

Council Meetings:

- 21st November, 2018
- 20th February, 2019 (Budget)

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
21 NOVEMBER 2018

Present:

The Mayor, Councillor Barnes-Andrews
The Sheriff, Councillor P Baillie
Councillors J Baillie, Bell, Mrs Blatchford, Bogle, Chaloner, Coombs, Fielker, Fitzhenry, Fuller, Furnell, Galton, Guthrie, Hammond, Hannides, B Harris, L Harris, Harwood, Houghton, Jordan, Kataria, Kaur, Keogh, Laurent, Leggett, McEwing, Mintoff, Mitchell, Morrell (except 53 (part), 54-64), Murphy, Noon, Dr Paffey, Parnell (except 52 (part), 53-64), Payne, Pope (except 52 (part), 53-64), Rayment (except 62-64), Savage, Shields, Streets, Taggart, Vassiliou, Whitbread, White and Wilkinson

49. APOLOGIES

It was noted that apologies had been received from Councillors Claisse, D Thomas and T Thomas.

50. MINUTES

RESOLVED that the minutes of the meeting held on 19th September, 2018 be approved and signed as a correct record.

51. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

- (i) The Mayor announced the passing of former City Councillor Richard Bates who sadly passed away peacefully on 27th September, 2018 aged 92. He served as Leader of the Council from 1992-94. As a mark of respect Council stood for a minute's silence.
- (ii) The Mayor expressed his thanks and gratitude to all those involved with the arrangements for this year's commemorations on Remembrance Sunday. Thankfully the rain held off to enable respects to be paid at 11.00am. I have received messages of appreciation from many people who attended.
- (iii) The Mayor was pleased to announce that Southampton and Fareham Legal Services Partnership had been awarded the prestigious Local Government Legal Team of the Year for 2018.

I am very pleased to announce that Southampton and Fareham Legal Services Partnership have been awarded the prestigious Local Government Legal Team of the Year for 2018.

The judges stated that "the Legal Service Partnership takes a whole service approach to supporting clients, this approach was very evident from the additional evidence provided; particularly noted was the letter received from the Leader of Fareham Borough Council; also, the testimonials provided from colleagues in Trading Standards and the Southampton Port Health Authority.

The projects that particularly interested us and that we thought were very innovative were the Wellborne New Garden Village, the work that has taken place on the clean air zone and the secondary schools, SEND and school transport reviews. This is particularly interesting as it involved the delivery of new learning environments and the expansion of city centre schools to meet new community demand.

The testimonial provided by Rosie Zambra Transactions and Universal Services, relating to the seizure of a consignment of kratom mitragyna spciosa and its eventual destruction following two years of court process finally ending in the Court of Appeal was also particularly noteworthy as these proceedings were supported throughout by the internal legal service with some support from Counsel.

Conclusion

“The team takes a whole service approach to supporting clients amply evidenced by a range of testimonials. The team has worked on several very innovative and hugely beneficial community impact projects, together with significant case law proceedings. This team is hugely deserving of the LLG Local Government Legal Team of the Year 2018”

I would like to present the award to Richard Ivory, Director of Legal and Governance, Sarita Riley, Service Lead for the Partnership and the Legal Services Team Leaders if they can step forward please.

52. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received and noted a deputation from Mr Ian Loynes concerning Hate Crime.
- (ii) The Council received and noted a deputation from Mrs Sue Atkins concerning proposals on how the Council can set a budget to protect jobs and services in the City.
- (iii) The Council received and noted a deputation from Mr Harvey Morgan and Mr Donald Hedges concerning keeping the Rest Homes open.

The Council received the following Petition which under the Council’s Procedure Rules were qualifying petitions which must be debated at Council:

- (i) Save Council owned care homes: Glen Lee and Holcroft House containing 1520 signatures.

In accordance with the Council Procedure Rule 13.2 “Motions without Notice” the Mayor used his discretion to allow a motion in the name of Councillor Hammond and seconded by Councillor Rayment.

Motion to read:-

Having received the petition, listened to the petitioner’s deputation and debated the matter Council resolves to consider the petition as part of the budget consultation process.

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

RESOLVED that the motion be approved.

The Council agreed to bring forward the questions received on notice to the Executive item 5 on the Council agenda, in the name of Councillors Fitzhenry, Hannides, White, Fuller, P Baillie, J Baillie and Galton.

1. Care Homes – Removal of Budget Savings

Given the level of public and staff concern raised on the proposed closure of our care homes will the leader remove these savings proposals from their budget consultation immediately?

Answer

No. People are encouraged to respond to the public consultation, which closes on 16 January 2019. The results of the consultation will be used to inform the budget decision in February.

2. Care Homes – Third Party Organisation

Prior to these current savings proposals has a public or private third party organisation been approached in the last 3 months, to either take over or joint venture with the council on running our homes?

Answer

No.

3. Care Homes – Improve Financial Positions

Exactly what measures have been taken to improve the financial positions of Glen Lee and Holcroft House and when were they taken?

Answer

The measures that have been taken are: recruitment to vacant posts, including the Registered Manager post at Glen Lee; termination of the short-term Quality and Compliance post; robust application of sickness absence policy; review of staff required on each shift while maintaining quality standards; and the approval of a plan to employ extra care staff with the ability to work flexibly across both homes.

Regular financial monitoring and reporting is taking place, as it is with all services, to ensure that the current position is understood by the team and measures to avert unnecessary cost are being carried out wherever possible.

4. Care Homes – Projected in year overspends

What are the current projected in year overspends for each home and what measures have been taken to improve this situation?

Answer

The projected in year overspend for Holcroft House is £229,000 and for Glen Lee is £360,000, as at month 6.

The measures that have been taken are: recruitment to vacant posts, including the Registered Manager post at Glen Lee; termination of the short-term Quality and Compliance post; robust application of sickness absence policy; review of staff required on each shift while maintaining quality standards; and the approval of a plan to employ extra care staff with the ability to work flexibly across both homes.

Regular financial monitoring and reporting is taking place, as it is with all services, to ensure that the current position is understood by the team and measures to avert unnecessary cost are being carried out wherever possible.

5. Care Homes – Alternative Options

Have you asked officers to explore and cost other options besides closure of the homes?

Answer

Yes. The consultation on the future of the homes sets out a number of alternative options. At my request, officers have responded to early consultation feedback by setting up a task and finish group to explore ideas that have been put forward.

6. Care Homes – Occupancy

What is the average occupancy of each home over the last two years?

Answer

The average occupancy for 2016-2017:

Glen Lee 85.8%
Holcroft House 92.4%

The average occupancy for 2017-2018:

Glen Lee 78.7%
Holcroft House 94.6%

The average occupancy for April 2018 – October 2018:

Glen Lee 49.4%
Holcroft House 94.8%

7. Care Homes – Level of occupancy at Glen Lee

The Levels of occupancy at Glen Lee have been low for some time. What actions have been taken to improve this?

