



Minutes

Name of meeting **CABINET**
Date and Time **THURSDAY 9 FEBRUARY 2023 COMMENCING AT 5.00 PM**
Venue **COUNCIL CHAMBER, COUNTY HALL, NEWPORT, ISLE OF WIGHT**

Present Cllrs L Peacey-Wilcox (Chairman), D Andre, J Bacon, P Fuller, C Jarman, J Jones-Evans, P Jordan, K Love, K Lucioni and I Stephens

Also Present Cllrs G Brodie, A Garratt and G Peace

Christopher Ashman, Laura Gaudion, Wendy Perera, Christopher Potter and Sharon Betts

Also Present (Virtual) Steve Crocker, Chris Ward, Natasha Dix, Kerry Hubbleday and Dawn Lang

66. Minutes

RESOLVED:

THAT the minutes of the meeting held on 12 January 2023 be approved.

67. Declarations of Interest

Councillor Jones-Evans declared an interest in minute number xxxxx relating to the IW Festival as she owned a property nearby. Cllr Lucioni declared an interest in the same item as she had purchased tickets for the IW Festival and Cllr Jarman also declared an interest in the same item as he had been given tickets for the festival, although he had donated them for fundraising purposes.

68. Public Question Time - Maximum 15 Minutes for Written Questions and 15 Minutes for Oral Questions

A written question was received from Carol Jones (PQ 04-23) relating to the proposed traffic restrictions in St Catherine's Street, Ventnor. A response was provided later in the meeting.

Written questions were received from Christopher Messer (PQ 05-23) and Susie and John Gosling (PQ 06-23) relating to the cuts to the stroke support service proposed in the budget. The Cabinet Member for Adult Social Care and Public Health provided a response to both questions.

69. Chairman's Announcements

The Chairman had no announcements to make.

70. Report of the Cabinet Member for Childrens' Services, Education and Lifelong Skills

70a Determination of School Admission Arrangements for 2024/25

There was a statutory requirement each year to publish the admission arrangements for the following school year before 28 February. It was noted that four island primary schools were reducing their published admission number (PAN) due to the falling birth rate on the island. A separate report on school place planning would be coming to Cabinet in June 2023.

RESOLVED:

That Cabinet approves the 2024/2025 school admissions arrangements.

71. Report of the Cabinet Member for Infrastructure, Highways PFI and Transport

71a The Isle of Wight Council (Various Streets, Ventnor) (Traffic Regulation) Order No 1 2022

This was the latest in a number of Traffic Regulation Orders (TROs) being brought forward to address concerns raised over a long period of time by businesses, residents and Town, Parish and Community Councils. A petition had been received regarding the proposals in St Catherine's Street, Ventnor signed by over 600 people.

RESOLVED:

Cabinet approves the proposed restrictions that are subject to this report in relation to The Isle of Wight Council (Various Streets, Ventnor) (Traffic Regulation) Order No 1 2022; The Isle of Wight Council (Esplanade, Ventnor) (Parking Places) Order No 1 2022; The Isle of Wight Council (Designated Loading Bays) Order No 1 2022 with amendment - to abandon the proposals in some locations, and to implement the rest of the restrictions.

To abandon proposals for Scheme 2 – St Catherine's Street, Ventnor and not proceed with any TRO for this road.

That Scheme 1 – Albert Street, Ventnor, be deferred to a later date pending further detailed investigation and research on the proposal.

That Scheme 4 – Park Avenue, Ventnor, be deferred until a later date pending further detailed investigation and research on the proposal.

72. Report of the Cabinet Member for Levelling Up, Regeneration, Business Development and Tourism

72a To approve the terms of a new land hire agreement with IW Festival Ltd for the staging of the IW Festival at Seaclose Park.

Councillor Jones-Evans left the room for this item. A new 5-year agreement was being sought for the use of council owned land by the Isle of Wight Festival organisers. A tariff based green levy had been agreed, which would contribute to the council's Mission Zero projects. It was hoped that the festival would become the 'greenest' festival in the UK making the island more attractive. In response to concerns raised it was confirmed that the council would keep the agreed bond for the duration of the five years, and also that reassurance had been received regarding the traffic management plans for the event.

