

SOUTHAMPTON CITY COUNCIL
EXECUTIVE DECISION MAKING

RECORD OF THE EXTRAORDINARY DECISION MAKING HELD ON 5 MARCH 2024

Present:

Councillor Fielker	-	Leader
Councillor Letts	-	Deputy Leader and Cabinet Member for Finance and Change
Councillor Bogle	-	Cabinet Member for Economic Development
Councillor Finn	-	Cabinet Member for Adults and Health
Councillor Keogh	-	Cabinet Member for Environment and Transport
Councillor Renyard	-	Cabinet Member for Safer City
Councillor Winning	-	Cabinet Member for Children and Learning

Apologies: Councillor A Frampton and Kataria

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

DECISION MADE: (CAB 23/24 43661)

On consideration of the report of the Cabinet Member for Finance and Change, Cabinet approved the following:

GENERAL FUND REVENUE

- (i) Recommend to Council the Medium-Term Financial Strategy 2024/25 to 2027/28 as set out in table 1 and Appendix 1.
- (ii) Recommend to Council the Revenue Budget for 2024/25 as set out in table 2 and Appendices 1 and 2.
- (iii) Recommend to Council the inclusion in the budget General Fund pressures totalling £42.03M in 2024/25, increasing to £51.21M in 2027/28, as detailed in paragraph 33.
- (iv) Recommend to Council the inclusion of new commitments totalling £0.86M in 2024/25, increasing to £4.89M in 2027/28, as detailed in paragraph 36.
- (v) Recommend to Council the inclusion of savings proposals totalling £22.68M in 2024/25 General Fund Revenue Budget, reducing to £20.94M in 2027/28, as detailed in paragraph 40.
- (vi) Note that the Government is minded to provide Exceptional Financial Support (EFS) to the Council. This will be in the form of capitalisation direction, to ensure the council can agree a balanced budget for 2024/25 has sufficient resources to pay for transformation and other work needed to ensure the council is on a sustainable financial footing in future, and meet other potential liabilities.
- (vii) Recommend to Council the establishment of a comprehensive Transformation Programme as detailed in paragraphs 59 to 63 and

associated funding of up to £10.62M from a combination of capital resources and Transformation Reserve. To further recommend to delegate to the Chief Executive (after consultation with the Leader of the Council) the drawdown of funding and the establishment of a resource plan as required for the Transformation Programme.

- (viii) Recommend to Council the adoption of the Business Planning and Budget Framework set out at paragraph 64 and Appendix 6.
- (ix) Recommend to Council an increase in the 'core' council tax of 2.99% and an increase in the Adult Social Care precept of 2.00%, allowable under general powers to increase council tax without a referendum.
- (x) Recommend to Council that it sets the Band D Council Tax for Southampton City Council at £1,812.69 for 2024/25, a Net Budget Requirement of £239.24M and the Council Tax Requirement for 2024/25 at £121.43M as per Appendix 9. The Council Tax increase comprises a core increase of 2.99% and 2.00% specifically for Adult Social Care.
- (xi) Note the summary of changes to fees and charges set out in paragraph 89 and Appendix 12 and recommend Council to approve the increase in Careline charges set out in Appendix 12.
- (xii) Recommend to Council the endorsement of the Statement of the S151 Officer as set out in paragraphs 118 to 124 on the robustness of the budget and the adequacy of the council's reserves.

Other Recommendations

- (xiii) Recommend to Council the content of the procurement pipeline 2024-29 contained at Appendix 7.
- (xiv) Recommend the delegation of authority to the Executive Director Corporate Services & S151 Officer and the Executive Director of Place (after consultation with the relevant Cabinet Member) everything that is necessary to prepare a specification, carry out a procurement process or other route to market and to appoint a single provider(s) for the delivery of highways and associated services for a maximum period of 15 years, including approving the utilisation of any contractually permitted extension as set out in Appendix 8.
- (xv) Recommend to Council the adoption of the draft corporate debt policy and combined council tax and business rates recovery policy at annexes 6 and 7 to the MTFS (Appendix 1).
- (xvi) Approve the acceptance of 2024/25 Rough Sleeper Initiative Funding of circa £0.80M.
- (xvii) Recommend to Council the application of Council Tax premiums on properties empty for 12 months or more (from 2024/25) and second homes (from 2025/26).

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

DECISION MADE: (CAB 23/24 43665)

On consideration of the report of the Cabinet Member for Finance and Change, Cabinet approved the following:

- (i) Recommend to Council the Capital Strategy, as detailed in Appendix 1.
- (ii) Recommend to Council the Minimum Revenue Provision (MRP) Strategy as detailed in Appendix 2.
- (iii) Recommend to Council the Non-Treasury Investment Strategy as detailed in Appendix 3.
- (iv) Recommend to Council the Treasury Management Strategy as detailed in Appendix 4.
- (v) Recommend to Council the Flexible Use of Capital Receipts Strategy as detailed in Appendix 5.
- (vi) Recommend to Council the revised fully funded General Fund Capital Programme, that totals £264.81M (as detailed in paragraphs 18 to 21) and the associated use of resources.
- (vii) Recommend to Council the addition of £31.09M to the General Fund programme, with approval to spend. These additions are detailed in paragraphs 24 to 48 and Appendix 7.
- (viii) Recommend to Council the removal of schemes from the capital programme totalling £2.18M, set out in paragraphs 40 and 48 and detailed in Appendix 7.
- (ix) Recommend to Council the approval to spend £39.66M for the SEND Expansion Programme, as set out in paragraph 32.
- (x) Recommend to Council the approval to spend £27.03M for the Outdoor Sports Centre, as set out in paragraph 37.