Answer

Admissions to Glen Lee were suspended from 5 January 2018 to 25 April 2018 while quality improvements were carried out in response to a safeguarding investigation. Between April and August 2018, the home was limited to a maximum of one new admission per week to allow time for the quality improvements to become embedded.

Since then, until these proposals were brought forward, where a permanent residential placement has been considered necessary, the council's adult social work teams were instructed to consider a placement at Glen Lee (or Holcroft House) before other residential placements, taking into account family preferences.

The home has also been used to provide short stay placements and respite.

8. Care Homes – Glen Lee – External Consultancy Company

At Glen Lee following an inadequate rating SCC employed the services of an external consultancy company to run the home; how long did the contract run, what were the objectives and what was the increased costs?

Answer

An external consultancy company was not used to run the home.

An interim Registered Manager was employed via the council's contract with Hays from January to September 2018 in order to oversee the implementation of an improvement plan and to carry out the duties of a registered manager. The cost of this was £79,700 including the employment agency overheads. This was the market rate for the level of skills that were urgently required.

An external company was commissioned to carry out two mock CQC inspections, in order to provide assurance in advance of an external inspection. The cost of these was £1,590.

The objective was to ensure the home was providing a good standard of care to its residents, following a rating of 'requires improvement' by the Care Quality Commission (CQC). The objective was met and the scheme was rated 'good' by the CQC in September 2018.

9. Care Homes – Average cost of care

What is the average cost/person in the homes and how does that compare approximately with that currently commissioned for a similar service by SCC?

Answer

The average cost per person for 2017/18 was £1,116 per week, as reported as part of the Adult Social Care Financial return. This is calculated by taking into account the total cost of the homes in 2017/18 divided by the number of client weeks.

The average cost of a similar service commissioned by the council is £547 per week. This exact cost depends on individual assessed need. The weekly cost for residential care for people without challenging behaviour are based on two tiers (tier one and tier

two). These tiers apply to Glen Lee and Holcroft House. Tier one average contract rate is £474.18 and tier two at mid point average cost is £562.09. The top tier two cost is £650.

10. Care Homes – Staffing Budgets

Can you explain how the staffing budgets for Glen Lee and Holcroft House are almost identical given one is half full and the other at near capacity?

Answer

The staffing budgets are calculated based on the maximum number of residents that each home is registered with the Care Quality Commission to support (34 at Holcroft House and 33 at Glen Lee).

11. Care Homes – 'Top Up' care packages

It has been indicated that should closure take place then SCC would 'Top Up' care packages for those displaced; what is the maximum figure expected?

Answer

This will depend on individual assessments and preferences.

People whose costs are currently funded by the council following a financial assessment, would continue to have their cost of care funded by the council.

Where people contribute to the cost of their care, or are self funders, they will not have to pay any more unless their financial circumstances change.

The weekly costs for residential care for people without challenging behaviour are based on two tiers (tier one and tier two). These tiers apply to the current residents at Glen Lee and Holcroft House. The current top of tier two contract rate is £650.

12. Care Homes – Medicine Management

Is the Cabinet Member satisfied with the level of medicine management in Homes?

Answer

Yes, the council meets its requirements as confirmed by the Care Quality Commission during its latest inspections and audited by the Integrated Commissioning Unit.

13. Care Homes – Contingency Plans

What contingency plans exist should other providers close after Glen Lee & Holcroft House have closed?

Answer

We have a comprehensive protocol and procedures to manage situations relating to provider failures and other issues. It is reviewed regularly taking into account market conditions and changes to providers.

14. Care Homes – Policy – Long Term Admissions

Has not your policy of stopping new long term admissions to Glen Lee & Holcroft House not made their closure more likely?

Answer

No. Short stay and respite placements continue to be offered at Glen Lee and Holcroft House.

It is not considered to be in people's best interests to offer permanent placements while the future of the homes is under review.

This policy does not make the closure of the homes more likely, but will help avoid unnecessary concern should the decision be made to close in February. When considering the future of the homes, this will be on the assumption of 95% occupancy rather than current or past occupancy levels.

15. Care Homes – Reason for Closure

When you shut Woodside Lodge you initially stated it was due to low occupancy, then because it wasn't modern enough and then we discovered you had planned to redevelop the site all along – what is the real reason for your plans to close the last 2 Council owned care homes now?

Answer

The proposal is under consideration for a number of reasons, including:

- Demand for residential care is decreasing as many people want to continue living at home for as long as possible, or to access alternatives like Housing with Care or Shared Lives schemes. As a result, there is an over provision of residential care placements in the local area.
- Both Glen Lee and Holcroft House are dated buildings, and whilst the quality of the care by staff is good, the facilities no longer meet modern standards.
- Bringing Glen Lee and Holcroft House up to this standard, or remodelling them to provide more intensive support for people with more complex needs, would mean fewer people could be supported in those homes. Therefore, some people currently living there would have to move into alternative accommodation, and others would experience disruption whilst the works were being completed. It would also require significant investment.
- There are other providers who are able to support people who need residential care, in high quality and modern environments. This would allow the council to focus on housing with care and community-based services.
- This would enable the council to make savings. As a result of reductions in funding from central government, the council has had to make £136.4 million savings over the last seven years and we need to make another £15.05 million savings by

2020/21. Closing these homes would save the council £1.3 million a year, which would help us to deliver a balanced budget.

53. EXECUTIVE BUSINESS REPORT

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 submitted in accordance with Council Procedure Rule 11.1.

16. Itchen Bridge Fees

What is the justification for raising the fees on the Itchen Bridge?

Answer

The toll fee has not been increased since 1997. One of the key reasons for the toll (as outlined in Section 22 of the Hampshire Act 1983) is to manage congestion using this route.

The toll would not be effective at managing congestion if it was not increased in line with inflation at appropriate intervals.

We are protecting city residents from the increase in the toll by maintaining the discount that is obtained through use of the Smart Cities card.

17. Charges on Citizens and Businesses

Does the Cabinet Member not accept that the Labour group have increased and have proposed to introduce practically every charge they can on the residents and businesses of this city and it is unfair to continue in this way?

Answer

Fees and charges are kept under review. For statutory services the fees are often set and cannot be varied. However, a range of non-statutory services are provided in a competitive environment which regulates the charges as well as driving efficiencies and customer service. Non statutory services are expected to at least cover their costs.

18. Itchen Bridge – Effect of Charges

What will be the effect, of the increased charges on the Itchen Bridge, to the air quality along the existing AQMA in Bitterne Road West?

Answer

It is proposed that only non-residents will be required to pay the increase in the toll fee and they may opt to use an alternative route. However, no significant or lasting impact on vehicle numbers or air quality along Bitterne Road West is anticipated. The toll may

discourage private vehicle use and encouraging the use of public transport and sustainable travel which would help to improve air quality.

Measures to reduce pollution levels in our Air Quality Management Areas and other sensitive locations have been successful in recent years and we continue to see declining levels air pollution. It is not anticipated that the proposed Itchen toll increase will have any negative impact on this.

