



Minutes

Name of meeting	FULL COUNCIL
Date and time	WEDNESDAY, 28 FEBRUARY 2018 AT 5.00PM
Venue	COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Present	Cllrs Lora Peacey-Wilcox (Chairman), Barry Abraham, Debbie Andre, Adrian Axford, Julia Baker-Smith, Reg Barry, Paul Bertie, Michael Beston, Paul Brading, Geoff Brodie, George Cameron, Vanessa Churchman, Rodney Downer, Paul Fuller, Andrew Garratt, Steve Hastings, John Hobart, John Howe, Stuart Hutchinson, Julie Jones-Evans, John Kilpatrick, Michael Lilley, Karl Love, John Medland, Clare Mosdell, Michael Murwill, John Nicholson, Tig Outlaw, Gary Peace, Matthew Price, Chris Quirk, Shirley Smart, Ian Stephens, Dave Stewart, Ian Ward, Chris Whitehouse, Wayne Whittle
Apologies	Cllrs Charles Chapman, Graham Perks and Brian Tyndall

57. [Minutes](#)

RESOLVED:

THAT the Minutes of the [extra-ordinary meeting](#) held on 17 January 2018 and the [ordinary meeting](#) held on the 17 January 2018 be confirmed.

58. [Declarations of Interest](#)

There were no declarations received at this stage.

59. [Public Question Time](#)

Questions were put to the Chairman as follows:

Name	Subject	Comment
Richard Hards of Whippingham	Asked a question about historic children's services failings.	The Cabinet Member read out a written response which was available on the following link (<u>PQ 11/18</u>)

Name	Subject	Comment
	A supplemental question which repeated the initial question	The Leader advised Mr Hards there was no question to answer as the original question had been addressed.
Neil Blues of Havenstreet	Asked a question relating to the audit arrangements for the council procurement processes.	The Cabinet Member provided a written response which was available on the following link (PQ 12/18)
Tricia McCourt of East Cowes	Asked a question pertaining to the 2018/19 fares for the floating bridge.	The Cabinet Member provided a written response which was available on the following link (PQ 13/18)
Colin McCourt of East Cowes	Asked a question pertaining to the 2018 fiscal budget for the floating bridge.	The Cabinet Member provided a written response which was available on the following link (PQ 14/18)
Supplemental	A supplemental question regarding the services projected profit for 2018/19 was asked.	The Cabinet Member advised the service was expected to make a loss of approximately £355,000
Will Matthews of Cowes	Asked a question relating to the recreational services for young people.	The Cabinet Member provided a written response which was available on the following link (PQ 15/18)
Mark Chiverton of Ryde	Asked an oral question relating to the budget settlement from central government reflecting unique needs of the Isle of Wight.	The Leader advised that representation to government was ongoing. An update would be provided following a planned meeting with ministers.
	A supplemental question was asked regarding recognition in discussions so far that there was a problem and risk of emergency spending controls being imposed.	The Leader responded that the proposed 2018/19 budget would avoid the need for emergency spending controls and that it was hoped, since there was an open dialogue, that the Islands unique status would be recognised.

60. **Chairman's Official Announcements**

A written report had been circulated for information.

61. **Budget and Council Tax Setting 2018/19 and Future Years Forecast**

Council had received a report from the Leader of the Council and the Cabinet Member for Resources on the 2017/18 Budget and Council Tax Setting Report. A number of amendments were received from other members, which were all debated.

Clarification was sought from the Section 151 Officer regarding his views on each of the proposed amendments. Members were reminded of the Section 151 Officer duties and advised that his opinion had been included in the proposed amendments with the exception of that submitted by Councillor Brodie. It was the Section 151 Officers opinion that Councillor Brodie's amendment should not be adopted by the council due to its format, since it did not identify which of the 18 proposals it was amending and also because it did not include the statutory calculations required to support the suggested reduction in council tax.

The Leader spoke on the budget proposals recommended by Cabinet.

The Leaders of the other groups then spoke in turn on their budget proposals.

Other members of the council also made comment on the budget proposals.

The Leader and all other group leaders then summed up.

62. **Adjournment**

At the conclusion of the debate members adjourned for a 10 minute comfort break

63. **Budget and Council Tax Setting 2018/19 and Future Years Forecast**

Following the adjournment the Leader moved the recommendation by cabinet which was duly seconded.

- (1) An amendment to the proposal attached at Amendment 1 (attached and forming part of these minutes) was moved by Councillor Andrew Garrett and duly seconded.

A named vote was taken the result of which was as follows:

For (13)

Councillors Debbie Andre, Julia Baker-Smith, Reg Barry, Geoff Brodie, Rodney Downer, Paul Fuller, Andrew Garratt, John Howe, Michael Lilley, Karl Love, John Medland, Shirley Smart, Ian Stephens.

Against (22)

Councillors Barry Abraham, Adrian Axford, Paul Bertie, Michael Beston, Paul Brading, George Cameron, Vanessa Churchman, Steve Hastings, John Hobart, Stuart Hutchinson, John Kilpatrick, Clare Mosdell, Michael Murwill, John Nicholson, Tig Outlaw, Gary Peace, Matthew Price, Chris Quirk, Dave Stewart, Ian Ward, Chris Whitehouse, Wayne Whittle

Abstention (0)

The amendment fell.

