



Council Assembly (Budget and Council Tax Setting Meeting)

MINUTES of the Council Assembly (Budget and Council Tax Setting Meeting) held on Wednesday 24 February 2016 at 7.00 pm at Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT:

The Worshipful the Mayor for 2015/16, Councillor Dora Dixon-Fyle MBE (Chair)

Councillor Evelyn Akoto
Councillor Anood Al-Samerai
Councillor Jasmine Ali
Councillor Maisie Anderson
Councillor James Barber
Councillor Radha Burgess
Councillor Sunil Chopra
Councillor Fiona Colley
Councillor Stephanie Cryan
Councillor Catherine Dale
Councillor Helen Dennis
Councillor Nick Dolezal
Councillor Karl Eastham
Councillor Gavin Edwards
Councillor Paul Fleming
Councillor Tom Flynn
Councillor Lucas Green
Councillor Renata Hamvas
Councillor Barrie Hargrove
Councillor Jon Hartley
Councillor Helen Hayes
Councillor David Hubber
Councillor Peter John OBE
Councillor Ben Johnson
Councillor Samantha Jury-Dada
Councillor Eleanor Kerslake
Councillor Sarah King
Councillor Anne Kirby
Councillor Sunny Lambe
Councillor Octavia Lamb

Councillor Lorraine Lauder MBE
Councillor Maria Linforth-Hall
Councillor Richard Livingstone
Councillor Rebecca Lury
Councillor Jane Lyons
Councillor Eliza Mann
Councillor Hamish McCallum
Councillor Darren Merrill
Councillor Victoria Mills
Councillor Michael Mitchell
Councillor Jamille Mohammed
Councillor Adele Morris
Councillor David Noakes
Councillor Damian O'Brien
Councillor James Okosun
Councillor Leo Pollak
Councillor Lisa Rajan
Councillor Sandra Rhule
Councillor Martin Seaton
Councillor Rosie Shimell
Councillor Andy Simmons
Councillor Johnson Situ
Councillor Michael Situ
Councillor Charlie Smith
Councillor Cleo Soanes
Councillor Kath Whittam
Councillor Bill Williams
Councillor Kieron Williams
Councillor Mark Williams
Councillor Ian Wingfield

1. PRELIMINARY BUSINESS

1.1 ANNOUNCEMENTS FROM THE MAYOR, MEMBERS OF THE CABINET OR CHIEF EXECUTIVE

The Mayor reminded everyone that the Southwark Civic Awards scheme for 2016 was open for nominations. The Mayor explained that the awards recognise excellence in active citizenship and she encouraged all councillors and members of the public to consider nominating individuals, projects, organisations and businesses across the borough worthy of being honoured with one of these most prestigious awards. The closing date for nominations is Tuesday 29 March 2016 and nomination forms are available from the Mayor's Office and on the council's website.

The Mayor reminded everyone that the Dulwich Hamlet vs FC Assyria football match in support of the Syria Crisis Appeal was on Wednesday 2 March 2016 at 7.45pm, and tickets were available on the evening from Councillor Jasmine Ali.

The Mayor congratulated Councillor Charlie Smith and his wife, Sue, on their up and coming golden wedding anniversary. The meeting joined in congratulating the couple on their 50 years together.

The cabinet member for finance, modernisation and performance acknowledged the work of the Feminist Library, and informally accepted a petition from them on the subject of the proposed rental increase for their premises.

1.2 NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE MAYOR DEEMS URGENT

The Mayor agreed to receive a report entitled 'Setting the Council Tax 2016/17' as urgent business, the report is set out in supplemental agenda 1.

The Mayor remind everyone that it was a legal requirement to take a recorded vote at key budget decision meetings. This requirement applied to the final substantive vote on items 2.1 and 3.1.

The Mayor formally moved the programme motion:

RESOLVED:

That the meeting be conducted as follows:

Item 2.1 Policy and Resources Strategy

1. Consideration of this item is not time limited but the meeting is subject to the guillotine.
2. To give consent of the meeting to an alteration to Amendment D as follows:

In paragraph 3 **delete** 'each year' at the end of 'Reduce amount placed into contingencies by £500,000....'