19. Itchen Bridge – Impact of extra charges

How much longer will it take people to find the extra coin to pay your proposed Itchen Bridge toll increase and what impact will this have on bridge queues and therefore air quality in the vicinity of the Itchen Bridge?

Answer

The proposed increase in toll fees will be advertised in advance of implementation.

It is also anticipated an increase in residents up taking the Smart Cities card to obtain the discount offered thus reducing coins being needed.

The Service Manager for the Itchen Bridge does not anticipate significant additional time being taken by drivers to find the correct toll fee especially once it has been embedded and therefore no concern in relation to queues or impact on Air Quality.

A project team is currently investigating options for alternative payment methods on the Bridge.

20. Itchen Bridge – Overpayments

How many people already over pay to cross the Itchen Bridge?

Answer

The Council does not collect data on overpayments made at the Bridge. The Council has introduced a Smart Cities Card to allow people to make the exact payment from their Itchen Bridge account. This Smart Cities card is available for both residents and non-residents to use to pay the correct amount whilst crossing the bridge.

We plan to do a take up campaign to ensure more people take up the benefit of the Smart Cities Card.

21. Itchen Bridge – Upgrading Payment System

Will the council be upgrading the payment system on the Itchen Bridge to take contactless payments?

Answer

The Council are in the process of reviewing options to modernise the available methods of payment for the Itchen Bridge. An options paper is being drafted and the introduction of contactless payments is being considered as part of this review process.

If after considering the options and we want to introduce contactless there will possibly be an administration cost to the Council.

In order to find the best solution the review will assess each option against a number of criteria including impact on traffic flow.

54. MOTIONS

(a) Councillor McEwing moved and Councillor Fuller seconded.

This Council notes:

1. The obligations its owes to the Armed Forces community within Southampton City Council as enshrined in the Armed Forces Covenant; that the Armed Forces community should not face disadvantage in the provision of services and that special consideration is appropriate in some cases, especially for those who have given the most.
2. The absence of definitive and comprehensive statistics on the size or demographics of the Armed Forces community within Southampton City Council. This includes serving Regular and Reserve personnel, veterans, and their families.
3. That the availability of such data would greatly assist the Council, local partner agencies, the voluntary sector, and national Government in the planning and provision of services to address the unique needs of the Armed Forces community within Southampton City Council.

In light of the above, this Council moves to support and promote The Royal British Legion's call to include a new topic in the 2021 census that concerns military service and membership of the Armed Forces community. We further call upon the UK Parliament, which will approve the final census questionnaire through legislation in 2019, to ensure that the 2021 census includes questions concerning our Armed Forces community.

UPON BEING PUT TO THE VOITE THE MOTION WAS DECLARED CARRIED.

RESOLVED that the motion be approved.

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

It was noted that no requests for Questions from Members to the Chairs of Committees or the Mayor had been received.

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

It was noted that there were no appointments to Committees, Sub-Committees or Other Bodies.

57. APPOINTMENT OF CHIEF EXECUTIVE AND HEAD OF PAID SERVICE

The Leader of the Council reported to Council that the Chief Officer Employment Panel met on the 15th November, 2018. Shortlisting for the permanent role of Chief Executive and Head of Paid Service was completed and interviews held for the role. Following interview the Panel selected Sandy Hopkins, as a suitable candidate for the position.

In accordance with the Local Government and Housing Act 1989 and The Local Authorities (Standing Orders) (England) Regulations 2001 the recommendation was confirmed by Council that Sandy Hopkins be appointed as Chief Executive and Head of Paid Service effective from 1st January, 2019.

58. MEMBERS' ALLOWANCE SCHEME

The report of the Director of Legal and Governance was submitted seeking a review of Members' Allowances, having regard to the recommendations of the Independent Remuneration Panel.

RESOLVED:

- (i) To consider, but not accept, the recommendations of the Independent Remuneration Panel as set out in the Panel's report, save in respect of an annual uplift in the Living Wage.
- (ii) To adopt the draft LGA Maternity and Paternity policy and resolve that members of either sex taking advantage of the policy are not compulsorily required to attend meetings as required by Section 85 Local Government Act 1972 ie the "6 month" rule.
- (iii) To thank the members of the Independent Remuneration Panel for their work in reviewing the Members' Allowance Scheme.

59. ADOPTION OF GAMBLING ACT 2005 LICENSING PRINCIPLES

The report of the Service Manager for Licensing was submitted seeking approval to the adoption of the Gambling Act 2005 Licensing Principles.

RESOLVED to consider the revised Gambling Act SLP attached to the report as appendix 1 and adopt the revised Gambling Act SLP with effect from 31st January 2019 and for a period of three years.

60. ADDITION OF FUNDS TO HIGHWAYS CAPITAL PROGRAMME

The report of the Cabinet Member for Transport and Public Realm was submitted seeking approval for the addition of £2.98m, with approval to spend, to the Highways Capital Programme in 2018/19.

RESOLVED:

- (i) To approve an increase to the Highways Capital Programme totalling £2.9m in 2018/19.
- (ii) To grant approval to spend of the additional £2.98m in 2018/19.

61. PURCHASE OF NEW REFUSE COLLECTION VEHICLES

Report of the Cabinet Member for Transport and Public Realm was submitted seeking approval for £2.9m capital funding to enable the purchase of 17 Refuse Collection Vehicles.

RESOLVED to allocate £2.9m capital funding to enable the purchase of 17 Refuse Collection Vehicles.

62. TOWNHILL PARK INFRASTRUCTURE FUND AND FUTURE PROGRAMME

Report of the Cabinet Member for Homes and Culture was submitted detailing the Housing Infrastructure Fund Offer and commitment to future delivery of the regeneration scheme.

RESOLVED:

- (i) To approve the acceptance of the £3.75m offer of grant from Homes England Housing Infrastructure Fund subject to the satisfactory agreement of conditions with Homes England in recommendation (i) to Cabinet.
- (ii) To note, subject to match funding being confirmed, approval will be sought as part of the Capital Programme update to Council in February 2019, to add (and spend) £3.75m to the Transport and Public Realm Capital Programme. This would be phased 2018-19 £70,000, 2019-20 £2,210,000 and 2020-21 £1,470,000, to be funded from the Homes England Grant.

63. REVIEW OF PRUDENTIAL LIMITS AND TREASURY MANAGEMENT MIDYEAR REVIEW 2018/19

Report of the Director of Finance and Commercialisation was submitted providing an overview of the Treasury Management activities and performance for 2018/19 against the approved Prudential Indicators for External Debt and Treasury Management.

RESOLVED:

- (i) To note the current and forecast position with regards to these indicators and approve any changes.
- (ii) To note that the continued proactive approach to Treasury Management has led to reductions in borrowing costs and safeguarded investment income during the year.
- (iii) To note the cost implications of the capital programme on the Council as detailed in table 4 of the report. These have been taken into account in the revenue budget.
- (iv) To continue to delegate authority to the S151 Officer to make any future changes which benefit the authority and to report back at the meeting of Full Council on 20th February, 2019.

