

SOUTHAMPTON CITY COUNCIL
EXECUTIVE DECISION MAKING

RECORD OF THE DECISION MAKING HELD ON 9 FEBRUARY 2016

Present:

Councillor Letts	-	Leader of the Council
Councillor Jeffery	-	Cabinet Member for Education and Children's Social Care
Councillor Chaloner	-	Cabinet Member for Finance
Councillor Kaur	-	Cabinet Member for Communities, Culture and Leisure
Councillor Rayment	-	Cabinet Member for Environment and Transport
Councillor Shields	-	Cabinet Member for Health and Adult Social Care
Councillor Payne	-	Cabinet Member for Housing and Sustainability
Councillor Hammond	-	Cabinet Member for Transformation

34. CORPORATE REVENUE FINANCIAL MONITORING FOR THE PERIOD TO THE END OF DECEMBER 2015

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

- (i) Note the current General Fund revenue position for 2015/16 as at Qtr 3, which is a forecast over spend at year end of £0.12M against the working budget, as outlined in paragraph 4.
- (ii) Note that the forecast over spend for portfolios is £7.78M as outlined in paragraph 5.
- (iii) Note the previously agreed actions being put in place to address the overspend position as described in paragraphs 9 and 10.
- (iv) Note the performance to date with regard to the delivery of the agreed savings proposals approved for 2015/16 as detailed in Appendix 3.
- (v) Note the performance against the financial health indicators detailed in Appendix 4.
- (vi) Note the performance outlined in the Quarterly Treasury Management Report attached as Appendix 5.
- (vii) Note the performance outlined in the Quarterly Collection Fund Statement attached as Appendix 7.
- (viii) Note the current HRA budget monitoring position for 2015/16, as at Qtr 3. There is a forecast overspend at year end of £0.22M against the budget approved by Council on 11 February 2015, as outlined in paragraphs 37 and 38 and in Appendix 6.

35. THE MEDIUM TERM STRATEGY (MTFS) 2015/16 - 2020/21
DECISION MADE: (CAB 15/16 16317)

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

- (i) To approve and recommend to Council the Medium Term Financial Strategy as set out in Appendix 1 of the report.
- (ii) To approve and recommend to Council the Efficiency Strategy as set out in Appendix 1 of the report.

36. THE GENERAL FUND CAPITAL PROGRAMME 2015/16 TO 2019/20
DECISION MADE: (CAB 15/16 16315)

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

- (i) To approve the changes to the General Fund Capital Programme as set out in Council recommendations (i)-(viii).

It is recommended that Council:

- (i) Approve the revised General Fund Capital Programme, which totals £167.13M (as detailed in paragraph 4) and the associated use of resources.
- (ii) To note that £0.84M has been added to the programme, with approval to spend, under delegated powers (£0.42M 2015/16 and £0.42M 2016/17). These additions are detailed in Appendix 3.
- (iii) Approve the addition of a total of £88.36M to the programme with approval to spend £88.36M as detailed in paragraph 7, Appendices 1 and 3. Approval to spend is requested subject to any variations from the scheme spend detailed in the report being reviewed by the Council Capital Board, approved in accordance with Financial Procedure Rules and not exceeding the Portfolio totals identified within this programme.
- (iv) To note the increase in the Leaders Portfolio Capital Programme to include the additional of a new scheme for the creation of a Property Investment Fund in 2016/17 for the sum of £65M to be funded by council resources. This is detailed further in paragraph 20.
- (v) To note that the revised General Fund Capital Programme is based on prudent assumptions of future Government Grants to be received.
- (vi) To note the changes to the programme as summarised in Appendix 2 and described in detail in Appendix 3.
- (vii) To note the slippage and re-phasing as set out in paragraph 11 and as described in detail in Appendix 3.
- (viii) To note that a review of the Council's capital strategy has been undertaken as detailed in Appendix 5.

37. GENERAL FUND REVENUE BUDGET 2016/17 TO 2019/20
DECISION MADE: (CAB 15/16 16311)

On consideration of the Cabinet Member for Finance, Cabinet agreed the following:

- (i) To note the position on the estimated outturn and revised budget for 2015/16 as set out in paragraphs 3 to 17 and Appendix 4.
- (ii) To note the position on the forecast roll forward budget for 2016/17 as set out in paragraphs 18 to 49 and Appendix 8.