RESOLVED:

To agree the terms set out in the report for a new five (5) year agreement with Isle of Wight Festival Ltd. to stage the IW Festival for the period 2023-2027 inclusive and to instruct the Director of Regeneration in liaison with the Leader of the Isle of Wight Council to conclude the details of the agreement, including provision to terminate where necessary.

73. Report of the Cabinet Member for Strategic Finance, Transformational Change and Corporate Resources

73a Quarterly Performance Monitoring Report Q3 2022-23

The report was for the period to end December 2022. It was noted that a number of assumptions had been used and that the issues in Ukraine and national government directly impacted on the financial settlement received. A few points were highlighted, including the following:

The number of One Leisure cards had increased and the number of memberships was now at 78 per cent of the pre-covid level.

97.28 per cent of waste was not going to landfill.

The floating bridge had been operational for 98.6 per cent of its scheduled working hours.

The waiting list for inspections for the Disabled Facilities Grant had reduced from 102 down to 24.

The SALIX project to replace windows and upgrade heating in county hall would result in an annual saving of £282,937 in energy costs. It was confirmed that despite rumours in the media, county hall was not due to be demolished.

RESOLVED:

That Cabinet approves the Performance and Finance Report for the Quarter ended 31 December 2022, and the priority report detail as set out in appendices 1-10, together with the council's financial position as set out in appendices 11-12.

73b **2023/24 Discretionary Rates Relief Schemes**

This was a government initiative to assist businesses in the hospitality and leisure sectors and small businesses.

RESOLVED:

That Cabinet recommends to Full Council to adopt the discretionary rate relief schemes as outlined in the Autumn statement 2022 and to ensure that the reliefs are applied to eligible accounts for the financial year 2023/24.

That delegated authority be granted to the Cabinet Member for Strategic Finance, Transformational Change and Corporate Resources to agree further legislative changes to the discretionary rates relief scheme.

73c **Discretionary Rates Relief – Heat Network Rates Relief Scheme**

This was a government scheme to give 100 per cent relief to eligible Low Carbon networks. One organisation on the island had been identified as being eligible.

RESOLVED:

That Cabinet adopt Option (a) as detailed below in that the heat networks rates relief scheme be implemented from 1 April 2022 and 100% relief is granted to those properties identified by the Valuation Office as using low carbon networks on the Island.

73d **Council Tax Support Grant**

The report was outlined, and it was noted that a trend was being shown towards the pledge made in the previous year to take the amount of relief towards 70% with a further increase if possible thereafter.

RESOLVED:

That the Cabinet adopt the draft Council Tax Support Grant scheme as attached in Appendix 1 to provide additional support to eligible Local Council Tax Support claimants as at 1 April 2023.

That a discretionary scheme is developed which awards £25 to newly eligible LCTS claimants after 1 April 2023 and to delegate authority to the Cabinet Member for Strategic Finance, Transformational Change and Corporate Resources to agree further details of the discretionary scheme.

73e **Budget and Council Tax Setting 2023-2024 and Future Years' Forecasts**

The Leader left the meeting part way through this item and Cllr Stephens took the Chair.

Cuts and savings had been made across all services to reach a balanced budget. The burden of cuts would fall mainly on discretionary services. The Cabinet were mindful of the concerns of the S.151 officer as to the fragility of the budget, and that every opportunity should be made for income generation. Between now and October 2023 the budget would be acutely monitored, savings made, and revenue generated. Members would not give up fighting for the Island Deal and continue to work hard to obtain government funding.

Some queries were raised by Cllr Garratt regarding the cost of replacement of mobile phones and the cut to the library book fund, which would be debated further at Full Council, and by Cllr Brodie regarding the cost of upgrading of ICT equipment and number of possible staff cuts. It was confirmed that whilst an actual number could not be provided, the loss of staff would be a last resort.

RESOLVED:

1. 1. That the Cabinet endorse the following:

(a) The recommendations to the Council set out below.

