

# COUNCIL

Wednesday, 19th March, 2014  
at 2.00 pm

**PLEASE NOTE TIME**

Council Chamber - Civic Centre

## **Members of the Council**

The Mayor – Chair

The Sheriff – Vice-chair

Leader of the Council

Members of the Council (See overleaf)

## **Contacts**

Director of Corporate Services

Mark Heath

Tel 023 8083 2371

Email: [mark.heath@southampton.gov.uk](mailto:mark.heath@southampton.gov.uk)

Democratic Services Manager

Sandra Coltman

Tel. 023 8083 2718

Email: [sandra.coltman@southampton.gov.uk](mailto:sandra.coltman@southampton.gov.uk)

The agenda and papers are available via the Council's Website

<b>WARD</b>	<b>COUNCILLOR</b>	<b>WARD</b>	<b>COUNCILLOR</b>
<b>Bargate</b>	Bogle Noon Tucker	<b>Millbrook</b>	Furnell Laming Thorpe
<b>Bassett</b>	Hannides B Harris L Harris	<b>Peartree</b>	Keogh Lewzey Dr Paffey
<b>Bevois</b>	Barnes-Andrews Burke Rayment	<b>Portswood</b>	Claisse Norris Vinson
<b>Bitterne</b>	Letts Lloyd Stevens	<b>Redbridge</b>	McEwing Pope Whitbread
<b>Bitterne Park</b>	White Baillie Inglis	<b>Shirley</b>	Chaloner Kaur Mead
<b>Coxford</b>	Morrell Spicer Thomas	<b>Sholing</b>	Mrs Blatchford Jeffery Kolker
<b>Freemantle</b>	Moulton Parnell Shields	<b>Swaythling</b>	Mintoff Turner Vassiliou
<b>Harefield</b>	Daunt Fitzhenry Smith	<b>Woolston</b>	Cunio Hammond Payne

# PUBLIC INFORMATION

## **Role of the Council**

The Council comprises all 48 Councillors. The Council normally meets six times a year including the annual meeting, at which the Mayor and the Council Leader are elected and committees and sub-committees are appointed, and the budget meeting, at which the Council Tax is set for the following year.

The Council approves the policy framework, which is a series of plans and strategies recommended by the Executive, which set out the key policies and programmes for the main services provided by the Council.

It receives a summary report of decisions made by the Executive, and reports on specific issues raised by the Overview and Scrutiny Management Committee.

The Council also considers questions and motions submitted by Council Members on matters for which the Council has a responsibility or which affect the City.

## **Public Involvement**

### **Representations**

At the discretion of the Mayor, members of the public may address the Council on any report included on the agenda in which they have a relevant interest.

### **Petitions**

At a meeting of the Council any Member or member of the public may present a petition which is submitted in accordance with the Council's scheme for handling petitions.

Petitions containing more than 1,500 signatures (qualifying) will be debated at a Council meeting.

### **Deputations**

A deputation of up to three people can apply to address the Council. A deputation may include the presentation of a petition.

## **Questions**

People who live or work in the City may ask questions of the Mayor, Chairs of Committees and Members of the Executive.

## **Southampton City Council's Priorities:**

- **Economic:** Promoting Southampton and attracting investment; raising ambitions and improving outcomes for children and young people.
- **Social:** Improving health and keeping people safe; helping individuals and communities to work together and help themselves.
- **Environmental:** Encouraging new house building and improving existing homes; making the city more attractive and sustainable.
- **One Council:** Developing an engaged, skilled and motivated workforce; implementing better ways of working to manage reduced budgets and increased demand.

**Smoking policy** – The Council operates a no-smoking policy in all civic buildings.

**Mobile Telephones** – Please turn off your mobile telephone whilst in the meeting.

**Fire Procedure** – In the event of a fire or other emergency, a continuous alarm will sound and you will be advised by Council officers what action to take.

**Access** – Access is available for disabled people. Please contact the Council Administrator who will help to make any necessary arrangements.

## **Dates of Meetings(Municipal Year 2013/14)**

<b>2013</b>	<b>2014</b>
15 May	12 February (Budget)
17 July	19 March
18 September	4 June
20 November	

## CONDUCT OF MEETING

### FUNCTIONS OF THE COUNCIL

The functions of the Council are set out in Article 4 of Part 2 of the Constitution

### BUSINESS TO BE DISCUSSED

Only those items listed on the attached agenda may be considered at this meeting.

### RULES OF PROCEDURE

The meeting is governed by the Council Procedure Rules as set out in Part 4 of the Constitution.

### QUORUM

The minimum number of appointed Members required to be in attendance to hold the meeting is 16.

## DISCLOSURE OF INTERESTS

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "Disclosable Pecuniary Interest" or "Other Interest" they may have in relation to matters for consideration on this Agenda.

### DISCLOSABLE PECUNIARY INTERESTS

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

(i) Any employment, office, trade, profession or vocation carried on for profit or gain.

(ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

(iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

(iv) Any beneficial interest in land which is within the area of Southampton.

(v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

(vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

(vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

a) the total nominal value for the securities exceeds £25,000 or one hundredth of the total issued share capital of that body, or

b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.



## **Other Interests**

A Member must regard himself or herself as having an 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

## **Principles of Decision Making**

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

Director of Corporate Services  
M R HEATH  
Civic Centre, Southampton, SO14 7LY

Tuesday, 11 March 2014

**TO: ALL MEMBERS OF THE SOUTHAMPTON CITY COUNCIL**

You are hereby summoned to attend a meeting of the COUNCIL to be held on WEDNESDAY, 19TH MARCH, 2014 in the COUNCIL CHAMBER - CIVIC CENTRE at 2.00 pm when the following business is proposed to be transacted:-

**1 APOLOGIES**

To receive any apologies.

**2 MINUTES**

To authorise the signing of the minutes of the Council meetings held on 20<sup>th</sup> November 2013 and 12<sup>th</sup> February 2014, attached.

**3 ANNOUNCEMENTS FROM THE MAYOR AND LEADER**

Matters especially brought forward by the Mayor and the Leader.

**4 DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS**

To receive any requests for Deputations, Presentation of Petitions or Public Questions.

**5 EXECUTIVE BUSINESS**

Report of the Leader of the Council, attached.

**6 MOTIONS**

(a) Councillors Letts to move

Council resolves in accordance with Overview and Scrutiny Management Procedure Rule 3.4.2 that Councillor Bogle may serve forthwith on Health Overview and Scrutiny Panel and that the firebreak period is accordingly waived.

(b) Councillor Vinson to move

This Council recognises the concerns of residents in many parts of the city at the forest of 'to let', 'for sale' and 'sold by' boards and posters, left in place for considerable periods of time, which is blighting neighbourhoods.

Council notes that, in the age of the internet, such signs are no longer the principle means of attracting tenants.

Council therefore urges the Executive to make full use of the powers available to curb the excessive display of such signs, including consideration of the adoption of a Regulation 7 Direction under the Town and Country Planning (Control of Advertisements) Regulations, and a rigorous Lettings Board Code as adopted by Leeds City Council and others.

(c) Councillor Letts to move

Council notes the £148 per capita reduction in Central Government grant for Southampton over the period of this parliament. This compares with the reduction in grant for Winchester of only £28 per capita.

Council believes that the current Conservative lead government has discriminated against urban areas like Southampton in favour of wealthier rural areas like Winchester.

This Council calls on this information (produced in graphical form by the House of Commons Library) to be displayed prominently on the Council's website. It also calls for the link to this information to be sent out to residents on the 'stay connected' contact list.

This Council also calls for the Leaders of all Groups on the City Council to make representations to either their party leader or communities and local government spokesperson on this issue and for these responses to be published on the Council's website and communicated via 'stay connected' when they arrive.

**7 QUESTIONS FROM MEMBERS TO THE CHAIRS OF COMMITTEES OR THE MAYOR**

To consider any question of which notice has been given under Council Procedure Rule 11.2.

**8 APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES AND OTHER BODIES**

To deal with any appointments to Committees, Sub-Committees or other bodies as required.

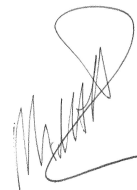
**9 REVISION TO CONSTITUTION - VOTING BY MEMBERS ON BUDGETS**

Report of the Head of Legal and Democratic Services requiring revision of the Constitution, attached.

**10 PAY POLICY STATEMENT FINANCIAL YEAR 2014-2015**

Report of the Head of Strategic Human Resources detailing the Annual Pay Policy for the financial year 2013/14, attached.

NOTE: There will be prayers by the Reverend Doctor Julian Davies in the Mayor's Reception Room at 1.45 pm for Members of the Council and Officers who wish to attend.

A handwritten signature in black ink, appearing to read 'M R HEATH', with a large, stylized loop at the end.

**M R HEATH**  
Director of Corporate Services

# Agenda Item 2

## MINUTES OF PREVIOUS MEETINGS

To approve minutes for the following meetings:

- 20 November 2013
- 12 February 2014

This page is intentionally left blank

---

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON  
20 NOVEMBER 2013

---

Present:

The Mayor, Councillor White  
The Sheriff, Councillor Mrs Blatchford  
Councillors Baillie, Barnes-Andrews, Bogle, Burke, Chaloner, Claisse, Cunio, Daunt, Fitzhenry, Furnell, Hammond, Hannides, B Harris, L Harris, Kaur, Inglis, Jeffery, Keogh, Kolker, Laming, Letts, Lewzey, Lloyd, Mead, Mintoff, Morrell, Moulton, Noon, Norris, Dr Paffey, Parnell, Payne, Pope, Rayment, Shields, Smith, Spicer, Stevens, Thomas, Thorpe, Tucker, Turner, Vassiliou, Vinson and Whitbread

64. APOLOGIES

Apologies for absence were submitted on behalf of Councillor McEwing.

65. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

(i) German Students

The Mayor welcomed the German students from the University of Hof.

(ii) FSB Award Certificate Presentation

Mr Webb, from the Federation of Small Businesses, presented the Council with the award for the Most Innovative Small Business Friendly Programme Award for work undertaken to promote street markets throughout the City.

(iii) City Deal

The Leader of the Council presented the signed City Deal document to the Mayor.

(iv) National Skills Academy for Construction

The Mayor presented Denise Edghill and Andy Tickner with the overall award for the National Skills Academy for Construction, which had been awarded to Council by the Construction Industry Training Board.

(v) Transport Award – Transport City of the Year

The Mayor presented the Transport Team with the award for the top local authority award for Transport City of the Year, as part of the National Transport Awards.

It was also noted that the Council had also received a commendation for front line employee of the year, for having sustainable transport recognised as a viable option for children in social services.

66. MINUTES

RESOLVED that the minutes of the Council meeting held on 18<sup>th</sup> September, 2013 be approved and signed as a correct record.

67. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received and noted a deputation from Mr Grace concerning the state of repair to Bellemoor Road.
- (ii) The Council received and noted a deputation from Mr Chaffey concerning the Council budget.

68. EXECUTIVE BUSINESS

The report of the Leader of the Council was submitted setting out the details of the business undertaken by the Executive.

The Leader and the Cabinet made statements and responded to Questions.

