

SOUTHAMPTON CITY COUNCIL  
EXECUTIVE DECISION MAKING

RECORD OF THE DECISION MAKING HELD ON 15 FEBRUARY 2017

Present:

Councillor Letts	-	Leader of the Council
Councillor Chaloner	-	Cabinet Member for Finance
Councillor Rayment	-	Cabinet Member for Environment and Transport
Councillor Shields	-	Cabinet Member for Health and Sustainable Living
Councillor Payne	-	Cabinet Member for Housing and Adult Care
Councillor Hammond	-	Cabinet Member for Transformation Projects
Councillor Lewzey	-	Cabinet Member for Children's Social Care

Apologies: Councillor Kaur and Dr Paffey

41. CORPORATE REVENUE FINANCIAL MONITORING FOR THE PERIOD TO THE END OF DECEMBER 2016

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

General Fund

- i) Note the current General Fund revenue position for 2016/17 as at Quarter. 3, which is a forecast under spend at year end of £0.85M against the working budget, as outlined in paragraph 4 and Appendix 1.
- ii) Note that the forecast over spend for portfolios is £3.69M as outlined in paragraph 5.
- iii) Note the actions and assumptions being put in place to address the overspend position as described in paragraph 7.
- iv) Note the performance to date with regard to the delivery of the agreed savings proposals approved for 2016/17 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.

Housing Revenue Account

- viii) Note the current HRA budget monitoring position for 2016/17, as at Quarter 3. There is a forecast underspend at year end of £0.07M against the working budget as outlined in paragraphs 19 and 20 and in Appendix 6.

42. THE REVISED MEDIUM TERM FINANCIAL STRATEGY 2017/18 TO 2020/21 INCLUDING THE GENERAL FUND REVENUE BUDGET

DECISION MADE: (CAB 16/17 18454)

On consideration of the report of the Cabinet Member for Finance and having considered representations from an Honorary Alderman, Cabinet agreed the following:

- i) Note the position on the forecast favourable outturn position for 2016/17 as set out in paragraphs 31 to 37.
- ii) Note the revised Medium Term Financial Strategy 2017/18 to 2020/21 as detailed in Appendix 5.
- iii) Note the aims and objectives of the Medium Term Financial Strategy which will be presented to Council for approval on 15 February 2017.
- iv) Note that the revised proposals (following consultation) reduce cost and generate income that amount to £19.6M in 2017/18 increasing to £30.8M in 2018/19.
- v) Note that formal budget consultation began on 16 November 2016 and ended on 8th February 2017. The outcome of the consultation is outlined in paragraphs 103 to 110 and in Appendix 1.
- vi) Note that the Executive's budget proposals will impact on staffing and that consultation will be undertaken in line with legislation and the Councils agreed processes before proposals are implemented.
- vii) Note that the Executive's budget proposals are based on the assumptions detailed within the MTFs and that this includes a Council Tax increase of 4.99 %, 1.99% under general powers to increase Council Tax without a referendum and 3.00% Social Care Precept in 2017/18 and 2018/19.
- viii) 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 and 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 2017/18 and 2018/19, in consultation with the Leader, for submission to full Council 15 February 2017.
- ix) To delegate authority to the Service Director – Finance & Commercialisation (S151 Officer), following consultation with the Cabinet Member for Finance, to do anything necessary to give effect to the proposals contained in this report and any implications from the Final Local Government Finance Settlement
- x) Approves and recommends to Council where appropriate, the MTFs and General Fund Revenue Budget changes as set out in Council recommendations i) to xiv).

It is recommended that Council:

- i) Notes the budget consultation process that was followed as detailed in Appendix 1.
- ii) Notes that the budget 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 115 to 117 and the details contained in Appendix 2 which reflect the feedback received through the consultation process.
- iv) Note the position on the forecast outturn position for 2016/17 as set out in paragraphs 31 to 37.
- v) Approves the revised Medium Term Financial Strategy (MTFS) for the period 2017/18 to 2020/21 including the General Fund Revenue Budget attached as Appendix 5.
- vi) Approves the revenue pressures detailed in the Outcome Plans in Appendix 3.