Revised paragraph 3 to read:

- 3) **Amend** Table 1 (Policy and Resources Strategy 2016/17 – 2018/19: Revenue Budget paper, page 3 of the main agenda) to reflect changed contributions from proposed £4,000,000 contingencies as follows:

‘Reduce amount placed into contingencies by £500,000 ~~each year.~~’

3. Debate to include:

- Questions on reports
- Councillor Fiona Colley to present recommendations (10 minutes)
- Councillor Hamish McCallum to reply on behalf of opposition (5 minutes)
- Four amendments to be moved and seconded
- Report and Amendments to be debated as a single debate (All speakers 3 minutes each)
- Reply to the debate from Councillor Fiona Colley (3 minutes)
- Separate vote on each Amendment
- Recorded vote on substantive motion.

Members can only speak once, except for Councillor Fiona Colley (cabinet member for finance, modernisation and performance), who will reply to the single debate.

Item 3.1 Setting the Council Tax

4. To be considered as normal but with the legal requirement to take a recorded vote on the substantive motion.

Other reports

5. To be considered as normal.

Note: Relevant procedure rules:

- CAPR 1.16.4 recorded vote by roll call
(Local Authorities (Standing Orders) England) (Amended) Regulations 2014
- CAPR 1.14.4 Order of debate – Single debate
- CAPR 1.14.5 Alteration of amendment.

1.3 DISCLOSURE OF INTERESTS AND DISPENSATIONS

The Mayor announced that all councillors had been granted a dispensation by the monitoring officer to vote on the council tax report.

There were no disclosures of interest.

1.4 APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillors Neil Coyle and Vijay Luthra.

Apologies for lateness were received on behalf of Councillors Evelyn Akoto, James Barber, Gavin Edwards and Helen Hayes.

2. MINUTES

RESOLVED:

That the open minutes of the council assembly meeting held on 26 January 2016 be agreed and signed as a correct record.

3. REPORT(S) FOR DECISION FROM THE CABINET

3.1 POLICY AND RESOURCES STRATEGY 2016/17 - 2018/19 - REVENUE BUDGET

(See pages 1 – 76 of the main agenda)

The Mayor informed the meeting that the Greater London Authority (GLA) had met earlier in the week and agreed the precept for Southwark, therefore the proposed GLA precept outlined in the report was correct.

There were two questions from members, the answers to which had been circulated on blue paper at the meeting. Two supplemental questions were asked of the cabinet member for finance, modernisation and performance. The questions and written responses are attached as Appendix 1 to the minutes.

The Mayor reminded everyone that the meeting had earlier agreed that there would be a single debate on the report and Amendments A, B, C and D.

In accordance with council assembly procedure rule 1.14.9, Councillor Fiona Colley, cabinet member for finance, modernisation and performance, moved the report.

In accordance with council assembly procedure rule 1.14.9, Councillor Hamish McCallum, the shadow cabinet member for finance, responded to the cabinet member's statement.

Councillor Michael Mitchell, seconded by Councillor Jane Lyons, moved Amendment A.

Councillor Victoria Mills seconded by Councillor Darren Merrill, moved Amendment B.

Councillor Anood Al-Samerai moved Amendment C; after which Councillor Victoria Mills made a point of personal explanation. Councillor James Okosun then seconded Amendment C.

Councillor Rosie Shimell, seconded by Councillor James Barber, moved Amendment D.

Following debate (Councillors Stephanie Cryan, Maria Linforth-Hall, Mark Williams, Karl Eastham, Eliza Mann, Michael Situ, Nick Dolezal, Adele Morris, Jasmine Ali, Barry Hargrove, Damian O'Brien, Richard Livingstone, Andy Simmons, David Noakes, Peter John, Tom Flynn, David Hubber, Johnson Situ, Paul Fleming, Gavin Edwards, Kieron Williams, Lisa Rajan, Sunil Chopra, Cleo Soanes, John Hartley, Ben Johnson, Charlie Smith and Ian

Wingfield), Councillor Fiona Colley exercised her right of reply.

Amendment A was put to the vote and declared to be lost.