The following questions were then submitted in accordance with Council Procedure Rule 11.1.

**1. HMO Registration Scheme**

Question from Councillor Furnell to Councillor Payne.

Can the Cabinet Member give me a timescale as to when he will be able to ascertain the results of the pilot for the HMO registration scheme?

**Answer**

Houses in Multiple Occupation in the Bargate, Bevois, Portswood and Swaythling wards were legally designated to be subject to additional licensing requirements from 1st July 2013 for five years. The scheme will be evaluated by 30th June 2016 with the intention of making further designations as appropriate across the City.

**2. Art Sales**

Question from Councillor Vinson to Councillor Letts.

Will the Leader please inform Council as to any response he has received to his joint letter with Croydon Council to the Minister for the Arts regarding the sale of works of art?

**Answer**



The reply letter from the Minister had been circulated to Councillors Hannides and Vinson. It stated that there was no change in the current policy.

### **3. Peer Review**

Question from Councillor Vinson to Councillor Letts.

What does the Leader regard as most helpful advice in the recent Peer Review Report?

#### **Answer**

The item was discussed at Overview and Scrutiny Management Committee, where it was agreed that processes needed to be simplified in order to maximise time for service delivery. And also increase the capacity to take risk and allow all levels officers to make decisions. There would be a Peoples Panel established to engage in the community.

### **4. Supermarket Levy**

Question from Councillor Vinson to Councillor Tucker.

Has the Cabinet Member considered following the example of Dover, Gloucester and Leeds Councils in considering a levy on supermarkets to generate funds to support smaller retailers?

#### **Answer**

I am not at present considering investigating a levy on supermarkets. Such a levy under the Sustainable Communities Act, 2007 would have to be approved by the Secretary of State.

This type of levy, if introduced, could not be restricted to supermarkets alone and would have to apply to all large format stores with a Rateable Value of £500,000 or more, for example, department stores. At least 27 Southampton businesses, mostly in West Quay or the city centre, would be affected by such a proposal. The 8.5% levy could be a disincentive for large retail operators to be attracted to Southampton or to remain through periods of difficult trading. It could also make it more difficult to establish future Business Improvement Districts as these are also levy funded at 1-2% of Rateable Value.

Supermarkets provide a popular service to many Southampton residents, both in the city centre and in our main district centres. They are also significant employers of local people and in the case of Morrisons are playing an important role in two regeneration projects in the City, at East Street and at Centenary Quay.

Based on initial research I am not aware of any English council that has introduced such a measure as yet. Gloucester, Leeds and Reading are amongst Councils that have rejected or decided to defer any further consideration of such a measure. Dover and Torbay are the only Councils known to have passed a resolution to approach the Secretary of State for consent.

## **5. Evening Parking Charges**

Question from Councillor Fitzhenry to Councillor Rayment.

Why have you introduced evening parking charges?

### **Answer**

The flat rate evening charge is being introduced to assist in prioritising parking in the city centre and I am satisfied this remains a fair and reasonable proposal to ensure that the highway is adequately managed and controlled.

The City centre has been transformed by the growth in residential development, evening retail and leisure activities. The change in the pattern of parking means that demand for parking in the evening in some areas is twice the day time demand, with overnight parking levels by residents remaining relatively low.

Hence the view that the day time economy is helping to fund the night-time economy and important services such as CCTV on which it depends.

The Council also has an established sustainable travel policy which was introduced in the 2006-11 Transport Plan and stated:

Within the City, town and district centres, the emphasis will be on maintaining the approach which requires users of parking facilities to pay a rate that reflects the value of the facility provided, and which also acts as an incentive to consider the use of other modes of travel.

A variety of Season tickets are being offered which should help reduce the additional costs to residents in these areas These will provide affordable and attractive parking options for residents below what might be deemed as market rates.

In addition, it is proposed to exclude Sunday from the Evening Charges and Restriction Period.

The proposals will allow the costs of the parking service to be recovered through the whole of the day and night. This then allows more flexible pricing practices including reduction in areas where there is an economic need e.g. East Street which will assist the economy in these areas.

## **6. Transport Policies**

Question from Councillor Fitzhenry to Councillor Rayment.

What new policies does the Executive have to further assist the modal shift from private car to public transport?

### **Answer**

Our policies continue to be supportive of a growth in public transport. We see this as necessary in order to be able to achieve the economic growth forecast in our strategic

plans in a sustainable way and in order to reduce carbon from transport. Some policies have been developed or enhanced though including:

- Actively seeking to decarbonise the bus fleets through conversion to lower usage fuel options. We recently won Government funding of £750k for a new innovative fly wheel technology that will be developed with Williams racing and the Go Ahead bus group who will also invest a similar amount of their own money. We expect this to reduce bus emissions by 25% on the 30 buses fitted as part of this “world-first” project;
- Capture the economic value of bus operations – by assisting the bus companies in identifying skills issues and apprenticeship options. We have identified a significant capacity constraint that is likely to face bus interchanges in the city centre at several key locations. We are developing proposals for enhanced interchange arrangement at Albion Place, the Station Quarter and the General Hospital;
- We are actively investigating the role the coach may play in the local transport strategy and are meeting with National Express Coaches on this issue;
- We are investigating the feasibility of a park and ride solution to the general hospital’s travel and access needs;
- We have conducted a study into bus services and improvements needed for the general hospital;
- The integration of rail operators including South West Trains into the smartcard scheme is moving forwards and should greatly enhance this scheme;
- We have been working with bus operators to develop a Southampton area smart ticket to be launched next summer after the launch of the south Hampshire smart “solent travelcard” in the spring;
- We are shortly to extend the “real time” bus information system to include First Group – this means the system will cover most operators in the city. We are due to have bus priority on many junctions throughout the city by spring;
- We are rolling out the legible cities format across the bus network improving bus stops shelters and timetable cases with improved information;
- We have installed “real-time” totems which give real time bus and rail departure information at various sites within the city, both sides of Southampton Central Station and Southampton University;
- We have just launched the MyJourney Journey planner which gives specific tailor made personalised travel information for all modes of travel within the City;
- In line with new housing targets for the region we will work with neighbouring local authorities and highways agency to look again at the eastern access corridor into the city and investigate how increasing travel demands can be accommodated. This may well form the basis of a future major transport scheme with the bus playing a key role.

## **7. Late Night Levy**

Question from Councillor Vinson to Councillor Letts.

It was noted that this question was withdrawn by Councillor Vinson as there was a motion relating to it.

## **8. Utility Company Roadworks**

Question from Councillor Vinson to Councillor Rayment.

Will the Cabinet Member be following the example of Surrey and East Sussex CCs in applying to the transport Secretary for the power to decide locally when utility companies can dig up their roads?

### **Answer**

We already have an outline Business Case for the Permit Scheme project and are considering the options for implementing a scheme in the City. Officers are liaising with other authorities who have already implemented a scheme to see how they are operating and lessons they have learnt.

## **9. Bed and Breakfast Accommodation**

Question from Councillor Turner to Councillor Payne.

How many families with children are currently housed in bed and breakfast accommodation for longer than one week?

### **Answer**

As of 15th November there are three families who have been placed by Southampton's Homelessness Unit in B&Bs in the city who have been there for longer than a week. All three families have been determined to be intentionally homeless and the B&B is provided typically for a period of up to 28 days. We have offered assistance, by way the council's rent deposit scheme, towards finding alternative accommodation in the private rented sector so that they avoid actual rooflessness.

Please note that the local authority has a duty to keep B&B usage for families found to be homeless unintentionally, to a minimum and for no longer than six weeks which we always manage to achieve and in 2012/13 we only spent £26k on providing bed and breakfast accommodation. The Homelessness Strategy approved by Cabinet last month maintains our commitment to "make only minimum use of bed and breakfast for families".

## **10. Young Carers**

Question from Councillor Turner to Councillor Bogle.

What help are we as a Council able to offer to young carers, and how are they identified?

### **Answer**

The City Council has a contract with Southampton Voluntary Services for the delivery of support services to children and young people aged 8 - 18 yrs who are caring for one or more family members, i.e. a sibling, parent or grandparent. The project provides these young carers with personal support and respite opportunities delivered through one to

one support at school and home, meetings in small groups and recreational activities. Children are primarily referred to the service, by schools or as a self (parent) referral.

For 2013/14 the contract value was reduced from £89,000 to £71,200 as part of broader savings requirements. A process is currently underway to re-commission the service in an integrated commissioning arrangement with Adult Services and Health. This alignment is reflected in a new Commissioning Carers Framework which is being drafted.

Some of the positive outcomes of this new integrated commissioning approach are:

- The pooled funding for the new arrangement commencing April 2014 will increase funding to £91,200 per annum.
- The number of children supported each year will increase from 160 to 200.
- The stronger integration with adult and health services will encourage more professionals working with families to refer children into the service.

Young Carers are currently identified and referred into support services through a range of sources according to those that best know them in identifying their responsibilities as a young carer. There is no wider blanket mechanism for identifying young carers without referral by a professional. It is anticipated that the latest commissioning process will improve overall identification through whole family assessments.

In 2012/13 78 of the 193 children and young people supported by SVS were new referrals. New referrals came from a range of agencies which had identified these needs, as set out below:

- 41 schools
- 9 Social Services (Adult and Children's)
- 5 Jigsaw
- 6 Brookvale / mental health services
- 3 Parents
- 5 Prevention and Inclusion team
- 2 Family Support worker
- 7 Others

## **11. Cobbett Road Library**

Question from Councillor Baillie to Councillor Tucker.

Would you agree that Cobbett Road Library is an excellent example of a community library? and would you confirm that its future will be at least as bright as the two new libraries in Woolston.

**Answer**

All of our libraries are valuable community assets, and Cobbett Road library is no exception. The Friends of Cobbett Road Library play a vital role in making the most of an excellent community resource.

The future of all Libraries in the City will be considered in the Review announced in the recent budget papers. The Review will seek to draw best practice within the city and assess how the city's library service compares to other authorities which have had, and are currently having, to redesign their service because of unprecedented cuts from central government

## **12. Letting of Council Homes**

Question from Councillor Baillie and Councillor Payne.

Would you agree that Cobbett Road Library is an excellent example of a community library? And would you confirm that its future will be at least as bright as the two new libraries in Woolston.

### **Answer**

We do not currently record the length of residency in the city at the point of a council letting. However, data recorded for LACORE purposes show that of the 707 council homes let since April this year, 1.7% went to applicants not living in the city and the majority of those were people moving into older persons' accommodation.

## **13. Local Alcohol Action Area Project**

Councillor Vinson to Councillor Shields

Will the Executive be applying to the Home Office to take part in its Local Alcohol Action Area project?

### **Answer**

Following consultation with our partners, which included the police, it was decided not to apply to be a Local Alcohol Action Area. The City has already adopted a lot of what is now recognised as best practice, as indicated by our success in achieving the Baker Tilly Award for work on the Night Time Economy two years ago. Our programme of work on alcohol is comprehensive, new services are in place, and will be consolidated and improved through the current re-tendering exercise. Areas selected for this initiative will receive advice, support and access to mentoring, but no additional financial resources are provided. We are by no means complacent about our progress locally, and recognise that alcohol is a societal problem that will be with us for a very long time. We will continue to keep ourselves informed of best practice and new learning, and adapt and improve what we are doing locally, making the best possible use of our combined resources.