2. It is recommended that the Council approve the following:

(a) The revised Revenue Budget for the financial year 2022/23 and the Revenue Budget for the financial year 2023/24 as set out in the General Fund Summary (Appendix 1) which includes:

- (i) Additional spending in Adult Social Care of £7.6m and Children's Services of £4.3m
- (ii) No Revenue Contribution to Capital in 2022/23 or 2023/24
- (iii) The Covid Contingency estimated at £4.2m, to guard against continuing and legacy risks

(b) Any variation arising from the Local Government Finance Settlement 2023/24 or any further savings made in 2022/23 arising at the year-end (after allowing for specific carry forward requests) be transferred to the Revenue Reserve for Capital, Covid Contingency, Transformation Reserve, and General Reserves with the level of each transfer to be determined by the S.151 Officer.

(c) That the level of Council Tax be increased by 2.99% for general purposes in accordance with the referendum threshold⁴ for 2023/24 announced by Government (as calculated in Appendix 2)

(d) That the level of Council Tax be increased by a further 2.0% beyond the referendum threshold (as calculated in Appendix 2) 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 £1,872,500 is passported direct to Adult Social Care

(e) That the amounts set out in Appendix 2 be now calculated by the Council for the financial year 2023/24 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992

(f) 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, Hampshire & Isle of Wight Fire & Rescue Authority and Parish and Town Council precepts, and amend the calculations set out in Appendix 2 accordingly

(g) The savings proposals for each Portfolio amounting, in total, to £3.895m for 2023/24 and continuing into future years as set out on the next page:

Portfolio	Controllable Budget	Savings Proposal	
	£	£	%
Adult Social Care & Public Health*	54,438,981	1,243,500	2.3%
Children's Services, Education & Lifelong Skills*	28,695,978	299,000	1.0%
Climate, Environment, Heritage, HR, Legal & Democratic Services	7,812,210	128,000	1.6%
Community Protection, Regulatory & Waste	9,471,672	430,000	4.5%
Digital Transformation, Housing, Homelessness & Poverty	9,306,890	255,000	2.7%
Infrastructure, Highways PFI & Transport **	12,658,707	536,600	4.2%
Leader & Strategic Oversight	732,911	150,000	20.5%
Levelling Up, Regeneration, Business Development & Tourism	4,816,254	130,000	2.7%
Planning & Enforcement	2,646,087	45,000	1.7%
Strategic Finance, Transformational Change	9,339,164	677,900	7.3%

& Corporate Resources			
Grand Total	139,918,854	3,895,000	2.8%
* Excludes the additional funding passported through to Adult Social Care of £7.6m (which if included would result in an overall increase of 11.6%) and the additional funding for Children's Services, Education & Lifelong Skills of £4.3m (which if included would result in an overall increase of 14.0%)			
** Excludes £19.4m of PFI grant funding, on a gross expenditure basis the saving amounts to 1.7%			

[4](#) Council Tax increases beyond the referendum threshold can only be implemented following a "Yes" vote in a local referendum

(h) Directors be instructed to start planning how the Council will achieve the savings requirements of £6.0m for the 3 year period 2024/25 to 2026/27 and that this be incorporated into Service Business Plans

(i) The minimum level of Revenue Balances as at 31 March 2024, predicated on the approval of £3.895m savings in 2023/24 and the retention of the Covid Contingency of £4.2m, be set at £8.0m to reflect the known and expected budget and financial risks to the Council

(j) Members have regard for the "Statement of the Section 151 Officer in accordance with the Local Government Act 2003"

(k) The Capital Programme 2022/23 to 2027/28 set out in Appendix 5 which includes all additions, deletions and amendments for slippage and re-phasing

(l) The new Capital Investment Proposals ("New Starts") - 2023/24 set out in Appendix 4 be reflected within the recommended Capital Programme 2022/23 to 2027/28 and be funded from the available Capital Resources

(m) The allocation of Disabled Facilities Grants be made to the Better Care Fund, and reflected within the recommended Capital Programme 2022/23 to 2027/28

(n) 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

(o) 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 any other external source).