64. OVERVIEW AND SCRUTINY - SUMMARY OF CALL-IN ACTIVITY

Council noted that there had been no use of the Call-in procedure since last report to Council.

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
20 FEBRUARY 2019

Present:

The Mayor, Councillor Barnes-Andrews
The Sheriff, Councillor P Baillie
Councillors Bell, Mrs Blatchford, Bogle, Chaloner, Claisse, Coombs, Fielker,
Fitzhenry, Fuller, Furnell, Galton, Guthrie, Hammond, Hannides, B Harris,
L Harris, Harwood, Houghton, Jordan, Kataria, Kaur, Keogh, Laurent,
Leggett, Mintoff, Mitchell, Murphy, Noon, Dr Paffey, Parnell, Payne,
Rayment, Savage, Shields, Streets, Taggart, T Thomas, Vassiliou,
Whitbread, White and Wilkinson

65. APOLOGIES

It was noted that apologies had been received from Councillors J Baillie, McEwing, Pope and D Thomas.

66. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

- (i) The Mayor, on behalf of Council, welcomed Sandy Hopkins as the newly appointed Chief Executive to her first Council meeting.
- (ii) The Mayor, on behalf of Council, wished Mel Creighton (Service Director, Finance and Commercialisation) and Sue Cuerden (Service Lead, Finance) best wishes for their futures as they take up new roles and paid particular thanks to the work they had both contributed to the Authority.

67. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

The Council received and noted a deputation from Adam Pearce, Sarah Richards and Penny Burnett on behalf of the Fair Funding for Schools Campaign.

68. COUNCIL TAX SETTING AND RELATED MATTERS

(4) The Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23

(5) The General Fund and Housing Revenue Account Capital Strategy and Programme 2019/20 to 2022/23

The reports of the Cabinet Member for Finance and Customer Experience were submitted seeking approval to the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23, revised Appendix 4 as attached as Appendix 1 to these minutes, and the General Fund and Housing Revenue Account Capital Strategy and Programme for 2018/19 to 2022/23, as amended and attached as Appendix 2 to these minutes, and outlining the main issues that needed to be addressed in considering the Cabinet's budget and Council Tax proposals. The recommendations therein as amended by Executive Budget Resolution 2019/20 to comprise the Executive's budget

proposals were moved by Councillor Chaloner and seconded by Councillor Hammond (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, 14.5, 14.6, 14.7, 14.8, 14.9 and 16.2:-

- (i) to enable the above items to be considered together;
- (ii) to enable any amendments to be proposed, seconded and considered at the same time;
- (iii) to enable any amendment to be re-introduced later into the meeting; and
- (iv) to revise the time allowed for speakers as follows:-
 - Movers of motions - 20 minutes
 - Seconders - 10 minutes
 - Other Speakers - 4 minutes
 - Right of Reply (Executive only) – 10 minutes

With the consent of the Mayor, Honorary Alderman Vinson addressed the meeting.

Amendment moved by Councillor Fitzhenry and seconded by Councillor Hannides, attached as Appendix 3 to these minutes.

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED LOST

ABSTAINED – Councillor T Thomas

NOTE – FOR THE AMENDMENT: Councillors P Baillie, Bell, Claisse, Fitzhenry, Fuller, Galton, Guthrie, Hannides, B. Harris, L. Harris, Harwood, Houghton, Laurent, Parnell, Streets, Vassiliou, White and Wilkinson.

NOTE – AGAINST THE AMENDMENT: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Chaloner, Coombs, Fielker, Furnell, Hammond, Jordan, Kataria, Kaur, Keogh, Leggett, Mintoff, Mitchell, Murphy, Noon, Paffey, Payne, Rayment, Savage, Shields, Taggart and Whitbread.

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

RESOLVED that the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 including the General Fund and Housing Revenue Account Capital Programme 2019/20 to 2022/23, as amended by the Executive Budget Resolution 2019/20, attached as Appendix 4 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.

ABSTAINED – Councillors P Baillie, Bell, Claisse, Fitzhenry, Fuller, Galton, Guthrie, Hannides, B. Harris, L. Harris, Harwood, Houghton, Laurent, Parnell, Streets, T Thomas, Vassiliou, White and Wilkinson.

NOTE – FOR THE SUBSTANTIVE MOTION: Councillors Barnes-Andrews, Mrs Blatchford, Bogle, Chaloner, Coombs, Fielker, Furnell, Hammond, Jordan, Kataria, Kaur, Keogh, Leggett, Mintoff, Mitchell, Murphy, Noon, Paffey, Payne, Rayment, Savage, Shields, Taggart and Whitbread.

69. TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS 2019/20 TO 2022/23

The report of the Interim Director Finance and Commercialisation was submitted detailing the context within which the Council's treasury management activity operates and setting out a proposed 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.

RESOLVED:

- (i) To approve the Council's Treasury Strategy (TS) and Prudential Indicators for 2019/20 to 2022/23, as detailed within the report.
- (ii) To approve the 2019 Minimum Revenue Provision (MRP) Statement as detailed in paragraphs 106 to 115 and to delegate authority to the Chief Financial Officer (CFO) to approve any changes necessary that aid good financial management whilst maintaining a prudent approach.
- (iii) To approve the Investment Strategy as detailed in paragraphs 87 to 105 of the report.
- (iv) To note that at the time of writing this report the recommendations in the Capital update report, submitted to Council on the 20 February 2019, have not yet been approved. The indicators in the report are based on the assumption that they will be approved, but should the recommendations change, the Prudential Indicators may have to be recalculated.
- (v) To continue to delegate authority to the Chief Financial Officer (CFO) to approve any changes to the Prudential Indicators, Minimum Revenue Provision or borrowing limits that will aid good treasury management. For example, agreeing an increase in the percentage for variable rate borrowing to take advantage of the depressed market for short term rates. Any amendments will be reported as part of quarterly financial and performance monitoring and in revisions to the TM Strategy.
- (vi) To approve the proposal within the Capital Strategy report, that Governance Committee have delegated authority to approve future Treasury Strategy Reports and associated Prudential Indicators.
- (vii) To endorse the proposal to explore an alternative Treasury Strategy to generate additional income that can support local services, whilst maintaining a prudent approach.

70. APPOINTMENT OF INTERIM S151 OFFICER

The Leader of the Council reported to Council that the Chief Officer Employment Panel met on the 19th December, 2018. Following interview the Panel selected John Harrison as a suitable candidate for the interim position.

The appointment was confirmed by Council that John Harrison was designated as the Interim S151 Officer effective from 21st February 2019 until a new, permanent appointment was made.