## **14. Cycling on Pavements and Parking on Double Yellow Lines**

Councillor Vinson to Councillor Rayment

What actions have been taken in fulfilment of the Motion adopted by Council in March 2013 regarding cycling on pavements and parking on double yellow lines, what impact have these measures had, and how has this been measured?

**Answer**

Since the council motion on this issue we have raised antisocial cycling behaviour with the police. They have made this a Community Priority in Shirley and it has led to officers issuing fixed penalty notices to cyclists who have illegally cycled on footways. Other areas of the City have been targeted by the Police in previous years. This issue is however likely to persist because the police can not always be there.

The Council's Civil Enforcement Officers can issue Penalty Charge Notices (PCNs) where drivers park on double yellow lines. We are able to respond to requests to attend within resources available on any individual day. The police involvement in parking offences is restricted to a few instances where we are unable to issue a PCN, and we work closely with the Police in these instances

We have carried out many joint working operations with the police in the last year including outside schools, Newtown Nicholstown area, Shirley High Street, Woolston and International Way. Many of these initiatives are in response to residents concerns and have lead to the issue of many tickets for inconsiderate and illegal parking.

**15. Parking in Shirley Road**

Councillor Moulton to Councillor Rayment

Given the considerable problem of cars being parked on and crossing the pavement on Shirley Road, will the Cabinet Member ensure that the Council and Police work together to ensure enforcement is carried out, the legal position is communicated to businesses along Shirley Rd and that a campaign of communication is carried out?

**Answer**

The problem of pavement parking on Shirley Road is complicated because some businesses own a narrow strip of pavement immediately outside their property. Therefore vehicles can be parked legally on this private land and cannot be issued a parking ticket, even though they have driven over the public footway to get there.

We are able to issue parking tickets to motorists who park on the footway outside of these private areas, where there are yellow lines that prevent parking, as waiting restrictions apply to the pavement as well as the carriageway.

There is no general restriction on parking on the pavement, and it is difficult to prove the case of obstruction if there is enough width remaining to get past easily.

However, recent changes to the Traffic Signs Manual now provide the opportunity to ban footway parking on individual streets using a new Traffic Sign and Traffic Order, and I have instructed that Shirley Road be investigated for such measures.

The Police involvement in parking enforcement is minimal although officers will ensure that they are fully consulted over any proposals.

## **16. Financial Adjustments Relating to Residents' Parking**

Councillor Moulton to Councillor Barnes-Andrews

What financial adjustments are proposed to the 14/15 General Fund budget with respect to residents' parking charges and night time city centre parking charges, compared with figures in the 13/14 budget?

### **Answer**

The position with night time city centre parking charges was set out in the Cabinet report on 16th July. There was an anticipated shortfall in the current year of £230,000, based on an October implementation, to be managed within the overall bottom line as set out in the report. As implementation is now due in early January, the shortfall that needs to be managed is currently forecast at £280,000. For 2014/15, the forecast gap of £1.4M set out in the Executive's draft budget report includes the anticipated shortfall for 2014/15 of £300,000 for evening parking charges.

For residents' permits, the principle of a charge for first resident permits was agreed by Cabinet on 16th July, and for 2014/15 the anticipated income is estimated to be in line with the savings proposal of £130,000 agreed in the 2013/14 budget. As implementation is now due in early December, there will be an in year shortfall in 2013/14 of circa £77,000, and this is being managed within the Council's overall bottom line.

## **17. City Patrol**

Councillor Moulton to Councillor Rayment

What work has been carried out by the City Patrol service over the past two years. Can the Cabinet Member please break down the work they do and the volumes associated with each activity?

### **Answer**

City Patrol deal with a range of environmental crimes, including littering; fly tipping; bins on pavements; distribution of handbills; dog fouling; fly posting; graffiti; stray dogs; repair and sale of vehicles on the highway; removal of abandoned vehicles.



The City Patrol database records complaints which are investigated. Some complaints are resolved without investigation, so are not recorded on the database.

The database breaks down activities as follows:

- **General cases** (which includes littering, bins on pavements, distribution of handbills dog fouling, fly posting, graffiti; and repair or sale of vehicles on the highway);
- **Fly tipping and;**
- **Abandoned Vehicles.**

The volume of work carried out by City Patrol against these activities is as follows:

- **From 1 April 2011 to 31 March 2012**
- **914** general cases
- **282** cases of fly tipping and
- **453** abandoned vehicles.

**From 1 April 2012 to 31 March 2013**

- **1,068** general cases
- **504** cases of fly tipping and
- **370** abandoned vehicles.

## **18. Introductory Period for Council Tenancies**

Councillor Baillie to Councillor Payne

Taking new SCC tenancies from April 2012, what % of tenants have failed the one year introductory period?

### **Answer**

In the financial year April 2012 to April 2013 six Council Tenants were evicted for failing to manage their introductory tenancy which equates to 0.8% of all introductory tenancies in that period. Five of these were for rent arrears and one was for antisocial behaviour.

For both rent arrears and anti social behaviour our emphasis is always on early intervention, and eviction is the last resort which helps keep the numbers low.

With antisocial behaviour we continue to work with partner agencies such as the New Forest Assessment Centre to support families where needed.

For rent arrears we provide a number of solutions for tenants who may be struggling such as budgeting advice, help claiming benefits, and agreeing sustainable repayment plans. We anticipate seeing similar volumes this financial year.

For secure tenancies last year, two families were evicted for ASB and there were fifty evictions (virtually all single people) for rent arrears. These figures are both low given the size of our housing stock.

## **19. Affordable Rent**

Councillor Baillie to Councillor Payne

How will you ensure that SCC tenants in new build properties who pay Affordable Rent pay the same rent for the same property?

### **Answer**

The national policy for delivering new social housing is for affordable rents to be charged. It is also stipulated that affordable rents are based on up to 80% market rent set at the time of completion of the new home.

New build properties of the same size, in the same location, completed at the same time will have the same rent. Within a large development completed over a significant number of years, tenants could be paying different rents for the same size property, depending on how the rental market varies during the intervening period.

## **20. Speed Limit in Malmesbury Rd**

Councillor Moulton to Councillor Rayment

In light of the overwhelming demand for a 20mph speed limit in Malmesbury Rd, will the Cabinet Member introduce this as an urgent priority?

### **Answer**

No.

We are acutely aware of the many demands for 20mph schemes but there is limited evidence to suggest they will be effective in Southampton or based on the location of road casualties and incidents that one area should be treated differently to another.

As a result Southampton City Council will be building its evidence base on this issue by piloting the introducing a new 20 mph speed limit in the Maybush area in the west of the city. The pilot, which will be specifically within the Lower Brownhill Road, Green Lane and Wimpson Road areas commenced on 18 November. The pilot will help determine if such schemes produce real benefits either in road safety, modal shift or the quality of life for our residents.

Once the pilot has run its course we will use evidence gathered to inform the Council's policy. The pilot will conclude in Summer of 2014.

In the meantime the Council and Police operate a "community speedwatch" scheme. Any areas interested in investigating this option should contact the Council's Road Safety Officer in the first instance. This does require that those

wishing to take part are prepared to volunteer to assist in speed monitoring and enforcement activities.

## **21. Tudor House Museum**

Councillor Daunt to Councillor Tucker

Can the Cabinet Member please explain the logic behind cutting the opening hours for and therefore the public access to the Tudor House Museum given that Southampton City Council has, in recent years, spent several million pounds renovating this site of significant historical interest

### **Answer**

The decision to reduce the opening hours at Tudor House has not been made lightly. However, because central government has cut crucial funding to the Council, all services are required to contribute to meeting the budget deficit that the Council faces. Regrettably, this includes museums and a reduction in opening hours will reduce the operating costs of Tudor House.

It is common practice across the Cultural Sector for museums to be closed on Mondays. Weekends provide the greatest footfall and income generation, and so remaining open on these days reflects customer preference. Closing at 3.00pm on the weekdays enables School and group visits to take place with minimal interruption to normal patterns of use.

The changes in opening hours will not remove the opportunity to visit the Museum for the majority of visitors, and subsequently we do not anticipate that any reduction in visitor numbers will reflect the loss of opening hours.

## **22. Fix Penalty Notices**

What powers do the Council have for taking enforcement action / issuing Fix Penalty Notices to people who spit in the street?

### **Answer**

The Environmental Protection Act 1990 provides the local authority with the power to take action against a person depositing 'litter' in a public place. The definition of 'litter' may be extended to include spit, so creating an offence where a person spits in a public place.

The local authority can prosecute a person who deposits litter in a public place; or alternatively may issue a fixed penalty notice (currently £75).

## **69. MOTIONS**

### **(a) Late Night Levy**

Councillor Letts moved and Councillor Kaur seconded:-

“Council notes the cost both in financial and social terms of the late night economy in the City Centre.

Council requests the Head of Legal, HR and Democratic Services begin the process of statutory consultation required prior to Council deciding whether to bring in a Late Night Levy. This Levy should it be brought in would be used to contribute towards the costs of keeping those using the night time economy safe.”

UPON BEING PUT TO THE VOTE THE MOTION WAS DECLARED CARRIED

RESOLVED that the motion be approved.

**(b) On Street Parking Charges**

Councillor Moulton moved and Councillor Smith seconded:-

“This Council notes that it is contrary to the general duty under s120 of the Road Traffic Regulation Act 1994 to raise on street parking charges for the sole intended purpose of helping to close the Council’s budget gap. Council further notes that last year the on street parking account generated a surplus of over £1m and that over a quarter of this was not even spent in 2012/13. Furthermore Council notes that the accumulated surplus for the on street parking account was over £1.7m as of 1<sup>st</sup> April 2013.

In light of this and the overwhelming public hostility to increases in residents’ parking charges and night time parking charges, and the fact they will hit both struggling families and businesses, Council calls on the Executive to abandon both of these tax increases.”

Amendment moved by Councillor Turner and seconded by Councillor Vinson:-

Second paragraph, third line delete “both of these tax increases”

Second paragraph, third line after “Council calls on the Executive to abandon “ insert “charging for the first permit in Residents' Parking Zones and modify the proposed evening parking charges to £1 for any period between 6.00p.m. and 8.00a.m.”

AMENDED MOTION TO READ

“This Council notes that it is contrary to the general duty under s120 of the Road Traffic Regulation Act 1994 to raise on street parking charges for the sole intended purpose of helping to close the Council’s budget gap. Council further notes that last year the on street parking account generated a surplus of over £1m and that over a quarter of this was not even spent in 2012/13. Furthermore Council notes that the accumulated surplus for the on street parking account was over £1.7m as of 1<sup>st</sup> April 2013

In light of this and the overwhelming public hostility to increases in residents’ parking charges and night time parking charges, and the fact they will hit both struggling families and businesses, Council calls on the Executive to abandon

'charging for the first permit in Residents' Parking Zones and modify the proposed evening parking charges to £1 for any period between 6.00p.m. and 8.00a.m.'