Amendment B was put to the vote and declared to be carried.

Amendment C was put to the vote and declared to be lost.

Amendment D was put to the vote and declared to be lost.

At this juncture the clerk explained that the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, which had come into force on 25 February 2014, required a recorded vote on key budget decisions by local authorities. The regulations required a recorded vote on decisions only. Therefore in accordance with council assembly procedure rule 1.16(4) (a roll call recorded vote), the bell was rung at the beginning and end of one minute, after which the doors to the room were closed.

The substantive motion was put to the vote, and the votes having been recorded, the Mayor declared the result as follows:

In favour of the substantive motion (46):

Councillors Evelyn Akoto, Jasmine Ali, Maisie Anderson, Radha Burgess, Sunil Chopra, Fiona Colley, Stephanie Cryan, Catherine Dale, Helen Dennis, Dora Dixon-Fyle, Nick Dolezal, Karl Eastham, Gavin Edwards, Paul Fleming, Tom Flynn, Lucas Green, Renata Hamvas, Barrie Hargrove, Jon Hartley, Helen Hayes, Peter John, Samantha Jury-Dada, Eleanor Kerslake, Sarah King, Anne Kirby, Sunny Lambe, Octavia Lamb, Lorraine Lauder, Richard Livingstone, Rebecca Lury, Darren Merrill, Victoria Mills, Jamille Mohammed, Leo Pollak, Sandra Rhule, Martin Seaton, Andy Simmons, Johnson Situ, Michael Situ, Charlie Smith Cleo Soanes, Kath Whittam, Bill Williams, Kieron Williams, Mark Williams and Ian Wingfield.

Against the substantive motion (15):

Councillors Anood Al-Samerai, James Barber, David Hubber, Ben Johnson, Maria Linforth-Hall, Jane Lyons, Eliza Mann, Hamish McCallum, Michael Mitchell, Adele Morris, David Noakes, Damian O'Brien, James Okosun, Lisa Rajan and Rosie Shimell.

Absent (2)

Councillors Neil Coyle and Vijay Luthra.

The Mayor declared that the substantive motion was carried.

RESOLVED:

1. That council assembly:

- 1) Agrees to freeze the Southwark element of the council tax for 2016/17.
- 2) Agrees to use the flexibility offered by the government to support Adult Social

Care through a precept equivalent to 2% of council tax on the basis that these additional funds will be used exclusively for adult social care (ASC).

- 3) Agrees the recommendations of the 9 February 2016 cabinet as amended for a general fund budget requirement (after use of reserves) for 2016/17 of £271.4m.
 - 4) Notes the indicative budgets for 2017/18 and 2018/19 included within this report and the associated funding shortfall that will need to be updated and addressed as part of the council tax setting process for those years.
2. That council assembly:
- 1) Believes that we must spend every penny as if it were our own, and recognises that efficiency and modernisation is at the heart of the council plan.
 - 2) Notes that the combination of the significant regeneration of the borough and the high performance of our award-winning revenue collection team is resulting in ever increasing levels of retained business rates, and that the s151 officer's estimate of retained business rates in 2016/17 has recently risen from £4m to £4.6m.
 - 3) Notes the council's commitment to making Southwark a place residents can be proud of, and recognises the importance of getting the basics right and keeping the streets clean in order to fulfil this commitment.
 - 4) Recognises the excellent work undertaken by the voluntary sector in Southwark with our young people, helping them to access the many opportunities being created by our Fairer Future Promises.
3. That council assembly therefore resolves:
- 1) To amend the budget for 2016/17 by bringing forward by one year savings in staff catering (reference 79) and Tooley Street office running costs (reference 81) of £90k and £70k respectively.
 - 2) To amend estimated business rates retained in the 2017/18 and 2018/19 indicative budgets to £7.1m.
 - 3) To delete proposed savings to mechanical sweeping overnight (reference 48) and overnight flytip clearance (reference 51).
 - 4) To increase the proposed youth and play budget by £1m by continuing to fund voluntary sector youth and play grants (reference 17) in 2017/18 and 2018/19, meaning no cuts to grant funding for young people in Southwark.