APPENDIX 1

COLLECTION FUND ESTIMATES 2019/20

	2018/19 £000	2019/20 £000	Change £000	Change %
Southampton City Council Precept	95,934.4	99,745.7	3,811.2	3.97%
Hampshire Police Precept	11,418.7	13,086.7	1,668.0	14.61%
Fire and Rescue Services Precept	4,230.2	4,398.3	168.1	3.97%
Income due from Council Tax Payers	111,583.3	117,230.6	5,647.3	5.06%
Tax Base for Area	64,345.0	64,959.0	614.0	0.95%
Basic Amount of Tax for Band D Property	1,734.14	1,804.69	70.54	4.07%

Council Tax increase per Property Band 2019/20

Band	SCC Band Charge	Council Tax Increase	SCC Band Charge
	2018/19	2.99%	2019/20
A	£993.96	29.72	£1,023.68
B	£1,159.62	34.67	£1,194.29
C	£1,325.28	39.63	£1,364.91
D	£1,490.94	44.58	£1,535.52
E	£1,822.25	54.49	£1,876.74
F	£2,153.58	64.40	£2,217.98
G	£2,484.89	74.30	£2,559.19
H	£2,981.87	89.17	£3,071.04

	<p><u>AMENDMENT COUNCIL PAPERS</u></p> <p><u>ITEM 5 THE GENERAL FUND & HOUSING REVENUE ACCOUNT</u></p> <p><u>CAPITAL STRATEGY & PROGRAMME 2018/19 TO 2022/23</u></p> <p><u>PARAGRAPH 13</u></p> <p>It should be noted, following a late change to the report, numbers in this paragraph were not updated accordingly. This does not impact on the overall programme, financing or recommendations in the report.</p>
	<p><u>Transport & Public Realm Portfolio - £12.56M Increase</u></p>
<p>13.</p>	<p><u>Integrated Transport (Increase of £0.33M in 2018/19)</u></p> <p>Additions to programme from site specific S106 contributions of £0.33M. These works will enhance existing schemes in the programme and enable the authority to fulfil the obligations specified in the S106 agreements. These will primarily be focused on cycling schemes and congestion reduction.</p> <p><u>Play Area Improvements (Increase of £0.15M in 2018/19)</u></p> <p>Works on various play areas around the city to improve equipment, surfacing and fencing funded from site specific S106 contributions.</p> <p><u>Minor Parks Development Works (Increase of £0.03M in 2018/19)</u></p> <p>Green Park which sits in the Millbrook Ward on new equipment, surfacing and fencing, where the equipment is old and damaged and requires replacement. The £0.03M is being funded from S106 Contributions.</p> <p><u>Car Parking (Increase of £0.46M in 2018/19)</u></p> <p>Payment card readers in car parking pay and display machines need to be updated in line with the latest industry standards. This will ensure customers will have a convenient payment option for parking and ensure that card transactions are better protected against potential fraud.</p> <p><u>Highways (Increase of £8.68M in 2018/19)</u></p> <p>There are a number of additions to the programme:</p> <p>Additional investment of £2.98M in the highways network to increase the road programme in 2018/19.</p> <ul style="list-style-type: none"> • This includes £0.51M of works funded by the Department for Transport Highways Maintenance Incentive Element grant on repairing a failing embankment on South East Road; improving Chilworth Roundabout; and drainage improvement work in areas susceptible to flooding. • An additional £0.20M will be invested in pothole repairs. • The remaining £2.27M will fund essential works across the network on classified roads £0.96M, principal roads £0.61M, unclassified roads £0.48M, and £0.22M on Highways Network Delivery projects. <p>An additional £5.7M has been added to the programme in 2019/20 in respect of the Roads Programme. Approval is requested to add this to the programme and for approval to spend in 2019/20 to be funded from specific grants, contributions and S106 funding with the balance funded from borrowing.</p>

It should be noted that this funding is in addition to the existing £8.00M investment in residential roads.

Red Lodge Depot Bin Storage (increase of £0.07M in 2019/20)

Refuse container storage is costing SCC £0.04M per annum. An opportunity has been identified to store bins at Red Lodge Depot. The approved capital investment would mean that the current storage costs could be saved.

Electric Vehicles (Increase of £0.82M in 2019/20)

The SCC fleet vehicles, with the exception of 16 vans, are all owned by the authority. Many of the vehicles fall well below Euro 6 emissions ratings and are polluting the air in the City. Capital funding of £0.82M has been agreed for the procurement of replacement electric vehicles within the fleet.

Refuse vehicles (Increase of £2.90M in 2019/20)

There are currently 17 Refuse Collection Vehicles (RCV's) that do not meet Euro 6 emission standards and are nearing or past the anticipated end of life. Approval was granted by Council at a meeting in November 2018 for the replacement of these refuse vehicles. These replacement vehicles will ensure that the council's heavy goods vehicles (HGV's) all comply with the latest emission standards and contribute to cleaner air in the city.

Alternative Weekly Collections (Decrease of £2.65M 2019/20)

A provision was made linked to alternatively weekly collections for the replacement of refuse collection vehicles. The subsequent request for funding noted above, also provided for the replacement of these vehicles. Therefore, approval is now sought to remove the £2.65M from the programme. Further approval will need to be sought to meet the future replacement vehicle requirement once known.

Compact Solar Bins (Increase of £1.00M in 2019/20)

The Business Planning exercise for the 2019/20 budget has identified an opportunity to invest in solar compactor bins, with a view to generate potential efficiencies through reduced collections and smarter ways of working. Approval was by Cabinet in October 2018 to proceed with this project.

Weston Shore Coastal Erosion Project (Increase £0.80M)

Weston Shore is the city's only publically accessible natural coastline. The combined footpath and cycle path is at significant risk of continued erosion and collapse if there is no intervention now. It is proposed to construct a modular concrete retaining wall for the purpose of coastal erosion defence. Approval is sought to add this to the programme and for approval to spend £0.50M 2020/21 and £0.50M 2021/22. The scheme will be funded by a scheme virement from the Cycleway Improvement programme of £0.20M with the balance funded from CIL contributions.

LABOUR GROUP BUDGET RESOLUTION 2019/20

It is recommended that Council:

Medium Term Financial Strategy and Budget

- i) Notes the general budget consultation process that was followed as detailed in paragraphs 151 to 155 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- ii) Notes that the budget consultation feedback has been taken into consideration by the Cabinet and has informed their final budget proposals. Further details are contained within the Members Room document 3 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- iii) Notes the Equality and Safety Impact Assessment process that was followed as set out in paragraphs 161 to 164 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda. The updated ESIA's and Cumulative Impact Assessment are available documents in the Members Room, documents 1 and 2 of that report.
- iv) Notes the position on the forecast adverse portfolio outturn position for 2018/19 as set out in paragraphs 31 to 38 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda. (It should be noted that this recommendation has been amended to clarify that it is an adverse portfolio outturn position).
- v) Approves the revised Medium Term Financial Strategy (MTFS) for the period 2019/20 to 2022/23 attached as Appendix 2 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- vi) Approve the General Fund Revenue Budget as detailed in Annex 1 of the MTFS in Appendix 2 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- vii) Approves the revised proposals (following consultation) which reduce cost and generate income that amount to £6.77M in 2019/20 increasing to £10.93M in 2020/21. These proposals are detailed in paragraphs 44, 56 and 57 and in the Outcome Plan Appendices in Appendix 1 of the MTFS of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- viii) 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 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda 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.
- ix) Notes 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.