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED LOST

UPON BEING PUT TO THE VOTE THE MOTION AS SUBMITTED WAS DECLARED LOST

RESOLVED that the motion be not approved.

**(c) The Arts Complex**

Councillor Hannides moved and Councillor Moulton seconded:-

“Following the recent commencement of works to build the Arts Complex, the Council acknowledges the positive and constructive approach taken by the Executive in facilitating the delivery of the next phase of the city's flag ship cultural quarter development.

The Council notes there are substantial capital pressures that support the development of the Arts Complex and further resolves to urge the Executive to raise much needed funds through the sale of high value items from the city council's art collection. In so doing it should also be guided by the following principles:

- De-accessioning is compliant with the terms of the relevant Bequests.
- The items do not form part of the Gallery's core collection as presently defined.
- The Gallery's national collection status is retained.”

Amendment moved by Councillor Vinson and seconded by Councillor Turner:

“First paragraph, third line delete “Executive” replace with “all political groups”

Delete second paragraph and bullet points and replace with new paragraphs

“Council notes that the New Arts Complex is fully funded within the Capital programme.

Council reaffirms its opposition to the sale of works of art from the City's collections”

AMENDED MOTION TO READ

“Following the recent commencement of works to build the Arts Complex, the Council acknowledges the positive and constructive approach taken by all political groups in facilitating the delivery of the next phase of the city's flag ship cultural quarter development.

Council notes that the New Arts Complex is fully funded within the Capital programme.

Council reaffirms its opposition to the sale of works of art from the City's collections."

Further Amendment moved by Councillor Tucker and seconded by Councillor Lloyd:

"Second paragraph, first line after "Council notes" delete remaining text

Second paragraph first line after "Council notes" insert

"that the Arts Complex is fully funded within the currently agreed capital programme. However, Council is aware that a new roof will be required on the Art Gallery at the start of 2015 at a cost close to £1,400,000."

Add additional paragraph 3

"Council calls on the Executive to engage and work with the Chipperfield Advisory Committee and other associated parties to raise funds to pay for the new roof during the course of 2014. As a last resort, the roof may have to be funded through the sale of art."

#### AMENDED MOTION TO READ

"Following the recent commencement of works to build the Arts Complex, the Council acknowledges the positive and constructive approach taken by the Executive in facilitating the delivery of the next phase of the city's flag ship cultural quarter development.

The Council notes that the Arts Complex is fully funded within the currently agreed capital programme. However, Council is aware that a new roof will be required on the Art Gallery at the start of 2015 at a cost close to £1,400,000.

Council calls on the Executive to engage and work with the Chipperfield Advisory Committee and other associated parties to raise funds to pay for the new roof during the course of 2014. As a last resort, the roof may have to be funded through the sale of art."

UPON BEING PUT TO THE VOTE THE AMENDMENT IN THE NAME OF COUNCILLOR TUCKER WAS DECLARED CARRIED

UPON BEING PUT TO THE VOTE THE AMENDMENT IN THE NAME OF COUNCILLOR VINSON WAS DECLARED LOST

UPON BEING PUT TO THE VOTE THE MOTION AS AMENDED WAS DECLARED CARRIED

RESOLVED that the motion as amended by Councillor Tucker be approved.

#### **(d) Government Cuts in Local Authority Funding**

Councillor Morrell moved and Councillor Thomas seconded:-

"This Council deplores the dire financial straits into which it has been driven by the government's cuts in local authority funding. Before even last year's budget

the Leader of the Council, Councillor Simon Letts described the axing of services and jobs as equivalent to "removing limbs", and now the council is confronted with making even more cuts amounting to £60 million over the next three years on top of the £57 million cut over the last three years.

This Council rejects the government's argument for cutting local authority spending. It is the bankers and the super-rich, who created the world financial crisis, who should be made to pay, not ordinary people and council workers in Southampton.

This Council demands from the government the funding needed to maintain services. As a first step to mobilising support for the Council's stand, public and private-sector trades unions, community, tenants, youth and pensioners groups from across the City will be invited to a pre-budget conference to discuss the real budget needs of the City.

Hilary Benn, Shadow Secretary of State for Communities and Local Government will be invited to Southampton to explain to the conference how a future Labour government will resolve the local authority budget crisis.

This Council will invite other Labour authorities in the region - Oxford, Reading and Slough - and beyond, to join it in a campaign to defend jobs and services."

Amendment moved by Councillor Vinson and seconded by Councillor Turner:

"First paragraph insert before "this Council"

"While accepting that Local Government must bear a share of the measures necessary to restore the national economy after the crisis brought about by international financial and economic circumstances, bankers and previous governments"

First paragraph delete after this Council "deplores the dire financial straits into which it has been driven by the"

First paragraph first line after "this Council" insert "believes that"

First paragraph after "Local" Insert "government has been called upon to bear a disproportionate share of the burden, such that now the council is confronted with making even more cuts amounting to £60 million over the next three years on top of the £57 million cut over the last three years."

Third paragraph first line replace "demands" with "seeks"

Third paragraph first line after "maintain" insert "key"

Third paragraph second line delete "As a first step to mobilising support for the Council's stand, public and private-sector trades unions, community, tenants, youth and pensioners groups from across the City will be invited to a pre-budget conference to discuss the real budget needs of the City."

Forth paragraph delete

Fifth paragraph first line delete "Labour"

Fifth paragraph first line delete "Oxford, Reading and Slough"

Fifth paragraph second line insert "essential" in front of "services"

#### AMENDED MOTION TO READ

'While accepting that Local Government must bear a share of the measures necessary to restore the national economy after the crisis brought about by international financial and economic circumstances, bankers and previous governments, this Council believes that Local Government has been called upon to bear a disproportionate share of the burden, such that now the council is confronted with making even more cuts amounting to £60 million over the next three years on top of the £57 million cut over the last three years.

This Council seeks from the Government the funding needed to maintain key services.

This Council will invite other authorities in the region and beyond, to join it in a campaign to defend essential jobs and services"

Further Amendment moved by Councillor Letts and seconded by Councillor Barnes-Andrews:

"Third paragraph second line delete all after " services" add

"Council notes the success of the Councils redeployment policy which has kept compulsory redundancies to a minimum. Council further notes the successful bids under this administration in areas such as Transport, Waste and Skills which have brought extra resources to this City.

Council would like to put on record its thanks to our officers across many areas who have worked on this years budget and brought forward proposals which minimise charging increases and service cuts.

Council calls on the Leader to continue to work with other similar Councils through the LGA and the Key Cities grouping to lobby government in an attempt to secure a better funding deal for urban local authorities"

#### AMENDED MOTION TO READ

"This Council deplors the dire financial straits into which it has been driven by the government's cuts in local authority funding. Before even last year's budget the Leader of the Council, Councillor Simon Letts described the axing of services and jobs as equivalent to "removing limbs", and now the council is confronted with making even more cuts amounting to £60 million over the next three years on top of the £57 million cut over the last three years.

This Council rejects the government's argument for cutting local authority spending. It is the bankers and the super-rich, who created the world financial



crisis, who should be made to pay, not ordinary people and council workers in Southampton.

This Council demands from the government the funding needed to maintain services.

Council notes the success of the Councils redeployment policy which has kept compulsory redundancies to a minimum. Council further notes the successful bids under this administration in areas such as Transport, Waste and Skills which have brought extra resources to this City.

Council would like to put on record its thanks to our officers across many areas who have worked on this years budget and brought forward proposals which minimise charging increases and service cuts.

Council calls on the Leader to continue to work with other similar Councils through the LGA and the Key Cities grouping to lobby government in an attempt to secure a better funding deal for urban local authorities.”

UPON BEING PUT TO THE VOTE THE AMENDMENT IN THE NAME OF COUNCILLOR LETTS WAS DECLARED CARRIED

UPON BEING PUT TO THE VOTE THE AMENDMENT IN THE NAME OF COUNCILLOR VINSON WAS DECLARED LOST

UPON BEING PUT TO THE VOTE THE MOTION AS AMENDED WAS DECLARED CARRIED

RESOLVED that the motion as amended by Councillor Letts be approved.

**(e) Sixth Form Colleges – VAT**

Councillor Kaur moved and Councillor Paffey seconded:-

“The Council calls on the Chancellor of the Exchequer in the forthcoming Autumn Statement to announce plans to allow Sixth Form Colleges to reclaim VAT on their purchases in the same way that Academy and local authority School Sixth forms can. This would create a level playing field between such institutions in Southampton and provide both Richard Taunton and Itchen sixth form colleges with additional funding of up to potentially £300,000 to pursue their missions in raising and supporting the ambitions of the most disadvantaged students in our City.”

UPON BEING PUT TO THE VOTE THE MOTION WAS DECLARED CARRIED

RESOLVED that the motion be approved.

**(f) Councillor Tax Benefit – Urgent Motion**

Group leaders agreed to hear the motion.

Councillor Vinson moved and Councillor Turner seconded:-

“Mindful of the implications for many of Southampton’s poorest citizens, this Council agrees that Southampton’s Council Tax Reduction Scheme 2014 should be amended, subject to the consultation and publication requirements of the Local Government Finance Act 1992(as amended) and final decision to be made by a special meeting of Full Council in January 2014 following consideration of the consultation exercises, such that, in order to give these households time to adjust and to minimise the accumulation of Council tax arrears, the baseline reduction applied in the calculation will be reduced as follows:

2014/15 – 12.5%

2015/16 – 18%

2016/17 – 25%

and also that the current Discretionary Fund to deal with cases of exceptional hardship be continued.

This Council also agrees that should this motion be adopted, provision for the additional cost of the revised scheme must be made in the 2014/15 budget (and subsequent budgets) agreed by Full Council at its meeting on 12th February 2014.”

UPON BEING PUT TO THE VOTE THE MOTION WAS DECLARED LOST

RESOLVED that the motion be not approved.

**(g) Portsmouth Dockyard – Urgent Motion**

Group leaders agreed to hear the motion.

Councillor Letts moved and Councillor Smith seconded:-

“This Council calls on Government to immediately suspend the decision to end shipbuilding in Portsmouth ahead of a Cabinet Office review into all of the options available, and to:

1. Endorse a ‘three Yard solution’ as being most appropriate for strategic, political and economic reasons;
2. Ensure remaining work to be done in Portsmouth on the Royal Navy’s new aircraft carriers stays with the city’s shipbuilders (Blocks UB07, UB014, LB05);
3. Build at least one of the navy’s new Offshore Patrol Vessels in Portsmouth, and guarantee future work in the form of sections of the upcoming Type 26 frigates;
4. Give a public assurance that the MoD-owned land currently in use for shipbuilding at Portsmouth Naval Base will remain available to support that work;

5. Appoint a named minister to act as a single point of contact for discussions between city leaders, unions, BAE Systems, other interested parties, and your government;
6. Adopt a 'workshare' approach and retain the existing proportion of Type 23 work in Portsmouth;
7. Undertake maintenance and preparation work, such as the fabrication of necessary caissons in Portsmouth rather than in Holland as previously;
8. Visit Portsmouth as soon as possible, with defence secretary Philip Hammond and the appointed minister, to discuss options going forward.