Amended schedules in Appendices B, C & D (see pages 35, 42 and 49 of the main agenda)

Division	Ref	Description	2016/ 17	2017/ 18	2018/ 19	2016/ 17 to
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			£'000	£'000	£'000	2018/ 19 £'000
Education	17	End of Voluntary Sector grants, subject to a new operating model for youth and play and a wider review of voluntary sector provision.		(500) 0		(500) 0
Waste and Cleansing	48	Cease the use of mechanical sweeping overnight and measure the impact on street cleanliness	(26) 0			(26) 0
Waste and Cleansing	51	End overnight fly tip clearance provision and move to stricter enforcement regime	(134) 0			(134) 0
Modernisation (CFM)	79	Reconfigure staff catering arrangements	(90) (180)	(125) (35)		(215)
Modernisation (CFM)	81	Review of operational opening times and workspace charges for 160 Tooley Street	0 (70)	(70) 0		(70)

Amended 2016/17 to 2018/19 Budget (See Table 1, pages 3 – 4 of the main agenda)

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Resources				
Retained business rates (DCLG)	(60.2)	(60.7)	(61.9)	(63.7)
Business rates top-up (DCLG)	(45.0)	(45.3)	(46.2)	(47.6)
Revenue support grant and other grants (inc Public Health and other specific grants) [See note 1]	(118.9)	(106.6)	(90.1)	(78.6)
Total funding (inc Public Health and other specific grants)	(224.1)	(212.6)	(198.2)	(189.9)
Council tax and Retained Business Rates				

Council tax baseline	(80.0)	(83.2)	(84.5)	(85.6)
ASC Precept	-	(1.7)	(3.4)	(5.2)
Estimated increase in business rates retained	(5.0)	(4.6)	(7.1)	(7.1)
Collection fund surplus	(2.9)	(2.4)	(0.5)	(0.5)
Total revenue from council tax and business rates	(87.9)	(91.9)	(95.5)	(98.4)
Total funding	(312.0)	(304.5)	(293.7)	(288.3)

2015/16 budget starting point (includes Public Health expenditure)	334.6	318.2	310.7	299.8
Employees (1.2%, 1.0%, 1.0%, 1.0%)	2.1	2.2	1.7	1.7
Contractual inflation	2.3	2.8	1.5	1.5
Commitments	4.7	13.3	7.8	6.2
Grants				
New Homes Bonus	1.4	(6.3)	3.5	3.5
Changes in grant related expenditure	3.6	5.4	0.0	0.0
HB admin subsidy and council tax support	0.4	0.7	0.6	0.6
Net change in council tax freeze grant	(0.9)	0.9	0.0	0.0
Net budget before proposals	348.2	337.2	325.8	313.3

Proposals				
Efficiencies and improved use of resources	(26.1)	(14.1)	(18.5)	(9.1)
Income generation	(2.9)	(10.0)	(6.0)	(5.0)
Savings impacting on service delivery	(1.0)	(2.4)	(1.5)	(1.6)
Total Budget	318.2	310.7	299.8	297.6
Planned contribution from balances	(6.2)	(6.2)	(5.0)	(4.0)
Net budget after contribution from balances	312.0	304.5	294.8	293.6
Funding shortfall / (surplus)	0.0	0.0	1.1	5.3

Note 1: includes £33.1m of specific grants in 2016/17.

Note: The cabinet recommendation had been amended, therefore in accordance with the budget and policy framework procedure rule 2 (g), the leader gave his consent to the amendment and the decision was implementable with immediate effect.

4. OTHER REPORTS

4.1 SETTING THE COUNCIL TAX 2016/17

(See pages 45 – 58 of supplemental agenda 1)

The Mayor informed the meeting that the Greater London Authority (GLA) had met earlier in the week and agreed the precept for Southwark, therefore the proposed GLA precept outlined in the report was correct.

At this juncture the clerk explained that as council assembly had agreed the level of council tax for 2016/17, as set out in the cabinet's recommendation as amended by Amendment B and as agreed in the resolution in item 2.1, council assembly was now required to formally agree the council tax resolution in line with the decisions of item 2.1.