- (iii) To note and approve the arrangements made by the Leader, in accordance with the Local Government Act 2000, for the Cabinet Member for Finance to have responsibility for financial management and budgetary policies and strategies, and that the Cabinet Member for Finance will, in accordance with the Budget & Policy Framework Rules as set out in the Council's Constitution, be authorised to finalise the Executive's proposals in respect of the Budget for 2016/17, in consultation with the Leader, for submission to Full Council on 10 February 2016.
- (iv) To note the consultation on the Executives draft proposals will commence on the 11 February and note the consultation proposals and methodology as set out in paragraphs 91 to 97 and Appendix 2 of this report.
- (v) To note the Executive's savings proposals put forward for consultation in Appendix 6 which amount to £8.6M.
- (vi) To approve and recommend to Council where appropriate, the General Fund Revenue Budget changes as set out in Council recommendations (i)-(xv)

It is recommended that Council:

- (i) Notes the budget consultation process that was followed as outlined in Appendix 1.
- (ii) Notes the budget consultation process for the new budget proposals that will be followed as per Appendix 2.
- (iii) Notes that the consultation feedback has been taken into consideration by the Cabinet and has informed their final budget proposals.
- (iv) Notes the Equality and Safety Impact Assessment process that was followed as set out in paragraphs 95 to 97 and the details contained in Appendix 3 which reflect the feedback received through the consultation process.
- (v) Approves the revised estimate for 2015/16 as set out in Appendix 4.
- (vi) Notes the position on the forecast roll forward budget for 2016/17 as set out in paragraphs 18 to 49.
- (vii) Approves the revenue pressure as set out in Appendix 5.
- (viii) Approves the use of balances and reserves to ensure a balanced budget in the event any of the budget proposals contained within Appendix 6 are not progressed following consultation. This will be until such a time alternative proposals are identified as per paragraph 61 to 62.
- (ix) Approves the savings proposals as set out in Appendices 6 and 7.
- (x) Approves the General Fund Revenue Budget 2016/17 as set out in Appendix 8, which assumes a council tax increase 2% representing the increase for the Adult Social Care Precept.
- (xi) Delegates authority to the Section 151(S151) Officer to action all budget changes arising from the approved pressures, savings and incorporating any other approved amendments into the General Fund estimates.
- (xii) Notes that after taking these items into account, there is an estimated General Fund balance of £8.9M at the end of 2016/17 as detailed in paragraphs 79 to 86.
- (xiii) Delegates authority to the Section 151 Officer, in consultation with the Monitoring Officer, to do anything necessary to give effect to the recommendations in this report.
- (xiv) Sets the Council Tax Requirement for 2016/17 at £81M as per Appendix 9.
- (xv) Notes the estimates of precepts on the Council Tax collection fund for 2016/17 as set out in Appendix 10.

- (xvi) Delegates authority to the Section 151 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.

38. HOUSING REVENUE ACCOUNT BUDGET REPORT AND BUSINESS PLAN

DECISION MADE: (CAB 15/16 15345)

On consideration of the report of the Cabinet Member for Housing and Sustainability, Cabinet agreed the following amended recommendations:

- (i) To consider the report and agree the amended recommendations, as set out below, be made to Council at the meeting on 10 February 2016.

Council

- (i) To thank the Tenant Resources Group for their input to the capital and revenue budget setting process and to note their endorsement of the recommendations set out in this report and also the broad support for the proposals received at the Tenants' Winter Conference.
- (ii) To note that the consultation feedback has been taken into consideration by Cabinet and has informed their final budget proposals.
- (iii) Other than in the circumstances set out in recommendation (iv) below, to approve that, from 1 April 2016, a standard decrease should be applied to all dwelling rents of 1.0%, as set out in paragraph 16 of this report, equivalent to an average decrease of £0.87 per week in the current average weekly dwelling rent figure of £86.81.
- (iv) To delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Housing and Sustainability, and following discussions with tenants; representatives, to implement from 1 April 2016 a rent increase of up to 0.9% (September 2015 Consumer Price Index +1.0%) for dwellings where a Government exemption is applied to the requirement in the Welfare Reform and Work Bill 2015/16 for a 1.0% reduction in the level of Social Rent with a view to additional sums raised being reinvested in the properties affected.
- (v) To approve the Executive's savings proposals, as set out in Appendix 1 to this report, which amount to £4,311,000 in 2016/17 and £4,439,000 in subsequent years.
- (vi) To note the following weekly service charges from 1 April 2016 based on a full cost recovery approach:
- Digital TV £0.42 (unchanged from 2015/16)
 - Concierge monitoring £1.20 (unchanged from 2015/16)
 - Tower Block Warden £4.97 (unchanged from 2015/16)
- Cleaning service in walk-up blocks £0.63 (unchanged from 2015/16).
- (vii) To note the new service charging model for Community Alarm and private Careline customers set out in paragraphs 37 and 38 of this report.
- (viii) To note that the charges to Council tenants for garages and parking spaces for 2016/17 will be unchanged and that there will be an increase of garage rents by £1.00 per week for private residents.