These views to be communicated by the Leader of the Council to the Prime Minister.”

UPON BEING PUT TO THE VOTE THE MOTION WAS UNANIMOUSLY DECLARED CARRIED

RESOLVED that the motion be approved.

70. QUESTIONS FROM MEMBERS TO THE CHAIRS OF COMMITTEES OR THE MAYOR

It was noted that no questions to the Chairs of Committees or the Mayor had been received.

71. APPOINTMENTS TO COMMITTEES, SUB-COMMITTEES AND OTHER BODIES

The following changes were noted:-

- (i) Councillor Laming was being replaced by Councillor Whitbread on the Licensing Committee; and
- (ii) Councillors Daunt and Parnell were being replaced by Councillors Claisse and Les Harris on Scrutiny Panel A.

72. CHANGES TO THE COUNCIL'S CONSTITUTION - COUNCIL PETITION SCHEME

The report of the Director of Corporate Services was submitted seeking approval for changes to the Council's Petition Scheme.

RESOLVED

- (i) that the changes to the Constitution as set out in the report be approved; and
- (ii) that the Head of Legal and Democratic Services be authorised to make changes to the Council's Petition Scheme.

73. SCRAP METAL DEALER LICENSING

The report of Head of Legal and Democratic Services was submitted concerning the Scrap Metal Dealers Act 2013 and scrap metal dealer licensing.

RESOLVED that the function of registration of scrap metal dealers be delegated to the Licensing Committee once the power to do so has become available.

74. REFURBISHMENT OF 315 COXFORD ROAD

Report of the Cabinet Member for Children's Services was submitted concerning the refurbishment of 315 Coxford Road.

RESOLVED that in accordance with Financial Procedure Rules, to add a sum of £247,000, funded from Council resources, to the Children's Services Capital Programme for works at the 315 Coxford Road.

75. DEVELOPMENT OF SITES IN LORDSHILL

The report of the Leader of the Council was submitted concerning the disposal of three development sites in Lordshill related to the refurbishment works at the Oaklands Pool.

RESOLVED that in accordance with Financial Procedure Rules, to add an additional sum of £412,000 to the Economic Development and Leisure Capital programme for refurbishment works at Oaklands swimming pool to be funded from Council resources.

76. EXCLUSION OF THE PRESS AND PUBLIC - CONFIDENTIAL PAPERS INCLUDED IN THE FOLLOWING ITEM

RESOLVED that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix to the following matter.

Confidential appendix 1 contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules.

It is not in the public interest to disclose this information because publication of this information may be to the Council's financial detriment.

77. THORNHILL DISTRICT ENERGY SCHEME

The report of the Cabinet Member for Housing and Sustainability was submitted concerning the next phase of the Thornhill District Energy Scheme.

RESOLVED

- (i) That the financial recommendations set out in the confidential appendix to the report to deliver a district energy scheme, insulation and other associated measures for the suitable homes in Thornhill be approved;

- (ii) That authority be delegated to the Director, Place, after consultation with the Head of Legal and Democratic Services to enter into negotiations with the preferred Energy Company Obligation delivery partner to design and build a suitable scheme that represents the best value for the respective residents of Thornhill, and for the Council;
- (iii) That authority be delegated to the Director Place, after consultation with Chief Financial Officer, the Director of Corporate Services, Head of Housing Services and the Cabinet Members for Resources and Housing and Sustainability, to review the progress with the resolutions of the risks identified in this report and take a final decision whether to proceed with the scheme or whether a further report should be submitted to Cabinet or Council as appropriate; and
- (iv) That subject to the outcome of recommendation (iii) above that authority be delegated to the Head of Legal and Democratic Services to agree and sign the relevant contracts and; to delegate authority to the Director ,Place, after consultation with the Head of Legal and Democratic Services to take any other action necessary to implement the scheme.

78. TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS MID YEAR REVIEW

Report of the Head of Finance and IT (Chief Financial Officer) was submitted concerning the review of the indicators that relate to the Treasury Management Strategy.

RESOLVED

- (i) That any changes to the Council's Prudential Indicators as detailed within the report be approved;
- (ii) That delegated authority be continued to the Chief Financial Officer, following consultation with the Cabinet Member for Resources, to approve any changes to the Prudential Indicators or borrowing limits that would aid good treasury management. For example increase the percentage for variable rate borrowing to take advantage of the depressed market for short term rates. Any amendments to be reported as part of quarterly financial and performance monitoring and in revisions to this strategy;
- (iii) That it be noted that the continued proactive approach to Treasury Management has led to reductions in borrowing costs and safeguarded investment income; and
- (iv) That the action taken in response to the down rating of the Authority's Bankers, (the Co-operative Bank), as set out in more detail in Confidential Appendix 1 to the report be noted.

79. EXCLUSION OF THE PRESS AND PUBLIC - CONFIDENTIAL PAPERS INCLUDED IN THE FOLLOWING ITEM

RESOLVED that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of any consideration of the confidential appendix to the following matter.

The confidential report contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules.

It is not in the public interest to disclose this information because this information relates to the project costs and commercial contracts between third parties which are commercially sensitive.

80. SOUTHAMPTON NEW ARTS COMPLEX

Confidential report of the Chief Executive was submitted concerning the decision relating to Southampton's New Arts Complex, which had been made to ensure that the project progressed in line with Arts Council funding commitments.

RESOLVED

- (i) That the decisions taken by the Chief Executive on 21<sup>st</sup> October 2013 using powers under 1.1.3 (e) of the Officer Scheme of Delegation and the reasons for taking them, be noted;
- (ii) That it be noted that since the Chief Executive's decision, the required stopping up order was granted by the Magistrate's court on November 5<sup>th</sup> and that registration of this title has been confirmed by the Land Registry. This now enables the Council to prove clean title to Grosvenor; and
- (iii) That authority be delegated to the Chief Financial Officer to draw down a sum of up to £100k from contingencies should funding be required to fund either the Pre-Let issue or the Sewer issue set out in the report

81. WATERMARK WEST QUAY AND REGIONAL GROWTH FUND

Report of the Cabinet Member for Economy and Leisure was submitted concerning Watermark WestQuay and the Regional Growth Fund.

RESOLVED

- (i) That approval be delegated to the Chief Financial Officer to enter into an agreement with the Secretary of State for Business, Innovation and Skills to receive Regional Growth Fund (RGF) grant to unlock the regeneration of Watermark WestQuay and for the Council to act as Lead Accountable Body;
- (ii) That if the application is successful, to accept the grant set out in the Confidential Appendix 1 to the report, from the Regional Growth Fund;

- (iii) That in accordance with Financial Procedure Rules, to add a sum set out in Confidential Appendix 1 to the report, to the Economic Development & Leisure capital programme for the regeneration of Watermark WestQuay;
- (iv) That in accordance with Financial Procedure Rules, to approve capital expenditure in 2014/15 and as set out in Confidential Appendix 1 to the report from the Economic Development & Leisure capital programme to award a capital grant for the regeneration of Watermark WestQuay; and
- (v) That approval be delegated to the Director of Environment & Economy to enter into a grant agreement with Hammerson to distribute RGF resources for the Watermark WestQuay scheme and to take all ancillary actions to give effect to this resolution.

82. STRATEGIC SERVICES PARTNERSHIP (SSP) CONTRACT - PROPOSED CONTRACT EXTENSION

The report of the Leader of the Council was submitted seeking approval for a proposed contract extension of the Strategic Service Contract.

RESOLVED

- (i) That the Consultation process that was followed as outlined in paragraph 59 and Appendix 4 of the report be noted;
- (ii) That the Equality and Safety Impact Assessment process that was followed as set out in paragraph 60 and Appendix 3 of the report be noted;
- (iii) That the extension of the SSP contract with Capita Business Services Limited be approved as a Policy Framework decision, for five years, so that its expiry date becomes 30 September 2022 (extended from 30 September 2017), subject to the changes to the contract described in the report being made simultaneously, (except for that relating to sub-£100,000 spend being brought within the Procurement Services).
- (iv) That the Executive be recommended to implement the Policy Framework decision to extend the SSP contract by five years;
- (v) That the introduction of an IT Development Reserve to smooth the cost of future capital expenditure needed to maintain the desktop estate and associated hardware on an ongoing basis, thereby enabling effective planning to be undertaken over the medium term be approved;
- (vi) That the introduction of a Pension Reserve to manage expenditure associated with employers' pension contributions payable to the Hampshire Pension Fund for TUPE staff over the term of the contract and smooth the impact on the General Fund revenue budget in any one year be approved;
- (vii) That the governance arrangements set out in Appendix 2 to the report (in so far as they are matters for Full Council) be approved;

- (viii) That it be noted that the changes made during final negotiations as set out in Appendix 1 to the report, have taken into account the recommendations of Overview and Scrutiny Management Committee which met on 16 October 2013.
- (ix) That the Director of Corporate Services, together with the Chief Financial Officer and the Head of Legal and Democratic Services be granted delegated authority to take any further action necessary to give effect to the decisions of Full Council in relation to this matter; and
- (x) That these decisions would form an addendum to the Council's Policy Framework be noted.



SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON  
12 FEBRUARY 2014

Present:

The Sheriff, Councillor Mrs Blatchford (In the Chair)  
Councillors Baillie, Barnes-Andrews, Bogle, Burke, Chaloner, Claisse, Cunio, Daunt, Fitzhenry, Furnell, Hammond, Hannides, B Harris, L Harris, Kaur, Inglis, Jeffery, Keogh (item 85 onwards), Kolker, Letts, Lewzey, Lloyd, Mead, McEwing, Mintoff, Morrell, Moulton (item 85 onwards), Noon, Norris, Dr Paffey, Parnell, Payne, Pope, Rayment, Shields, Smith, Spicer, Stevens (item 85 onwards), Thomas, Tucker, Turner, Vassiliou, Vinson and Whitbread

THE SHERIFF (COUNCILLOR MRS BLATCHFORD ) IN THE CHAIR

83. APOLOGIES

Apologies for absence were submitted on behalf of Councillors Laming, Thorpe, and White.

84. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received and noted a deputation from Ann MacGillivray, concerning the budget;
- (ii) The Council received the following Public Questions from Mr Geering which were responded to by Councillor Rayment, Cabinet Member for Environment and Transport:

Question 1.

When did the Council make the decision to withdraw the local pass from disabled persons?

Answer

A decision was taken at Full Council in February 2013 that no new passes would be issued after 1 April 2013. It was also agreed that existing passes in use would continue to be valid until they expired.

Question 2.

How many disabled people have been affected by this decision and what is the impact on them?

Answer

There were 1,200 local disabled passes in use in April 2013. This figure has now reduced to around 800 as passes expire and all of the remaining passes

in use will expire during 2014. It is estimated that around 2/3 of the local bus pass holders will qualify for an English National Concessionary pass.