- vii) Approves the savings proposals as set out in the Outcome Plans as detailed in Appendix 3.
- viii) Approve the General Fund Revenue Budget for 2017/18 and 2018/19 as detailed in the Annex 1 of the MTFs in Appendix 5.
- ix) Delegates authority to the Service Director Finance and Commercialisation (S151) Officer to action all budget changes arising from the approved pressures, savings and incorporating 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 £11.3M at the end of 2017/18 as detailed in paragraph 84.
- xi) Delegates authority to the Service Director – Finance & Commercialisation (S151 Officer), following consultation with the Cabinet Member for Finance, to do anything necessary to give effect to the proposals contained in this report and any implications from of the Final Local Government Finance Settlement
- xii) Sets the Council Tax Requirement for 2017/18 at £88.48M as per Appendix 6.
- xiii) Notes the estimates of precepts on the Council Tax collection fund for 2017/18 as set out in Appendix 7.
- xiv) 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.

43. \* THE GENERAL FUND AND HOUSING REVENUE ACCOUNT CAPITAL PROGRAMMES 2016/17 TO 2020/21

DECISION MADE: (CAB 16/17 17567)

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

- (i) Note the revised General Fund Capital Programme, which totals £205.46M (as detailed in paragraph 4) and the associated use of resources.
- (ii) Notes that a net £0.08M has been added to the General Fund overall programme, with approval to spend in 2016/17, under delegated powers. These additions are detailed in paragraph 6 and Appendix 2.
- (iii) Notes the addition of a total of £54.98M to the General Fund programme and the request for approval to spend £54.98M as detailed in paragraphs 10 - 28, Appendices 1, 2 and 3. Note that the approval to spend is requested subject to any variations from the spend detailed in the report being reviewed and approved by the Council Capital Board and not exceeding the amounts identified within this programme.
- (iv) Notes that £1.34M has been removed from the overall General Fund programme, as referred to in paragraph 6 and Appendix 2.
- (v) Notes that £0.10M has been re-phased from 2017/18 to 2016/17, £0.06M within the Transport portfolio and £0.04M within the City Services portfolio, as detailed in paragraph 30 and Appendix 3.
- (vi) Notes that the revised General Fund Capital Programme is based on prudent assumptions of future Government Grants to be received.
- (vii) Notes the changes to the General Fund programme, as summarised in Appendix 2 and described in detail in Appendix 3.
- (viii) Notes the slippage and re-phasing as set out in paragraph 31 and as described in detail in Appendix 3.

- (ix) Notes that the General Fund forecast position at Quarter 3 for 2016/17 is £151.5M, resulting in a potential overspend of £2.00M, as detailed in paragraph 33, Appendix 5 and confidential Appendix 6.
- (x) Notes the position on the Housing Revenue Account Capital Programme as detailed in paragraphs 50 to 53 and in appendices 7 and 8.
- (xi) Note that a review of the Council's capital strategy has been undertaken as detailed in Appendix 9.
- (xii) Notes that the Capital Strategy and Capital Programme update will be reported to Council on 15th February 2017 for approval.

#### 44. HOUSING REVENUE ACCOUNT BUDGET REPORT AND BUSINESS PLAN

##### DECISION MADE (CAB 16/17 18366)

On consideration of the report of the Cabinet Member for Housing and Adult Care, Cabinet agreed the following:

- (i) To consider the report and agree that the recommendations, as set out below, be made to Council at the meeting on 15 February 2017.

It is recommended that 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 approve that, from 1 April 2017, a standard decrease should be applied to all dwelling rents of 1.0%, as set out in paragraph 18 of this report, equivalent to an average decrease of £0.86 per week in the current average weekly dwelling rent figure of £86.20.
- (iii) To note the following weekly service charges from 1 April 2017 based on a full cost recovery approach:
  - Digital TV £0.42 (unchanged from 2016/17)
  - Concierge monitoring £1.20 (unchanged from 2016/17)
  - Tower Block Warden £4.97 (unchanged from 2016/17)
  - Cleaning service in walk-up blocks £0.63 (unchanged from 2016/17).
- (iv) To note the weekly service charges for supported accommodation from 1 April 2017:
  - Call Monitoring Charge - £1.25 (unchanged from 2016/17)
  - Careline Silver - £3.00 (unchanged from 2016/17)
  - Careline Gold - £4.25 (unchanged from 2016/17)
- (v) To note that the charges to Council tenants for garages and parking spaces for 2017/18 will increase by 1% in line with CPI as at September 2016.
- (vi) To approve the Housing Revenue Account Revenue Estimates as set out in the attached Appendix 1.
- (vii) To approve the 30 year Business Plans for revenue and capital expenditure set out in Appendices 2 and 3 respectively.
- (viii) To note the HRA Business Plan - Planning Assumptions, as set out in Appendix 4.
- (ix) To note that rental income and service charge payments will continue to be paid by tenants over a 48 week period.