- x) Approves additional general fund pressures totalling £17.71M in 2019/20 as detailed in paragraphs 42 and 55 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xi) Approves a change in the Council Tax – Empty Property Premium as noted in paragraphs 72 to 75 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xii) Delegates authority to the Service Director – Finance & Commercialisation (S151 Officer), following consultation with the Cabinet Member for Finance and Customer Experience, to do anything necessary to give effect to the proposals contained in the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xiii) Sets the Council Tax Requirement for 2019/20 at £99.75M as per Appendix 3 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xiv) Notes a revised Appendix 4 is attached as Appendix 1 to this resolution to identify the finalised council tax base.
- xv) Notes the estimates of precepts on the council tax collection fund for 2019/20 as set out in the revised Appendix 4.
- xvi) Delegates authority to the Service Director – Finance & Commercialisation (S151 Officer) to implement any variation to the overall council tax arising from the final notification of the Hampshire Fire and Rescue Authority precept.

Housing Revenue Account

- xvii) Approves that, from 1st April 2019, a standard decrease be applied to all dwelling rents of 1.0%, as set out in paragraph 117 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda, 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.
- xviii) Approve an increase in weekly service charges from 1st April 2019 (including supported accommodation) as detailed in paragraph 118 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xix) Approve savings totalling of £3.15M in 2019/20 as detailed in paragraph 120 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xx) Approves the Housing Revenue Account Revenue Estimates as set out in the report of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xxi) Approves 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 as set out in the report of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
- xxii) Notes that 2019/20 is a 53 week rent year and that rental income and service charge payments will be paid by tenants in 49 instalments across this period.

General Fund and Housing Revenue Account Capital Strategy & Programme

- xxiii) Approves the revised General Fund Capital Programme, which totals £184.11M (as detailed in paragraph 6 and 30 of the General Fund & Housing Revenue Account Capital Strategy & Programme 2018/19 to 2022/23) and the associated use of resources.
- xxiv) Approves the revised HRA Capital Programme, which totals £221.59M (as detailed in paragraph 6 and 30 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23) and the associated use of resources.
- xxv) Approves additions of £16.68M which has been added to the General Fund programme and £36.69M to the HRA programme totalling £53.37M, requiring approval to spend. These additions are detailed in paragraphs 9 to 13 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23.
- xxvi) Approves the addition of £53.37M to the overall capital programme and the request for approval to spend to spend £53.37M as detailed in paragraphs 9 to 13 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23.
- xxvii) Approves the slippage and re-phasing totalling £20.52M as set out in paragraphs 14 to 21 and as detailed in Appendix 2 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23.
- xxviii) Approves 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 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23.
- xxix) Notes 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.
- xxx) Approves the Council's capital strategy detailed in Appendix 4 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23.

Council Tax Setting Matters

- xxxi) Approves the following amounts now calculated by the Council for the year 2019/20 in accordance with Section 32 and Sections 34 to 36 of the Local Government Finance Act 1992 as amended (the Act).
- xxxii) Determines in accordance with Section 52ZB of the Act that the Council's relevant basic amount of Council Tax for 2019/20 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 32(2) of the Act.	£553,182,742
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b)	Aggregate the amounts which the Council estimates for the items set out in Section 32(3) of the Act.		£453,436,898
c)	Calculation in accordance with Section 32(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 formulae in Section 33(1) of the Act.		£99,745,844
d)	The amount at c) above (Item R), divided by the Council Tax Base of 64,959.0 (Item T in the formula in Section 33(1) of the Act), as the basic amount of Council Tax for the year.		£1,535.52
e)	Precepting Authority – Southampton City Council	Valuation Band	Amount
		A	£1,023.68
		B	£1,194.29
		C	£1,364.91
		D	£1,535.52
		E	£1,876.74
		F	£2,217.98
		G	£2,559.19
		H	£3,071.04
	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 2019/20 that the Police and Crime Commissioner for Hampshire has agreed 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	£134.31
		B	£156.69
		C	£179.08
		D	£201.46
		E	£246.23
		F	£291.00
		G	£335.77
		H	£402.92
g)	That it be noted for the year 2019/20 that the Hampshire Fire and Rescue Authority is 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	£45.14
		B	£52.66
		C	£60.19

		D	£67.71
		E	£82.76
		F	£97.80
		G	£112.85
		H	£135.42
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 2019/20 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	£1,203.13
		B	£1,403.64
		C	£1,604.18
		D	£1,804.69
		E	£2,205.73
		F	£2,606.78
		G	£3,007.81
		H	£3,609.38

APPENDIX 4

DECISION-MAKER:	COUNCIL
SUBJECT:	Conservative Group Budget Resolution 2019/20
DATE OF DECISION:	20 FEBRUARY 2019

STATEMENT OF CONFIDENTIALITY	
N/A	
It is recommended that Council:	
General Fund	
i)	Notes the general budget consultation process that was followed as detailed in paragraphs 153 to 157 of the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23
ii)	Notes that the budget consultation feedback has been taken into consideration by the Cabinet and has informed their final budget proposals. Further details are contained within the Members Room document 3.
iii)	Notes the Equality and Safety Impact Assessment process that was followed as set out in paragraphs 161 to 164. The updated ESIA's and Cumulative Impact Assessment are available documents in the Members Room, documents 1 and 2.
iv)	Note the position on the forecast service overspend position for 2018/19 as set out in paragraphs 31 to 38 of the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23
v)	Approves the revised Medium Term Financial Strategy (MTFS) for the period 2019/20 to 2022/23 attached as Appendix 2 of the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23.
vi)	Approves the amendment to the 2019/20 budget (1 year) detailed below in paragraph 1, and including a 0% increase in Council Tax in 2019/20.
vii)	Approve the General Fund Revenue Budget 2019/20 as detailed in Annex 1 of the MTFS in Appendix 2 of the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 of this resolution but subject to changes detailed below in paragraph 1, and including a 0% increase in Council Tax.
viii)	Approves the revised proposals (following consultation) which reduce cost and generate income that amount to £6.77M in 2019/20 increasing to £10.93M in 2020/21. These proposals are detailed in paragraphs 44, 56 and 57 and in the Outcome Plan Appendices in Appendix 1 of the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23
ix)	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.
x)	Notes 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. This resolution seeks to propose no increase in Council Tax for 2019/20 as part of the resolution as detailed in paragraph 1
xi)	Approves additional general fund pressures totalling £17.71M in 2019/20 as detailed in paragraphs 42 and 55.