The English National concessionary scheme entitles disabled people of all ages who meet the following criteria to travel free of charge:

You will need to be over 5 years of age, have a long term disability (in excess of 12 months) and meet one of the following eligibility criteria:

- be blind or partially sighted
- be profoundly or severely deaf
- be without speech
- have a disability, or injury, which has a substantial and long-term effect on your ability to walk
- have no arms or have long-term loss of the use of both arms
- have a learning disability, that is, a state of arrested or incomplete development of mind which started before adulthood and includes significant impairment of intelligence and social functioning
- would be refused a licence to drive a motor vehicle, should an application be made under Part III of the Road Traffic Act 1988, under section 92 of the Act (physical fitness) otherwise than on the grounds of persistent misuse of drugs or alcohol

The Council currently enhances the national scheme, which runs from 09:30 to 23:00, by providing free travel from 09:00 until 00:30. In addition to this we also provide companion passes for those who are unable to travel alone.

### Question 3.

What savings have been made by the withdrawal of the local bus pass?

### Answer

The Council budgeted for a saving of £30,000 in 2013/14, £70,000 in 2014/15 and £100,000 in 2015/16.

## 85. COUNCIL TAX SETTING AND RELATED MATTERS

(A) GENERAL FUND CAPITAL PROGRAMME 2013/14 TO 2016/17

(B) GENERAL FUND REVENUE BUDGET 2014/15 TO 2016/17

The reports of the Cabinet Member for Resources were submitted seeking approval to the updated Capital Programme for 2013/14 - 2016/17 together with the latest estimated overall financial position on the General Fund Revenue Budget for 2014/15 - 2016/17 and outlining the main issues that needed to be addressed in considering the Cabinet's budget proposals. The recommendations therein as amended by Executive Budget Resolution 2014/15 to comprise the Executive's budget proposals were moved by Councillor Barnes-Andrews and seconded by Councillor Hammond (copies of reports circulated with agenda and appended to signed minutes and a copy of the amended Executive Budget resolution as circulated at the meeting attached as Appendix 1 to these minutes).

The Council agreed to suspend Council Procedure Rules 14.2, 14.4, 14.5, 14.6, 14.7, 14.8, 14.9 and 16.2:-

- (i) to enable the above items to be considered together;
- (ii) to enable any amendments to be proposed, seconded and considered at the same time;
- (iii) to enable any amendment to be re-introduced later into the meeting; and
- (iv) to revise the time allowed for speakers as follows:-

Movers of motions - 20 minutes  
Seconders - 10 minutes  
Other Speakers - 4 minutes

An altered amendment setting out the Liberal Democrat Group's budget proposals (Liberal Democrat Budget Resolution 2014/15) was moved by Councillor Vinson and seconded by Councillor Turner (copy attached as Appendix 2 to these minutes).

UPON BEING PUT TO THE VOTE THE LIBERAL DEMOCRAT GROUP'S PROPOSALS WERE DECLARED LOST.

UPON BEING PUT TO THE VOTE THE EXECUTIVE'S BUDGET PROPOSALS AS AMENDED WERE DECLARED CARRIED.

RESOLVED that the General Fund Capital Programme 2013/14 to 2016/17 and the General Fund Revenue Budget 2014/15 to 2016/17, as amended by Executive Budget Resolution 2014/15 (Appendix 1 to these minutes) be adopted.

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

The report of the Cabinet Member for Housing and Sustainability was submitted setting out the Housing Revenue Account budget proposals and long term business plan (copy of report circulated with agenda and appended to signed minutes).

#### RESOLVED:

- (i) That the Tenant Resource Group be thanked for their input to the capital and revenue budget setting process and their endorsement of the recommendations set out in the report and also the broad support for the proposals received at the Tenants' Winter Conference be noted;
- (ii) that the following be approved to calculate the dwelling rent increase from 1 April 2014:
  - That the standard increase applied to all dwelling rents should be 3.7% (RPI plus 0.5% as set out in paragraph 9), equivalent to an average increase of £2.91 per week; and
  - That dwelling specific rent restructuring adjustments should be made to give an additional increase in average rent levels of 3.25% (£2.55 per week), subject to the total increase from both elements not exceeding £10.00 per week for any individual property (as set out in paragraph 16 of the report);

- (iii) that, based on the calculation set out in resolution (ii) above, that with effect from the 1 April 2014, the current average weekly dwelling rent figure of £78.53 be increased by 6.95%, which would equate to an average increase of £5.46 per week;
- (iv) that it be noted that the actual total increase in individual rents would vary by property as explained in paragraph 17 of the report;
- (v) that the following weekly service charges from 1 April 2014 based on a full cost recovery approach be noted:
  - Digital TV £0.42 (unchanged from 2013/14)
  - Concierge £1.20 (unchanged from 2013/14)
  - Tower Block Warden charge £4.97 (unchanged from 2013/14)
- (vi) that the proposed service charges for supported accommodation, as set out in paragraph 33 of the report, should be used as the basis for consultation with tenants;
- (vii) that it be noted that a new cleaning charge for walk up blocks of £0.91 per week, approved in the February 2013 budget report, will be introduced from 1 April 2014;
- (viii) that it be noted that the charges for garages and parking spaces for 2014/15 would be increased by 3.2% in line with the increase in RPI used in the calculation of the increase in average rents;
- (ix) that the Housing Revenue Account Revenue Estimates as set out in Appendix 1 to the report be approved;
- (x) that the principle that the HRA Business Plan should have minimum 'borrowing headroom' of £6M, at the time of its annual approval by Council, as detailed in paragraph 8 of the report be approved;
- (xi) that the revised Housing Revenue Account Capital Programme set out in Appendix 2 to the report be approved and that the key variances and issues in Appendix 3 to the report be noted;
- (xii) that the 30 year Business Plans for revenue and capital expenditure set out in Appendices 4 and 5 of the report respectively be approved;
- (xiii) that the HRA Business Plan assumptions set out in Appendix 6 to the report be noted; and
- (xiv) that rental income and service charge payments would continue to be paid by tenants over a 48 week period be noted.

87. TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS 2014/15 TO 2016/17

The report of the Chief Financial Officer was submitted regarding the Council's proposed treasury management strategy for the coming year in relation to the Council's cash flow, investment and borrowing, and the management of the numerous risks related to this activity (copy of report circulated with agenda and appended to signed minutes).

RESOLVED:

- (i) that the Council's Treasury Management (TM) Strategy and Prudential Indicators for 2014/15, 2015/16 and 2016/17, as detailed within the report be approved;
- (ii) that the 2014 Minimum Revenue Provision (MRP) Statement as detailed in paragraphs 74 to 83 of the report be approved;
- (iii) that the Annual Investment Strategy as detailed in paragraphs 36 to 50 of the report be approved;
- (iv) that it be noted that at the time of writing the report the recommendations in the Capital Programme Update report, submitted to Council on the 12 February 2014, had not yet been approved. The indicators in the report are based on the assumption that they would be approved, but should the recommendations change, the Prudential Indicators may have to be recalculated; and
- (v) that delegated authority continue to be granted to the Chief Financial Officer (CFO), following consultation with the Cabinet Member for Resources to approve any changes to the Prudential Indicators or borrowing limits that will aid good treasury management. For example, agreeing an increase in the percentage for variable rate borrowing to take advantage of the depressed market for short term rates. Any amendments would be reported as part of quarterly financial and performance monitoring and in revisions to the TM Strategy.

This page is intentionally left blank

**LABOUR GROUP BUDGET RESOLUTION 2014/15**

**It is recommended that Council :**

- i) Notes the Consultation process that was followed as outlined in Appendix 1 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda and notes that this year's process took into consideration feedback from last year on how to improve the process.
- ii) Notes that the 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 25 to 27 of the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda, and the details contained in Appendix 2 to the report which reflect the feedback received through the consultation process.
- iv) Approves the revised estimate for 2013/14 as set out in Annex 1 to this Resolution.
- v) Accepts grants which total £3.6M (£3.35M from the Cabinet Office and £250,000 from the Department for Work & Pensions) to support unemployed adults and young people into employment as part of the City Deal and approves in accordance with financial procedure rules revenue expenditure for the delivery of the programme over a period of three years.
- vi) Approves the Council to act as Lead Accountable Body for the administration of the grant funding which totals £3.6M across the Solent LEP area.
- vii) Delegates authority to the Assistant Chief Executive to undertake such actions necessary to enable the successful delivery of the programme.
- viii) Notes the position on the forecast roll forward budget for 2014/15 as set out in paragraphs 44 to 72 of the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda as amended by the changes in Annex 2 to this Resolution.
- ix) Notes the explanation of the changes to the revised estimate for 2013/14 and the forecast roll forward budget for 2014/15 as set out in Annex 3 to this Resolution.
- x) Delegates authority to the Chief Financial Officer to grant Business Rates Retail Relief to qualifying ratepayers using the Council's discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended by the Localism Act 2011 for the financial years 2014/15 and 2015/16 only, as set out in Annex 3 to this Resolution.
- xi) Approves the revenue pressures as set out in Appendix 4 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda.
- xii) Approves the revenue bids set out in Appendix 5 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda.
- xiii) Approves the efficiencies, income and service reductions as set out in Appendix 6 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda.

- xiv) Approves the General Fund Revenue Budget as set out in Annex 4 to this Resolution which assumes a council tax increase of 1.99%.
- xv) Delegates authority to the Chief Financial Officer to action all budget changes arising from the approved pressures, bids, efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- xvi) Approves the allocation of up to £500,000 from the Organisational Development Fund which is part of the Strategic Reserve to fund the resourcing requirements to complete the Pay & Allowances Review.
- xvii) Notes that after taking these items into account, there is an estimated General Fund balance of £6.5M at the end of 2017/18 as set out in Annex 6 to this Resolution.
- xviii) Delegates authority to the Chief Financial Officer, in consultation with the Director of Corporate Services, to do anything necessary to give effect to the recommendations in this Resolution.
- xix) Sets the Council Tax Requirement for 2014/15 at £73,467,000.
- xx) Notes the estimates of precepts on the Council Tax collection fund for 2014/15 as set out in Annex 7 to this Resolution.
- xxi) Delegates authority to the Chief Financial Officer to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire Fire and Rescue Authority precept and the Police and Crime Commissioner for Hampshire precept.
- xxii) Notes the Medium Term Forecast as set out in Annex 8 to this Resolution.
- xxiii) Authorises the Chief Executive and Chief Officers to pursue the development of the options for efficiencies, income and service reductions as set out in Appendix 6 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda for the financial years 2015/16 and 2016/17 and continue to develop options to close the remaining projected gaps in those years.
- xxiv) Approves the following amounts now calculated by the Council for the year 2014/15 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992 as amended (the Act).
- xxv) Determines in accordance with Section 52ZB of the Act that the Council's relevant basic amount of Council Tax for 2014/15 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC of the Act.



