programme	0.0				0.0
	(4,849.9)	0.0	0.0	0.0	(4,849.9)
Revenue Pressures	6,505.0	(6,505.0)			0.0
Net Gap in Budget After Pressures	9,854.0	0.0	126.0	(9,980.0)	0.0

COUNCIL TAX REQUIREMENT

77,269.6	0.0	0.0	0.0	77,269.6
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ANNEX 3

COLLECTION FUND ESTIMATES 2015/16

	2014/15 £000	2015/16 £000	Change £000	Change %
Southampton City Council Precept	73,467.0	77,269.6	3,802.6	5.18%
Hampshire Police Precept	8,799.6	9,254.9	455.3	5.17%
Fire and Rescue Services Precept	3,501.4	3,610.7	109.3	3.12%
Income due from Council Tax Payers	85,768.0	90,135.2	4,367.2	5.09%
Tax Base for Area	57,044.0	58,825.0	1,781.0	3.10%
Basic Amount of Tax for Band D Property	1,503.54	1,532.26	28.72	1.91%

MEDIUM TERM FINANCIAL FORECAST

Portfolios	2015/16		2016/17		2017/18		2018/19		2019/20	
	Forecast	Base Changes	Forecast	Base Changes	Forecast	Base Changes	Forecast	Base Changes	Forecast	Base Changes
	£M	£M	£M	£M	£M	£M	£M	£M	£M	£M
Children's Services	55.1		55.1		55.1		55.1		55.1	
Communities	2.1		2.1		2.1		2.1		2.1	
Environment & Transport	36.2		36.2		36.2		36.2		36.2	
Health & Adult Social Care	67.5		67.5		67.5		67.5		67.5	
Housing & Sustainability	2.8		2.8		2.8		2.8		2.8	
Leader's Portfolio	5.1		5.1		5.1		5.1		5.1	
Resources & Leisure	29.9		29.9	1.4	31.3		31.3		31.3	
Add Pressure - Future Years (Known)	6.6		6.6	(0.4)	6.2		6.2		6.2	
Add Pressures - Future Years (Unknown)	0.0	1.0	1.0	1.0	2.0	1.0	3.0	1.0	4.0	
Base Changes & Inflation	0.0	8.1	8.1	8.8	16.9	9.3	26.2	9.5	35.8	
Sub-total for Portfolios	205.3	9.1	214.4	10.8	225.2	10.3	235.5	10.5	246.1	
Levies & Contributions	0.6	0.0	0.6	0.0	0.6	0.0	0.6	0.0	0.6	
Capital Asset Management	(11.2)	1.5	(9.7)	0.2	(9.5)	0.0	(9.5)	0.0	(9.5)	
Other Expenditure & Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Direct Revenue Financing of Capital	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	0.0	(0.0)	
Trading Areas (Surplus) / Deficit	(0.8)	0.0	(0.8)	0.0	(0.8)	0.0	(0.8)	0.0	(0.8)	
Net Housing Benefit Payments	0.4	0.0	0.4	0.0	0.4	0.0	0.4	0.0	0.4	
Open Spaces and HRA	4.5	0.3	4.8	0.6	5.3	0.3	5.6	0.3	5.9	
Risk Fund	0.3	0.0	0.3	0.0	0.3	0.0	0.3	0.0	0.3	
Contingencies	2.3	(2.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Addition to / (Draw From) Reserves	6.7	(2.0)	4.7	0.6	5.3	0.3	5.6	0.3	5.9	
Sub-total for Other Expenditure & Income										

	201.5	8.6	210.1	11.6	221.6	10.6	232.3	10.8	243.1
	2015/16	2016/17	2017/18	2018/19	2019/20	2019/20	2019/20	2019/20	2019/20
	Forecast	Base	Forecast	Base	Forecast	Base	Forecast	Base	Forecast
	£M	£M	£M	£M	£M	£M	£M	£M	£M
	Forecast	Changes	Forecast	Changes	Forecast	Changes	Forecast	Changes	Forecast
Net Revenue Expenditure									
Draw from Balances:									
Addition to / (Draw From) Balances	(7.1)	9.6	2.5	1.5	4.0	(1.0)	3.0	(1.0)	2.0
Council Tax	(77.3)	(1.5)	(78.8)	(1.6)	(80.4)	(1.6)	(81.9)	(1.6)	(83.6)
Non-Specific Government Grants & Other Funding	(51.4)	19.0	(32.4)	11.3	(21.2)	9.9	(11.3)	5.3	(6.0)
Business Rates	(50.1)	(0.9)	(51.1)	(1.0)	(52.0)	(1.0)	(53.0)	(1.0)	(54.0)
Council Tax Collection Fund (Surplus) / Deficit	(3.2)	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Business Rates Collection Fund (Surplus)/Deficit	(2.4)	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funding	(191.5)	31.7	(159.8)	10.2	(149.6)	6.4	(143.2)	1.6	(141.6)
Savings proposals Feb 15	(10.0)	(1.2)	(11.2)	(0.2)	(11.4)	0.0	(11.4)	0.0	(11.4)
DRAFT BUDGET GAP	(0.0)	39.1	39.1	21.6	60.7	17.0	77.7	12.4	90.1

ANNEX 5

	2014/15 £M	2015/16 £M	2016/17 £M	2017/18 £M
Opening balance	53.409	23.366	11.858	10.052
(Draw to Support) Capital	(1.489)	0.0	0.0	0.0
(Draw to Support) / Contribution from Revenue	(17.564)	(7.130)	2.507	4.000
Contributions (to) / from Other Reserves	(3.000)	0.0	0.0	0.0
(Draw for) Strategic Schemes	(7.989)	(4.378)	(4.313)	(4.427)
Closing Balance	23.366	11.858	10.052	9.624