- (ix) To approve the Housing Revenue Account Revenue Estimates as set out in the attached Appendix 2.
- (x) To approve the revised Housing Revenue Account 5 Year Capital Programme set out in Appendix 3 and to note the key variances and issues in Appendix 4.
- (xi) To approve the 30 year Business Plans for revenue and capital expenditure set out in Appendices 5 and 6 respectively.
- (xii) To note the HRA Business Plan - Planning Assumptions, as set out in Appendix 7.
- (xiii) To note that rental income and service charge payments will continue to be paid by tenants over a 48 week period.

39. TOWNHILL PARK REGENERATION PHASE 1: PROCUREMENT, CPO POWERS AND PUBLIC OPEN SPACE DISPOSAL DELEGATION

DECISION MADE: (CAB 15/16 16398)

On consideration of the report of the Cabinet Member for Housing and Sustainability, having received recommendations from the Overview and Scrutiny Management Committee held on 4th February, 2016, Cabinet agreed the following:

- (i) To approve the commencement of a procurement process for the redevelopment of Townhill Park Phase 1 to deliver a scheme acceptable in planning terms which should include the provision of Starter Homes and affordable housing;
- (ii) To delegate to the Chief Operating Officer following consultation with the Cabinet Member for Housing and Sustainability, agreement of the procurement details. The preferred bidder will be referred to Cabinet for approval;
- (iii) To delegate to the Chief Operating Officer the commencement of the Compulsory Purchase Order process necessary to secure the delivery of the scheme in Phase 1 by the carrying out of land referencing, survey and other information gathering activities to establish the detailed type and scope of powers required and the extent of interests likely to be affected;
- (iv) To note that the Chief Operating Officer will seek Cabinet approval for the making of the Compulsory Purchase Order at the appropriate time;
- (v) To resolve that the use of the Council's compulsory purchase powers under section 226 (1) (a) Town and Country Planning Act 1990 to facilitate the redevelopment of Phase One would be justified in principle;
- (vi) To authorise the Service Director, Legal and Governance : (a) To acquire interests in or rights over the land shown edged red on Appendix 1 either by agreement or compulsorily; (b) To advertise the proposed disposal of part of Townhill Park open space for two consecutive weeks in a local newspaper circulating in the locality;
- (vii) To delegate authority to the Chief Operating Officer following consultation with the Cabinet Member for Housing and Sustainability to determine any objections received from the adverts and to make a final decision as to whether or not to approve the disposal in light of any such objections and to finally take the decision to confirm the disposal;
- (viii) To authorise the Chief Operating Officer, following consultation with the Service Director, Legal and Governance and the Chief Financial Officer, to take all lawful steps to effect the proposals in the report;
- (ix) To approve the demolition of the former Ark Public House;
- (x) To note that the current approved budget for site assembly will be used to cover the costs of activities outlined in this paper;

- (xi) To note that there is £7.7M available in the Housing Revenue Account (HRA) Business Plan for the purchase of affordable properties in Townhill Park Phase 1; and
- (xii) To thank the Townhill Park Forum for working with the Council on the project, their contribution and valuable comments, as the scheme has progressed.

40. PROPOSED DISPOSAL OF GROUND RENT

On consideration of the confidential report of the Leader of the Council, having complied with the requirements of Paragraph 15 (General Exception) of the Access to Information Procedure Rules, Cabinet approved the recommendations set out in the report.