- |   |                 |
|---|-----------------|
| a) Aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.   | £649,589,050.00 |
| b) Aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.   | £576,122,050.00 |
| c) Calculation in accordance with Section 31A(4) of the Act, of the Council's council tax requirement for the year, being the amount by which the aggregate at a) above exceeds the aggregate at b) above. (Item R in the formula in Section 31B(1) of the Act).    | £73,467,000.00  |
| d) The amount at c) above (Item R), divided by the Council Tax base of 57,044.0 (Item T in the formula in Section 31B(1) of the Act), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year. | £1,287.90       |

e) Precepting authority - Southampton City Council	Valuation Bands	Amount
	A	£858.60
	B	£1,001.70
	C	£1,144.80
	D	£1,287.90
	E	£1,574.10
	F	£1,860.30
	G	£2,146.50
	H	£2,575.80

Being the amounts given by multiplying the amount at d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amount to be taken into account for the year in respect of dwellings listed in different valuation bands.

- f) That it be noted for the year 2014/15 that the Police And Crime Commissioner for Hampshire are provisionally recommending the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown in the following table:

	Valuation Bands	Amount
	A	£102.84
	B	£119.98
	C	£137.12
	D	£154.26
	E	£188.54
	F	£222.82
	G	£257.10
	H	£308.52

- g) That it be noted for the year 2014/15 that the Hampshire Fire and Rescue Authority are provisionally recommending the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown in the following table:

Valuation Bands	Amount
A	£40.92
B	£47.74
C	£54.56
D	£61.38
E	£75.02
F	£88.66
G	£102.30
H	£122.76

- h) That, having calculated the aggregate in each case of the amounts at e), f) and g) above, the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts of the Council Tax for the year 2014/15 for each of the categories of dwellings shown below subject to final notification of the precepts for the Police and Crime Commissioner for Hampshire and the Hampshire Fire and Rescue Authority:

Valuation Bands	Amount
A	£1,002.36
B	£1,169.42
C	£1,336.48
D	£1,503.54
E	£1,837.66
F	£2,171.78
G	£2,505.90
H	£3,007.08

**GENERAL FUND 2013/14 - REVISED BUDGET**

	<b>Working Budget £000's</b>	<b>Revised Budget £000's</b>	<b>Variance £000's</b>
<b>Portfolio Total</b>	<b>214,798.0</b>	<b>214,798.0</b>	<b>0.0</b>
<b>Levies &amp; Contributions</b>			
Southern Seas Fisheries Levy	31.4	31.4	0.0
Flood Defence Levy	31.8	31.8	0.0
Coroners Service	560.0	600.0	40.0 A
	<b>623.2</b>	<b>663.2</b>	<b>40.0 A</b>
<b>Capital Asset Management</b>			
Capital Financing Charges	13,356.6	13,568.6	212.0 A
Capital Asset Management Account	(24,585.1)	(25,997.1)	1,412.0 F
	<b>(11,228.5)</b>	<b>(12,428.5)</b>	<b>1,200.0 F</b>
<b>Other Expenditure &amp; Income</b>			
Direct Revenue Financing of Capital	401.0	401.0	0.0
Net Housing Benefit Payments	(881.9)	(881.9)	0.0
Non-Specific Government Grants	(134,449.6)	(138,282.2)	3,832.6 F
Contribution to Pay Reserve	1,400.0	1,400.0	0.0
Contribution to Transformation Fund	1,000.0	1,000.0	0.0
Collection Fund (Surplus) / Deficit	(1,041.6)	(1,041.6)	0.0
Open Spaces and HRA	435.7	435.7	0.0
Risk Fund	752.4	450.8	301.6 F
Contingencies	410.7	410.7	0.0
(Surplus) / Deficit on Trading Areas	35.8	35.8	0.0
	<b>(131,937.5)</b>	<b>(136,071.7)</b>	<b>4,134.2 F</b>
<b>NET GF SPENDING</b>	<b>72,255.2</b>	<b>66,961.0</b>	<b>5,294.2 F</b>
<b>Draw from Balances:</b>			
To fund the Capital Programme	(401.0)	(401.0)	0.0
Draw from Balances (General)	(980.1)	4,314.1	5,294.2 F
Draw from Strategic Reserve	(825.0)	(825.0)	0.0
	<b>(2,206.1)</b>	<b>3,088.1</b>	<b>5,294.2 F</b>
<b>COUNCIL TAX REQUIREMENT</b>	<b>70,049.1</b>	<b>70,049.1</b>	<b>0.0</b>

**LABOUR GROUP BUDGET PROPOSALS**  
**AMENDMENTS TO FORECAST ROLL FORWARD BUDGET 2014/15**

REF.		BETTER £000's	WORSE £000's
	<b><u>SECTION A - Business Rates</u></b>		
NEW a	Increased Deficit to be Recovered in 2014/15		4,022.4
	<b><u>Section B - Other</u></b>		
NEW b	Net Impact of Final Local Government Finance Settlement	(5.4)	
	<b><u>Section C - Balances</u></b>		
NEW c	Increased Draw From Balances in 2014/15	(4,017.0)	
		<u>(4,022.4)</u>	<u>4,022.4</u>
	<b>Net Gap / (Surplus)</b>		<u><u>0.0</u></u>

## **EXPLANATION OF CHANGES**

When the General Fund Revenue Budget 2014/15 to 2016/17 report was published, it was acknowledged that a number of factors would potentially change which would affect the budget proposed. It was advised that any changes required would be highlighted and taken into account if necessary in a revised budget proposal for the Council meeting on 12 February.

The areas that remained to be clarified were:

- The final Local Government Settlement.
- Referendum limits and principals and the impact on council tax setting.
- Regulations and guidance in relation to the Business Rates Retention Scheme.

The final position for each of these three elements is set out below.

### **FINAL LOCAL GOVERNMENT SETTLEMENT**

The final settlement was published on 5 February 2014 and confirmed that there are no changes to the proposals that were previously announced at the provisional settlement (i.e. the methodology used to determine Settlement Funding Assessment figures and related specific grants remain unchanged).

However, there has been an increase to Revenue Support Grant (RSG) nationally of £3.1M for 2014/15, as the Efficiency Support Grant and the Efficiency Support Grant for Services in Sparse Areas (now to be known as the Rural Services Delivery Grant) allocations remained unchanged from the provisional settlement and so amounts held back are not required. This has resulted in an increase in funding to the Council of £10,600. No changes were made to the illustrative figures for 2015/16.

### **COUNCIL TAX**

At the time of writing the General Fund Revenue Budget 2014/15 to 2016/17 report, the Government had yet to announce the Council Tax Referendum threshold for the 2014/15 budget year. The referendum level was set at 2%, but government had indicated that they were minded to consider representations for a lowering of the threshold. There was therefore a distinct possibility that the referendum threshold would be lowered, and if this were the case Council would have had to decide whether to proceed with the proposed council tax increase of just under 2%, which would trigger a referendum, or to consider a lower council tax increase taking account of any revised referendum limit.

The Minister's written statement for the Final Local Government Finance Settlement confirmed that the referendum limit is set at 2% but that this will apply to the level of Band D council tax including levies, which was not previously the case. The impact of this change on the level of council tax is to set a basic amount of council tax for the year of £1,287.90, which is a 1.99% increase. This reduces the overall level of council tax to be raised by £5,200 in 2014/15.

**BUSINESS RATES RETENTION (BRR) SCHEME**

This is the first year of the new Business Rates Retention Scheme and the estimated position for the year is a deficit of £17.6M of which the Council's share is 49% or £8.6M. However, in January 2013 the Government announced its intention to make regulations allowing the liability for prior year appeals (which are a major factor in the deficit position) to be spread over five years from 2013/14 to 2017/18. At the point of writing the General Fund Revenue Budget 2014/15 to 2016/17 report these regulations were still awaited.

Regulations have been laid that confirm local authorities' ability to spread this liability. However, further regulations have yet to be finalised and discussions with the DCLG have confirmed that they intend to amend the regulations for 2013/14, which will affect the BRR Scheme and change the financial consequences in that year of decisions to spread the liability for prior year appeals.

The changes in essence will mean that if the Council does not spread the liability for prior year appeals and bears the full deficit in 2014/15 that it will be eligible for a Safety Net payment in 2013/14 that is forecast to be almost £1.5M. In addition, a Section 31 grant will be payable in 2013/14 to compensate the Council for lost income due to changes made to small business rate relief which is anticipated to be £0.8M. These changes are reflected in Annex 1, which sets the revised budget for 2013/14 to be approved by Council.

The impact of the decision not to spread the liability for prior year appeals and how this will be managed through balances is shown below:

	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Safety Net Payment	(1,494.2)				
Section 31 Grant	(800.0)				
Collection Fund Deficit Profile		4,022.4	(1,340.8)	(1,340.8)	(1,340.8)
Addition to / (Draw From) Balances	2,294.2	(4,022.4)	1,340.8	1,340.8	1,340.8
<b>Net Impact of Changes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

This change in treatment has enabled the Council to add an additional £2.3M to balances which will be drawn in 2015/16 and 2017/18 and will reduce the forecast gap in those years by £1.8M and £0.5M respectively.

**FORECAST ROLL FORWARD BUDGET 2014/15**

The roll forward gap remains at £14.4M, as set out in the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda but there are changes to how this figure has been arrived at due to the items explained above.

The overall impact on the forecast revenue position is shown in the Table below:

	<b>2014/15</b>
	<b>£000's</b>
<b>Forecast Deficit in Budget Report</b>	<b>14,401.0</b>
Settlement Change in Grant Funding	(10.6)
Council Tax Referendum Limits	5.2
BRR Scheme – Deficit Profile	4,022.4
– Draw From Balances	(4,022.4)
Addition to Balances	5.4
<b>Revised Forecast Deficit</b>	<b>14,401.0</b>

### PROPOSED BUDGET PACKAGE 2014/15

Summarised below is the proposed budget package put forward by the Executive for consideration. The detailed analysis is reflected in the General Fund Revenue Account set out in Annex 4 to this Resolution. The proposals are based on a Council Tax increase of 1.99% and include a draw from balances of £8.4M.

	<b>£000,s</b>
<b>Total GF Spending (After Draw From Balances &amp; Pressures)</b>	<b>87,868.0</b>
Bids (Appendix 5)	50.0
Efficiencies, Income and Service Reductions (Appendix 6)	(14,451.0)
<b>Council Tax Requirement</b>	<b>73,467.0</b>

### GRANTING OF BUSINESS RATES RETAIL RELIEF (2014/15 & 2015/16)

As part of the 2013 Autumn Statement the Government announced a range of measures in relation to Business Rates. One of these was to grant a discount of up to £1,000 against business rates bill for retail premises such as pubs, cafes, restaurants and charity shops with a rateable value of up to £50,000 in 2014/15 and 2015/16. A definition of the properties that will benefit from this relief is set out in the Business Rates Retail Relief Guidance issued by the DCLG.

As this is a measure for 2014/15 and 2015/16 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government has set out in the guidance that it expects local authorities to use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief. As a consequence, it will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to grant relief to qualifying ratepayers and Council are therefore asked to delegate authority to the Chief Financial Officer to grant Business Rates Retail Relief to qualifying ratepayers for the financial years 2014/15 and 2015/16, as per recommendation (x) of this Resolution.