xii)	Approves a change in the Council Tax – Empty Property Premium as noted in paragraphs 72 to 75 of the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23
xiii)	To delegate authority to the Service Director – Finance & Commercialisation (S151 Officer), following consultation with the Cabinet Member for Finance and Customer Experience, to do anything necessary to give effect to the proposals contained in this report.
xiv)	Sets the Council Tax Requirement for 2019/20 at £96.85M as per Appendix 1 of this budget resolution.
xv)	Notes the estimates of precepts on the Council Tax collection fund for 2019/20 as set out in Appendix 2.
xvi)	Delegates authority to the Service Director – Finance & Commercialisation (S151 Officer) to implement any variation to the overall council tax arising from the final notification of the Hampshire Fire and Rescue Authority precept and the Police and Crime Commissioner for Hampshire precept.
xvii)	Notes the Earmarked Reserves have been reviewed as part of the budget process and proposes an additional draw on reserves to fund proposals as detailed below in paragraphs 1 and 2.
Housing Revenue Account	
xviii)	Approves that, from 1st April 2019, a standard decrease be applied to all dwelling rents of 1.0%, as set out in paragraph 117 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda, 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.
xix)	Approve an increase in weekly service charges from 1st April 2019 (including supported accommodation) as detailed in paragraph 118 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
xx)	Approve savings totalling of £3.15M in 2019/20 as detailed in paragraph 120 of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
xxi)	Approves the Housing Revenue Account Revenue Estimates as set out in the report of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
xxii)	Approves 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 as set out in the report of the revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23 report on the Council agenda.
xxiii)	Notes that 2019/20 is a 53 week rent year and that rental income and service charge payments will be paid by tenants in 49 instalments across this period.
General Fund and Housing Revenue Account Capital Strategy & Programme	
xxiv)	Approves the revised General Fund Capital Programme, which totals £184.11M (as detailed in paragraph 6 and 30 of the General Fund & Housing Revenue Account Capital Strategy & Programme 2018/19 to 2022/23) and the associated use of resources. Approves the addition of a further £2.45M of capital projects as outlined in section 4 below, and approves the funding of the proposals, estimated at £3M, in

		the Clean Air Zone Business Case in the event that government funding is not awarded. The revised General Fund Capital Programme total would be £189.56M
	xxv)	Approves the revised HRA Capital Programme, which totals £221.59M (as detailed in paragraph 6 and 30 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23) and the associated use of resources.
	xxvi)	Approves additions of £22.13M which has been added to the General Fund programme and £36.69M to the HRA programme totalling £58.82M, requiring approval to spend. These additions are detailed in paragraphs 9 to 13 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23, and in paragraph 4 below.
	xxvii)	Approves the addition of £58.82M to the overall capital programme and the request for approval to spend to spend £58.82M as detailed in paragraphs 9 to 13 and Appendix 1 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23, and in paragraph 4 below.
	xxviii)	Approves the slippage and re-phasing totalling £20.52M as set out in paragraphs 14 to 21 and as detailed in Appendix 2 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23.
	xxix)	Approves 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 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23.
	xxx)	Notes that the capital programme remains fully funded up to 2022/23 based on the latest forecast of available resources, and subject to a review of existing projects to finance new proposals in paragraph 4 below, 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.
	xxxi)	Approves the Council's capital strategy detailed in Appendix 4 of the General Fund & Housing Revenue Account Capital Strategy & programme 2018/19 to 2022/23, subject to an amendment to the strategy to enable Capital Receipts from further asset disposals to be used to fund proposals as outlined in paragraph 4 below, and a review/reprioritisation of the existing programme to ensure all proposals in this amendment can be funded.
Council Tax Setting Matters		
	xxii)	Approves the following amounts now calculated by the Council for the year 2019/20 in accordance with Section 32 and Sections 34 to 36 of the Local Government Finance Act 1992 as amended (the Act), and taking into account the proposals in this Amendment.
	xxiii)	Determines in accordance with Section 52ZB of the Act that the Council's relevant basic amount of Council Tax for 2019/20 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC of the Act.

Aggregate the amounts which the Council estimates for the items set out in Section 32(2) of the Act.		£551,876,742
Aggregate the amounts which the Council estimates for the items set out in Section 32(3) of the Act.		£455,026,898
Calculation in accordance with Section 32(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 formulae in Section 33(1) of the Act.		£96,849,844
The amount at c) above (Item R), divided by the Council Tax Base of 64,959.0 (Item T in the formula in Section 33(1) of the Act), as the basic amount of Council Tax for the year.		£1,490.94
Precepting Authority – Southampton City Council	Valuation Band	
	A	£993.96
	B	£1,159.62
	C	£1,325.28
	D	£1,490.94
	E	£1,822.25
	F	£2,153.58
	G	£2,484.89
	H	£2,981.87
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.		
That it be noted for the year 2019/20 that the Police and Crime Commissioner for Hampshire has agreed 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	
	A	£134.31
	B	£156.69
	C	£179.08
	D	£201.46
	E	£246.23
	F	£291.00
	G	£335.77
	H	£402.92

<p>That it be noted for the year 2019/20 that the Hampshire Fire and Rescue Authority is 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:</p>	Valuation Band	
	A	£45.14
	B	£52.66
	C	£60.19
	D	£67.71
	E	£82.76
	F	£97.80
	G	£112.85
	H	£135.42
<p>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 2019/20 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:</p>	Valuation Band	
	A	£1,173.41
	B	£1,368.97
	C	£1,564.55
	D	£1,760.11
	E	£2,151.24
	F	£2,542.38
	G	£2,933.51
	H	£3,520.21

Changes to the Revised Medium Term Financial Strategy and Budget 2019/20 to 2022/23

1.	<p>The Conservative Group proposals seek to reverse a number of proposals within the proposed Revenue Budget that has been put to Council, and sets out new proposals within the Car Parking service and to support air quality improvements in the City. These proposals can be achieved through more ambitious savings targets throughout the budget. These proposals are summarised in the table at paragraph 3 below. In addition to the proposals below the Opposition Budget will maintain a commitment to providing funding for The Avenue Centre for the period of the MTFs.</p>
2.	<p>The savings proposals are ambitious and seek to drive additional savings across the Council. These proposals are target based savings to be driven through improved efficiency and smarter working. Implementation of these proposals are subject to the development of fuller business cases, including relevant impact assessments, and also a wider review and realignment of the Council Strategy. Savings are therefore anticipated to be part year savings in 2019/20, and a one-off draw from reserves is therefore proposed to mitigate this impact.</p>

3.	Summary of changes to 2019/20 Revenue Budget	2019/20 £M
	Abolishment of evening car parking charges for on street & off street parking. Proposal excludes Multi Storey car parking.	0.70
	Reversing proposals to charge for Blue badge parking contained within the proposed Budget.	0.07
	Abolish charges on 1 st permits in all areas with resident parking schemes	0.20
	Reverse budget proposals to increase fees at Itchen Bridge	0.51
	Investment in additional staff within Street Cleaning and Bins service	0.30
	Establish an Air Quality Task Force. The cost represents additional employee cost.	0.10
	City Greening to improve Air Quality	0.15
	District and City Centre Improvements	0.30
	To undertake a feasibility study for introducing Trams – a one off pressure for 2019/20 only.	0.05
	Keep both Glen Lee and Holcroft House Care homes open. This will represent a pressure of £0.41m from 2020/21.	0.00
	Council Tax Freeze	2.94
	Total Additional Pressures	5.32