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

(a) The Revenue Budget 2023/24 as set out in Appendix 1 has been prepared on the basis of a 4.99% increase in Council Tax, any reduction from the overall 4.99% Council Tax increase proposed will require additional savings of £936,300 for each 1% reduction in order for the Budget 2023/24 to be approved

(b) The Revenue Forecasts for 2024/25 onwards as set out in the section entitled "Revenue Forecasts 2024/25 to 2026/27" and Appendix 1

(c) The estimated Savings Requirement of £6.0m for the three-year period 2024/25 to 2026/27, for financial and service planning purposes, be phased as follows:

Financial Year	In Year Savings Requirement £m	Cumulative Saving £m
2024/25	2.0	2.0
2025/26	2.0	4.0
2026/27	2.0	6.0

(d) 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 £3.2m and will only be replenished from contributions from the Revenue Budget and an approval to the transfer of any further savings at year end

(e) Should the Council elect to reduce the level of savings below £3.895m in 2023/24 (and £2.0m p.a. thereafter), the Council's financial risk will increase and therefore the minimum level of General Reserves held will also need to increase in order to maintain the Council's financial resilience

(f) The Council Tax base for the financial year 2023/24 will be 54,087.0 [item T in the formula in Section 31 B(1) of the Local Government Finance Act 1992, as amended (the "Act")].

(g) The Council Tax element of the Collection Fund for 2022/23 is estimated to be in deficit by £848,700* which is shared between the Isle of Wight Council (84.7%) and the Police & Crime Commissioner (11.6%) and the Hampshire & Isle of Wight Fire & Rescue Authority (3.7%)

(h) The Business Rate element of the Collection Fund for 2022/23 is estimated to be in deficit by £334,500 of which is shared between the Isle of Wight Council (49%), the Hampshire & Isle of Wight Fire & Rescue Authority (1%) and the Government (50%)

(i) The Retained Business Rate income⁵ for 2023/24 based on the estimated Business Rate element of the Collection Fund deficit as at March 2023, the Non Domestic Rates poundage for 2023/24 and estimated rateable values for 2023/24 has been set at £41,958,105.

*Includes a deficit of £578,900 which under regulation was allowed to be spread over 3 years and is shared on a different basis

^[5] Includes Retained Business Rates of £16,994,458, "Top Up" of £12,028,784, S.31 Grants of £13,098,779 a Collection Fund deficit of £163,916

74. Cabinet Member Announcements

The Cabinet Member for Children's Services, Education and Lifelong Skills reported that there was to be an Inclusive Island Conference on 16 February to discuss accessibility and ensure the best experience for residents, workers and visitors.

A meeting had been held with Yarmouth Town Council working party regarding the future use of the former Yarmouth Primary site.

The DfE had announced that the island would be one of 14 areas to deliver family hubs, with up to £1 million of funding to follow.

The Cabinet Member for Levelling Up, Regeneration, Business Development and Tourism reported that Building 41, a space for co-working and hot desking, had opened successfully, with 120 people attending the opening. Two Area Regeneration Officers had been appointed with funding for the Shared Prosperity Fund to look at the Bay area.

The Cabinet Member for Adult Social Care and Public Health reported that he was concerned over the merger of the NHS trust with Portsmouth and the possible implications for the Island.

The Cabinet Member for Community Protection, Regulatory Services and Waste reported that she had visited the waste plant at Forest Road and was surprised at the amount of waste that needed to be removed from recycling. A reminder was given to residents to put the correct items into the recycling bin. The issue of disposable vapes was being looked into to find the best method of disposal.

75. Consideration of the Forward Plan

The new item on the Cultural Strategy was highlighted and people were encouraged to complete the consultation.

A delegated decision was due to be made for the Statement of Intent for the Eco Flex scheme.

76. Members' Question Time

Councillor Lilley submitted a written question (MQ 04-23) which was read out and a summarised response was given by the Cabinet Member for Children's Services, Education and Lifelong Skills. The full response would be forwarded to Cllr Lilley.

CHAIRMAN