The clerk then reminded the meeting that the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, which had come into force on 25 February 2014, required a recorded vote on key budget decisions by local authorities. The regulations required a recorded vote on decisions only. Therefore in accordance with council assembly procedure rule 1.16.4 (a roll call recorded vote), the bell was rung at the beginning and end of one minute, after which the doors to the room were closed

The substantive motion was put to the vote, and the votes having been recorded, the Mayor declared the result as follows:

In favour of the substantive motion (61):

Councillors Evelyn Akoto, Jasmine Ali, Anood Al-Samerai, Maisie Anderson, James Barber, Radha Burgess, Fiona Colley, Sunil Chopra, Fiona Colley, Stephanie Cryan, Catherine Dale, Helen Dennis, Dora Dixon-Fyle, Nick Dolezal, Karl Eastham, Gavin Edwards, Paul Fleming, Tom Flynn, Lucas Green, Renata Hamvas, Barrie Hargrove, Jon Hartley, Helen Hayes, David Hubber, Peter John, Ben Johnson, Samantha Jury-Dada, Eleanor Kerslake, Sarah King, Anne Kirby, Sunny Lambe, Octavia Lamb, Lorraine Lauder, Maria Linforth-Hall, Richard Livingstone, Rebecca Lury, Jane Lyons, Eliza Mann, Hamish McCallum, Darren Merrill, Victoria Mills, Michael Mitchell, Jamille Mohammed, Adele Morris, David Noakes, Damian O'Brien, James Okosun, Leo Pollak, Lisa Rajan, Sandra Rhule, Martin Seaton, Rosie Shimell, Andy Simmons, Johnson Situ, Michael Situ, Charlie Smith, Cleo Soanes, Kath Whittam, Bill Williams, Kieron Williams, Mark Williams, Ian Wingfield.

Against the motion (none)

Absent (2):

Councillors Neil Coyle and Vijay Luthra.

The Mayor declared that the substantive motion was carried.

RESOLVED:

1. That council assembly note the proposed Greater London Authority precept of

£276.00 at Band D.

2. That the existing local war disability and war widow's schemes for housing benefit be continued in 2016/17.
3. That the Southwark element of the council tax for band D properties in Southwark, including the adult social care precept of 2%, be set at £930.38.
4. That no discount be applied to properties in the former parish of St Mary Newington.
5. That no discount be applied to properties in the former parish of St Saviours.
6. That the council tax for all band D properties in Southwark be set at £1,206.38.
7. That the formal resolution for council taxes in 2016/17 (shown in Appendix A of the report) be approved.

4.2 TREASURY MANAGEMENT STRATEGY 2016/17 INCLUDING ANNUAL INVESTMENT STRATEGY, PRUDENTIAL INDICATORS AND ANNUAL MINIMUM REVENUE PROVISION STATEMENT

(See pages 77 – 96 of the main agenda)

In accordance with council assembly procedure rule 2.11.2, the report was formally moved by the Mayor.

Councillor Fiona Colley, cabinet member for finance, modernisation and performance, spoke on the report and thanked the finance officers who had prepared the three budget reports; she gave a special thank you to John Braggins as he would shortly be leaving the council.

The recommendations contained within the report were put to the vote and declared to be carried.

RESOLVED:

That council assembly:

1. Notes the 2016/17 treasury management strategy which is to be managed by the strategic director of finance and governance under financial delegation.
2. Notes the treasury management policy set out in paragraph 9 of the report.
3. Agrees the annual investment strategy 2016/17 referred to in paragraphs 15 to 16 of the report and set out at Appendix A of the report.
4. Agrees the prudential indicators covering capital finance and treasury management for the years 2016/17 to 2018/19 referred to in paragraph 27 of the report and set out at Appendix B of the report.
5. Agrees the updated minimum revenue provision statement, setting aside prudent

sums to reduce debt and long term liabilities referred to in paragraphs 28 to 30 of the report and set out at Appendix C of the report.

5. AMENDMENTS

Amendments are set out in pages 1 – 7 of supplemental agenda 2.

The meeting closed at 9.38 pm.

CHAIR:

DATED: