



Head of Legal Services and Monitoring Officer
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Agenda

Name of meeting	FULL COUNCIL
Date	WEDNESDAY, 28 FEBRUARY 2018
Time	5.00 PM
Venue	COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Members of the Committee	All Members of the Council

Democratic Services Officer: Jonathan Baker, telephone 821000, email jonathan.baker@iow.gov.uk

Members of the public are advised that photography or recording of any part of the meeting is only permissible with the prior consent of the Chairman.

PRAYERS led by Reverend Veronica Brown.

1. **Minutes**

To approve as a correct record and to sign the Minutes of the meeting of the Extra-Ordinary Council ([Paper A1](#)) and the ordinary meeting ([Paper A2](#)) held on 17 January 2018

2. **[Declarations of Interest](#)**

To invite Members to declare any interest they might have in the matters on the agenda.

Members are reminded that they should not take part in or vote at a meeting where financial matters relating to council tax are being considered if they are in arrears of council tax (with at least two months unpaid bills) and they must declare these arrears at the meeting. Failure to comply is an offence under Section 106 of the Local Government Finance Act 1992.



Details of this and other Council committee meetings can be viewed on the Isle of Wight Council's website at <http://www.iwight.com/Meetings/current/>. This information may be available in alternative formats on request. Please contact Jennifer Beresford, telephone 821000 for details. Please note the meeting will be audio recorded and the recording will be placed on the website (except any part of the meeting from which the press and public are excluded).

Young people are welcome to attend Council meetings however parents/carers should be aware that the public gallery is not a supervised area.

3. **To deal with any questions from members of the public - a maximum of up to 15 minutes for written questions, with up to a further 15 minutes for oral questions.**

Questions may be asked without notice but to guarantee a full reply at the meeting, the question must be delivered in writing or by electronic mail to Democratic Services no later than 5.00 pm on Monday, 26 February 2018. The [Procedure for asking oral questions](#) is set out below.

4. **Chairman's Official Announcements ([Paper B](#))**
5. **2018 - 2019 Budget & Council Tax Setting & Future Years Forecasts ([Paper C](#))**

To consider the following matter as recommended by Cabinet at its meeting on the 15 February 2018:

- I. THAT the recommendations to the Council set out below be endorsed.
- II. THAT the following be recommended to all members at Full Council on 28 February 2018:
- (a) The revised Revenue Budget for the financial year 2017/18 and the Revenue Budget for the financial year 2018/19 as set out in the General Fund Summary (Appendix A)
 - (b) Any underspendings for 2017/18 arising at the year-end (after allowing for specific carry forward requests) be transferred to the Transformation Reserve, Revenue Reserve for Capital (to increase the Capital Resources available) and General Reserves (to improve overall financial resilience) with the level of each transfer to be determined by the S.151 Officer
 - (c) The S.151 be given delegated authority to enter into the Solent¹ 100% Business Rates Retention Pilot agreement with the Department for Communities and Local Government
 - (d) Any variation between the provisional and final Local Government Finance Settlement for 2018/19 be accommodated by a transfer to or from General Reserves
 - (e) That the level of Council Tax be increased by 2.99% for general purposes in accordance with the referendum threshold² for 2018/19 announced by Government (as calculated in Appendix B)
 - (f) That the level of Council Tax be increased by a further 3.0% beyond the referendum threshold (as calculated in Appendix B) to take advantage of the flexibility offered by Government to implement a "Social Care Precept"; and that in accordance with the conditions of that flexibility, the full amount of the associated sum generated of £2,329,000 is passported direct to Adult Social Care

¹ Includes Isle of Wight Council, Portsmouth City Council and Southampton City Council

² Council Tax increases beyond the referendum threshold can only be implemented following a "Yes" vote in a local referendum

- (g) That the amounts set out in Appendix B be now calculated by the Council for the financial year 2018/19 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992
- (h) The S.151 Officer be given delegated authority to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire Police & Crime Commissioner and Parish and Town Council precepts and amend the calculations set out in Appendix B accordingly.
- (i) The savings proposals for each Portfolio amounting, in total, to £7.5m for 2018/19 and continuing into future years as set out below:

Portfolio / Service	Savings Proposal	
	£	% Budget
Adult Social Care & Public Health*	4,063,100	7.4%
Children's Services	709,300	2.9%
Community Safety & Public Protection	409,300	5.6%
Environment & Heritage	437,100	13.6%
Infrastructure & Transport**	494,300	3.1%
Planning & Housing	207,500	5.1%
Procurement, Projects & Forward Planning	324,000	4.1%
Regeneration & Business Development	106,000	5.5%
Resources	749,400	5.7%
Grand Total	7,500,000	5.6%

* Excludes the additional funding passported through the Adult Social Care Precept of £2.3m and additional funding for the Improved Better Care Fund of £2.2m.

** Excludes £19.4m of PFI Grant funding, on a Gross expenditure basis the saving amounts to 1.7%

- (j) Directors be instructed to start planning how the Council will achieve the savings requirements of £16.5m for the 3 year period 2019/20 to 2021/22 and that this be incorporated into Service Business Plans
- (k) The minimum level of Revenue Balances as at 31 March 2019 be set at £5.0m to reflect the known and expected budget and financial risks to the Council
- (l) Members have regard for the Statement of the Section 151 Officer in accordance with the Local Government Act 2003 as set out in paragraphs as set out in paragraphs 134 to 153
- (m) The Capital Programme 2017/18 to 2022/23 set out in Appendix E which includes all additions, deletions and amendments for slippage and re-phasing
- (n) The "Funded Schemes" as described in Appendix D be reflected within the recommended Capital Programme 2017/18 to 2022/23 and be funded from the available Corporate Capital Resources
- (o) The allocation of £1,719,905 of Disabled Facilities Grants be made to the Better Care Fund, and reflected within the recommended Capital Programme 2017/18 to 2022/23

- (p) The S.151 Officer be given delegated authority to determine how each source of finance is used to fund the overall Capital Programme and to alter the overall mix of financing, as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the Council
- (q) That the S.151 Officer in consultation with the Leader of the Council be given delegated authority to release capital resources held back for any contingent items that might arise, and also for any match funding requirements that may be required of the Council in order to secure additional external capital funding (e.g. bids for funding from Government or the Solent Local Enterprise Partnership)
- (r) That the Treasury Management Strategy for 2018/19 as endorsed by the Audit Committee attached at Appendix F

III. It is recommended that the Council note the following in respect of the Council's Budget:

- (a) The Revenue Budget 2018/19 as set out in Appendix A has been prepared on the basis that the 3% tax increase for the "Social Care Precept" (amounting to £2,329,000) is passported to Adult Social Care in order to provide for otherwise unfunded budget pressures including the full costs of the new National Living Wage and demographic pressures
- (b) In the event that the additional flexibility of the "Social Care Precept" and associated 3% tax increase (amounting to £2,329,000) is not taken, then further savings will need to be identified within Adult Social Care
- (c) In general, any reduction from the overall 5.99% Council Tax increase proposed will require additional savings of £776,300 for each 1% reduction in order for the Budget 2018/19 to be approved
- (d) The Revenue Forecasts for 2019/20 onwards as set out in paragraphs 115 to 118 and Appendix A
- (e) The estimated Savings Requirement of £16.5m for the three year period 2019/20 to 2021/22, for financial and service planning purposes, be phased as follows:

Financial Year	In Year Savings Requirement £m	Cumulative Saving £m
2019/20	5.5	5.5
2020/21	5.5	11.0
2021/22	5.5	16.5

- (f) The Transformation Reserve held to fund the upfront costs associated with Spend to Save Schemes and Invest to Save Schemes holds a very modest uncommitted balance of £1.7m and will only be replenished from an approval to the transfer of any underspends at year end
- (g) The Council Tax base for the financial year 2018/19 will be **52,998.0** [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the "Act")].

- (h) The Council Tax element of the Collection Fund for 2017/18 is estimated to be a surplus of £443,000 which is shared between the Isle of Wight Council (90.2%) and the Police & Crime Commissioner (9.8%)
- (i) The Business Rate element of the Collection Fund for 2017/18 is estimated to be a deficit of £530,000 which is shared between the Isle of Wight Council (50%) and the Government (50%)
- (j) The Retained Business Rate income³ for 2018/19 based on the estimated Business Rate element of the Collection Fund deficit as at March 2018, the Non Domestic Rates poundage for 2018/19 and estimated rateable values for 2018/19 has been set at £45,699,573
- (k) The Equality Impact Assessment at Appendix G

¹ Including the Collection Fund deficit of £265,000, S.31 Grants of £6,244,536, transfer to the "Growth Pool" of £3,314,541m and transfer from the "Growth Pool" of £1,648,935m and "Top Up" grant from Government of £2,333,900.

IV. Budget Options Proposed by Other Groups

Any proposals received from other groups will be circulated.

(Click [HERE](#) to view any proposals received)

6. **Creation of a Harbour Committee** ([Paper D](#))

HELEN MILES
Head of Legal Services and Monitoring Officer
20 February 2018