- (2) An amendment to the proposal attached at Amendment 2 (attached and forming part of these minutes) was moved by Councillor Michael Lilley and duly seconded.

A named vote was taken the result of which was as follows:

For (13)

Councillors Debbie Andre, Julia Baker-Smith, Reg Barry, Geoff Brodie, Rodney Downer, Paul Fuller, Andrew Garratt, John Howe, Michael Lilley, Karl Love, John Medland, Shirley Smart, Ian Stephens.

Against (22)

Councillors Barry Abraham, Adrian Axford, Paul Bertie, Michael Beston, Paul Brading, George Cameron, Vanessa Churchman, Steve Hastings, John Hobart, Stuart Hutchinson, John Kilpatrick, Clare Mosdell, Michael Murwill, John Nicholson, Tig Outlaw, Gary Peace, Matthew Price, Chris Quirk, Dave Stewart, Ian Ward, Chris Whitehouse, Wayne Whittle

Abstention (0)

The amendment fell.

- (3) An amendment to the proposal attached at Amendment 3 (attached and forming part of these minutes) was moved by Councillor Geoff Brodie and duly seconded.

A named vote was taken the result of which was as follows:

For (13)

Councillors Debbie Andre, Julia Baker-Smith, Reg Barry, Geoff Brodie, Rodney Downer, Paul Fuller, Andrew Garratt, John Howe, Michael Lilley, Karl Love, John Medland, Shirley Smart, Ian Stephens.

Against (22)

Councillors Barry Abraham, Adrian Axford, Paul Bertie, Michael Beston, Paul Brading, George Cameron, Vanessa Churchman, Steve Hastings, John Hobart, Stuart Hutchinson, John Kilpatrick, Clare Mosdell, Michael Murwill, John Nicholson, Tig Outlaw, Gary Peace, Matthew Price, Chris Quirk, Dave Stewart, Ian Ward, Chris Whitehouse, Wayne Whittle

Abstention (0)

The amendment fell.

- (4) An amendment to the proposal attached at Amendment 4 (attached and forming part of these minutes) was moved by Councillor Ian Stephens and duly seconded.

A named vote was taken the result of which was as follows:

For (13)

Councillors Debbie Andre, Julia Baker-Smith, Reg Barry, Geoff Brodie, Rodney Downer, Paul Fuller, Andrew Garratt, John Howe, Michael Lilley, Karl Love, John Medland, Shirley Smart, Ian Stephens.

Against (22)

Councillors Barry Abraham, Adrian Axford, Paul Bertie, Michael Beston, Paul Brading, George Cameron, Vanessa Churchman, Steve Hastings, John Hobart, Stuart Hutchinson, John Kilpatrick, Clare Mosdell, Michael Murwill, John Nicholson, Tig Outlaw, Gary Peace, Matthew Price, Chris Quirk, Dave Stewart, Ian Ward, Chris Whitehouse, Wayne Whittle

Abstention (0)

The amendment fell.

- (5) Voting was taken on the substantive motion.

A named vote was taken the result of which was as follows:

For (22)

Councillors Barry Abraham, Adrian Axford, Paul Bertie, Michael Beston, Paul Brading, George Cameron, Vanessa Churchman, Steve Hastings, John Hobart, Stuart Hutchinson, John Kilpatrick, Clare Mosdell, Michael Murwill, John Nicholson, Tig Outlaw, Gary Peace, Matthew Price, Chris Quirk, Dave Stewart, Ian Ward, Chris Whitehouse, Wayne Whittle

Against (13)

Councillors Debbie Andre, Julia Baker-Smith, Reg Barry, Geoff Brodie, Rodney Downer, Paul Fuller, Andrew Garratt, John Howe, Michael Lilley, Karl Love, John Medland, Shirley Smart, Ian Stephens.

Abstention (0)

RESOLVED:

- (i) THAT Council endorse the following recommendations:
- (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 Solent 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 threshold 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
 - (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

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 referendum³

(ii) THAT 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 income^{3d} 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

³ 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.

64. [Creation of a Harbour Committee](#)

The Cabinet Member for Environment and Heritage presented a report which proposed the establishment of a harbour committee which would act as duty holder and be accountable for marine safety under the Port Marine Safety Code. The proposed terms of reference for the committee were also proposed for council's agreement.

Members noted that the code had been developed to improve safety in UK Ports and to enable harbours to be managed to nationally agreed standards. It had come into effect in 2000 and while failing to comply was not an offence in itself, failure to adhere to it was frowned upon and could be an issue if there was a breach of certain legal duties.

Following debate regarding input and membership of the board it was agreed by the Cabinet Member that the proposed terms of reference be amended so that the membership of the Harbour Committee, which will be politically proportionate, will be seven rather than five.

RESOLVED:

- (i) THAT the requirement to establish a harbour committee to undertake the role of duty holder as set out in the Ports and Marine Safety Code be accepted and agreed.
- (ii) THAT the terms of reference for the proposed Harbour Committee be agreed subject to increasing the membership of the committee to seven members on a politically proportionate basis.

CHAIRMAN