Funding of Budget Changes

Changes to 2019/20 Budget	2019/20 £M
Additional Procurement Savings	0.60
Additional savings from outsourcing and shared services	0.50
Increased income from Council Tax and Business Rates due to the re-tender of Property Services	0.50
To Outsource Museums and Galleries	0.20
Modernising Council Operations	0.40
Additional Savings in Transformation	0.55
Commercial Activities – to reinstate the income target for commercial income in 2019/20	0.50
Draw from Reserves	1.37
Draw from On-Street Parking Reserve	0.70
Additional Income / Funding	5.32

4.	<p>Pressures to the 2019/20 Capital Budget</p> <p>The main proposals for the Capital budget are centred on air quality as follows;</p> <ul style="list-style-type: none"> • The Council recently submitted a Business Case for government funding a number of measures to support reductions in Nitrogen Dioxide in the City. The amendment proposes that the Council fund the Case in the event that government funding is not awarded. • At the recent Cabinet meeting a Green City Charter was proposed. The Amendment proposes funding to be made available to support the work of the Green City Charter. • Match funding to support air quality projects – The purpose of this proposal is to allocate resource to match fund projects to enable business cases to be developed. • Increased Investment in Pavements & Highways 																										
5.	<p>Pressures to the 2019/20 Capital Budget</p> <table border="1" data-bbox="212 752 1473 1176"> <thead> <tr> <th data-bbox="212 752 1262 853">Changes to 2019/20 Capital Budget</th> <th data-bbox="1262 752 1473 853">2019/20 £M</th> </tr> </thead> <tbody> <tr> <td data-bbox="212 853 1262 909">Green City Charter</td> <td data-bbox="1262 853 1473 909">1.00</td> </tr> <tr> <td data-bbox="212 909 1262 965">Investment in Pavements & Highways</td> <td data-bbox="1262 909 1473 965">1.00</td> </tr> <tr> <td data-bbox="212 965 1262 1021">Investment in Outdoor Sports Centre</td> <td data-bbox="1262 965 1473 1021">0.25</td> </tr> <tr> <td data-bbox="212 1021 1262 1077">Match Funding for Air Quality</td> <td data-bbox="1262 1021 1473 1077">0.20</td> </tr> <tr> <td data-bbox="212 1077 1262 1133">Investment in Clean Air Zone (contingency)</td> <td data-bbox="1262 1077 1473 1133">3.00</td> </tr> <tr> <td data-bbox="212 1133 1262 1176">Additional Capital investment</td> <td data-bbox="1262 1133 1473 1176">5.45</td> </tr> </tbody> </table> <p>Funding of Capital Budget Pressures</p> <table border="1" data-bbox="212 1274 1473 1637"> <thead> <tr> <th data-bbox="212 1274 1262 1375">Changes to 2019/20 Capital Budget</th> <th data-bbox="1262 1274 1473 1375">2019/20 £M</th> </tr> </thead> <tbody> <tr> <td data-bbox="212 1375 1262 1431">Transfer from Reserves</td> <td data-bbox="1262 1375 1473 1431">0.65</td> </tr> <tr> <td data-bbox="212 1431 1262 1487">S106 Contributions (ring fenced for transport/highways improvements)</td> <td data-bbox="1262 1431 1473 1487">0.50</td> </tr> <tr> <td data-bbox="212 1487 1262 1543">Parking Fund Surplus (ring-fenced for highways improvements)</td> <td data-bbox="1262 1487 1473 1543">0.30</td> </tr> <tr> <td data-bbox="212 1543 1262 1599">Capital Receipts from sale of Assets</td> <td data-bbox="1262 1543 1473 1599">4.00</td> </tr> <tr> <td data-bbox="212 1599 1262 1637">Additional funding for Capital</td> <td data-bbox="1262 1599 1473 1637">5.45</td> </tr> </tbody> </table>	Changes to 2019/20 Capital Budget	2019/20 £M	Green City Charter	1.00	Investment in Pavements & Highways	1.00	Investment in Outdoor Sports Centre	0.25	Match Funding for Air Quality	0.20	Investment in Clean Air Zone (contingency)	3.00	Additional Capital investment	5.45	Changes to 2019/20 Capital Budget	2019/20 £M	Transfer from Reserves	0.65	S106 Contributions (ring fenced for transport/highways improvements)	0.50	Parking Fund Surplus (ring-fenced for highways improvements)	0.30	Capital Receipts from sale of Assets	4.00	Additional funding for Capital	5.45
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KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Revised Council Tax Calculation 2019/20

2.	Revised Council Tax precepts 2019/20
3.	
4.	

Documents In Members' Rooms

1.	N/a

COUNCIL TAX CALCULATION 2019/20

	2018/19	2019/20	Change
	£M	0% £M	£M
Budget Requirement (a)	184.1	188.7	4.6
Less NDR	(99.2)	(84.0)	
Plus Tariff	28.3	10.1	
S31 Grants	(6.1)	(4.1)	
Less RSG	0.0	0.0	
Other Central Grant Funding	(11.1)	(9.5)	
Aggregate External Finance	(88.2)	(87.5)	0.6
Deficit/(Surplus) on Council Tax Collection Fund	0.0	(4.3)	
Deficit/(Surplus) on Business Rates Collection Fund	0.0	0.0	
Net Grant Income (b)	(88.2)	(91.9)	(3.7)
Amount to be met from Council Tax (a - b)	95.93	96.85	0.92
Tax base	64,345.0	64,959.0	614.0
Basic amount of Council Tax (Band D)	1,490.94	1,490.94	0.00
Last years Council Tax		1,490.94	
Council Tax - General Increase	0.00%	0.00	
Council Tax - Social Care Precept	0.00%	0.00	
Total Annual Cash Increase		0.00	
Increase (Cash per Week)		0.00	
Total Increase (%)		0.00%	

COLLECTION FUND ESTIMATES 2019/20

	2018/19	2019/20	Change
	£000	0% £000	£000
Southampton City Council Precept	95,934.4	96,849.8	915.4
Hampshire Police Precept	11,418.7	13,086.7	1,668.0
Fire and Rescue Services Precept	4,230.2	4,398.3	168.1
Income due from Council Tax Payers	<u>111,583.3</u>	<u>114,334.8</u>	<u>2,751.5</u>
Tax Base for Area	64,345.0	64,959.0	614.0
Basic Amount of Tax for Band D Property	<u>1,734.14</u>	<u>1,760.11</u>	<u>25.97</u>

Council Tax increase per Property Band 2019/20

	SCC Band Charge	Council Tax Increase	SCC Band Charge
Band	2018/19	0.00%	2019/20
A	£993.96	0.00	£993.96
B	£1,159.62	0.00	£1,159.62
C	£1,325.28	0.00	£1,325.28
D	£1,490.94	0.00	£1,490.94
E	£1,822.25	0.00	£1,822.25
F	£2,153.58	0.00	£2,153.58
G	£2,484.89	0.00	£2,484.89
H	£2,981.87	0.00	£2,981.87