**2014/15 GENERAL FUND REVENUE ACCOUNT**

<b>Portfolios</b>	<b>2014/15 Forecast £000's</b>	<b>Revenue Pressures £000's</b>	<b>Revenue Bids £000's</b>	<b>Savings &amp; Income £000's</b>	<b>2014/15 Budget £000's</b>
Children's Services	55,692.5	3,300.0		(140.0)	58,852.5
Communities	3,780.8			(166.0)	3,614.8
Economic Development & Leisure	13,752.8		50.0	(170.0)	13,632.8
Environment & Transport	38,835.4	128.0		(1,942.7)	37,020.7
Health & Adult Social Care	71,720.2	91.0		(7,766.0)	64,045.2
Housing & Sustainability	2,341.6			(87.3)	2,254.3
Leader's Portfolio	3,265.4	105.0		(268.0)	3,102.4
Resources	22,822.6			(3,911.0)	18,911.6
<b>Sub-total for Portfolios</b>	<b>212,211.3</b>	<b>3,624.0</b>	<b>50.0</b>	<b>(14,451.0)</b>	<b>201,434.3</b>
<b>Levies &amp; Contributions</b>					
Southern Seas Fisheries Levy	31.4				31.4
Flood Defence Levy	39.8				39.8
Coroners Service	560.0				560.0
	<b>631.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>631.2</b>
<b>Capital Asset Management</b>					
Capital Financing Charges	12,588.4				12,588.4
Capital Asset Management Account	(24,525.7)				(24,525.7)
	<b>(11,937.3)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(11,937.3)</b>
<b>Other Expenditure &amp; Income</b>					
Direct Revenue Financing of Capital	100.0				100.0
Trading Areas (Surplus) / Deficit	0.0				0.0
Net Housing Benefit Payments	(758.2)				(758.2)
Non-Specific Government Grants & Other Funding	(70,371.9)				(70,371.9)
Business Rates (*)	(40,455.9)				(40,455.9)
Council Tax Collection Fund (Surplus) / Deficit	(1,781.9)				(1,781.9)
Open Spaces and HRA	435.7				435.7
Risk Fund	4,400.0				4,400.0
Contingencies	250.0				250.0
	<b>(108,182.2)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(108,182.2)</b>
<b>NET GF SPENDING</b>	<b>92,723.0</b>	<b>3,624.0</b>	<b>50.0</b>	<b>(14,451.0)</b>	<b>81,946.0</b>
<b>Draw from Balances:</b>					
Addition to / (Draw From) Balances	(8,379.0)				(8,379.0)
To fund the Capital Programme	(100.0)				(100.0)
	<b>(8,479.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(8,479.0)</b>
Revenue Pressures	3,624.0	(3,624.0)			0.0
<b>Net Gap in Budget After Pressures</b>	<b>14,401.0</b>	<b>0.0</b>	<b>50.0</b>	<b>(14,451.0)</b>	<b>0.0</b>
<b>COUNCIL TAX REQUIREMENT</b>	<b>73,467.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>73,467.0</b>

(\* Includes Section 31 Grant in respect of reduced Business Rates income due to changes announced in the Autumn Statement, Collection Fund deficit / surplus in respect of Business Rates and also the Top Up paid to the Council as part of the Business Rates Retention Scheme)



**COUNCIL TAX CALCULATION 2014/15**

	2013/14 £000's	2014/15 £000's	Change £000's	Change %
<b>Budget Requirement (a)</b>	<b>194,861.7</b>	<b>173,136.1</b>	<b>(21,725.6)</b>	<b>-11.15%</b>
Less NDR	(49,534.0)	(45,562.1)	3,971.9	-8.02%
Less Top Up Payment	(1,548.8)	(1,579.0)	(30.2)	1.95%
Less RSG	(72,688.2)	(59,393.1)	13,295.0	-18.29%
Aggregate External Finance	(123,771.0)	(106,534.2)	17,236.8	-13.93%
Deficit / (Surplus) on Council Tax Collection Fund	(1,041.6)	(1,781.9)	(740.3)	71.07%
Deficit / (Surplus) on Business Rates Collection Fund		8,646.9	8,646.9	
<b>Net Grant Income (b)</b>	<b>(124,812.6)</b>	<b>(99,669.2)</b>	<b>25,143.4</b>	<b>-20.14%</b>
<b>Amount to be met from Council Tax (a - b)</b>	<b>70,049.1</b>	<b>73,467.0</b>	<b>3,417.9</b>	<b>4.88%</b>
Tax base	55,471.7	57,044.0	1,572.3	2.83%
<b>Basic amount of Council Tax (Band D)</b>	<b>1,262.79</b>	<b>1,287.90</b>	<b>25.11</b>	<b>1.99%</b>
Last years Council Tax		1,262.79		
Increase (Cash)		25.11		
Increase (Cash per Week)		0.48		
Increase (%)		1.99%		

**ANNEX 6**

**BALANCES**

	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's
Opening Balance	29,923.5	28,967.6	15,247.7	8,733.4	6,500.0
Draw to Support Capital	(401.0)	(100.0)	0.0	0.0	0.0
(Draw to Support) / Contribution from Revenue	6,714.1	(8,379.0)	(2,084.2)	2,506.8	4,000.0
Contributions (to) / from Other Reserves	(1,400.0)	0.0	0.0	0.0	0.0
Draw for Strategic Schemes	(5,869.0)	(5,240.9)	(4,430.1)	(4,740.2)	(4,000.0)
<b>Closing Balance</b>	<b>28,967.6</b>	<b>15,247.7</b>	<b>8,733.4</b>	<b>6,500.0</b>	<b>6,500.0</b>

**COLLECTION FUND ESTIMATES 2014/15**

	2013/14 £000's	2014/15 £000's	Change £000's	Change %
Southampton City Council Precept	70,049.1	73,467.0	3,417.9	4.88%
Police and Crime Commissioner for Hampshire Precept	8,390.1	8,799.6	409.5	4.88%
Fire and Rescue Authority Precept	3,404.9	3,501.4	96.5	2.83%
Income due from Council Tax Payers	<u>81,844.0</u>	<u>85,767.9</u>	<u>3,923.9</u>	<u>4.79%</u>
Tax Base for Area	55,471.7	57,044.0	1,572.3	2.83%
<b>Basic Amount of Tax for Band D Property</b>	<b><u>1,475.42</u></b>	<b><u>1,503.54</u></b>	<b><u>28.12</u></b>	<b><u>1.91%</u></b>

(The tax base and resulting precepts are now calculated on a slightly different basis than in previous years, reflecting the required adjustments as a result of the localisation of Council Tax Benefit and the changes to associated funding. Changes to the scheme approved by Council in January 2013 for implementation from April 2014 have the impact of increasing the overall taxbase going forward).

**MEDIUM TERM FINANCIAL FORECAST**

<b>Portfolios</b>	<b>2014/15 Forecast £000's</b>	<b>Base Changes £000's</b>	<b>2015/16 Forecast £000's</b>	<b>Base Changes £000's</b>	<b>2016/17 Forecast £000's</b>
Children's Services	58,852.5		58,852.5		58,852.5
Communities	3,614.8		3,614.8		3,614.8
Economic Development & Leisure	13,632.8		13,632.8		13,632.8
Environment & Transport	37,020.7		37,020.7		37,020.7
Health & Adult Social Care	64,045.2		64,045.2		64,045.2
Housing & Sustainability	2,254.3		2,254.3		2,254.3
Leader's Portfolio	3,102.4		3,102.4		3,102.4
Resources	18,911.6		18,911.6		18,911.6
Add Pressures - Future Years (Unknown)		1,000.0	1,000.0	1,000.0	2,000.0
Base Changes & Inflation		3,639.9	3,639.9	7,904.0	11,543.9
<b>Sub-total for Portfolios</b>	<b>201,434.3</b>	<b>4,639.9</b>	<b>206,074.2</b>	<b>8,904.0</b>	<b>214,978.2</b>
<b>Levies &amp; Contributions</b>					
Southern Seas Fisheries Levy	31.4		31.4		31.4
Flood Defence Levy	39.8		39.8		39.8
Coroners Service	560.0		560.0		560.0
	<b>631.2</b>	<b>0.0</b>	<b>631.2</b>	<b>0.0</b>	<b>631.2</b>
<b>Capital Asset Management</b>					
Capital Financing Charges	12,588.4	1,000.0	13,588.4	960.0	14,548.4
Capital Asset Management Account	(24,525.7)	(500.0)	(25,025.7)	(460.0)	(25,485.7)
	<b>(11,937.3)</b>	<b>500.0</b>	<b>(11,437.3)</b>	<b>500.0</b>	<b>(10,937.3)</b>
<b>Other Expenditure &amp; Income</b>					
Direct Revenue Financing of Capital	100.0	(100.0)	0.0		0.0
Trading Areas (Surplus) / Deficit	0.0		0.0		0.0
Net Housing Benefit Payments	(758.2)		(758.2)		(758.2)
Non-Specific Government Grants & Other Funding	(70,371.9)	26,423.0	(43,948.9)	12,718.2	(31,230.7)
Business Rates	(40,455.9)	(6,891.3)	(47,347.2)	(937.2)	(48,284.4)
Council Tax Collection Fund (Surplus) / Deficit	(1,781.9)	1,781.9	0.0		0.0
Open Spaces and HRA	435.7		435.7		435.7
Risk Fund	4,400.0	100.0	4,500.0	100.0	4,600.0
Contingencies	250.0		250.0		250.0
	<b>(108,182.2)</b>	<b>21,313.6</b>	<b>(86,868.6)</b>	<b>11,881.0</b>	<b>(74,987.6)</b>
<b>NET GF SPENDING</b>	<b>81,946.0</b>	<b>26,453.5</b>	<b>108,399.5</b>	<b>21,285.0</b>	<b>129,684.5</b>
<b>Draw from Balances:</b>					
Addition to / (Draw From) Balances	(8,379.0)	6,294.8	(2,084.2)	4,591.0	2,506.8
To fund the Capital Programme	(100.0)	100.0	0.0		0.0
<b>NET GAP IN BUDGET</b>	<b>(8,479.0)</b>	<b>6,394.8</b>	<b>(2,084.2)</b>	<b>4,591.0</b>	<b>2,506.8</b>
<b>COUNCIL TAX REQUIREMENT</b>	<b>73,467.0</b>	<b>32,848.3</b>	<b>106,315.3</b>	<b>25,876.0</b>	<b>132,191.3</b>
Council Tax	73,467.0	1,463.1	74,930.1	1,494.0	76,424.1
<b>Roll Forward Gap</b>	<b>0.0</b>	<b>31,385.2</b>	<b>31,385.2</b>	<b>24,382.0</b>	<b>55,767.2</b>
Less Savings - Future Years (Known)		(427.0)	(427.0)	(600.0)	(1,027.0)
<b>REVISED GAP</b>	<b>0.0</b>	<b>30,958.2</b>	<b>30,958.2</b>	<b>23,782.0</b>	<b>54,740.2</b>

**LIBERAL DEMOCRAT GROUP BUDGET RESOLUTION 2014/15**

**It is recommended that Council :**

- i) Notes the Consultation process that was followed as outlined in Appendix 1 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda and notes that this year's process took into consideration feedback from last year on how to improve the process.
- ii) Notes that the 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 25 to 27 of the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda, and the details contained in Appendix 2 to the report which reflect the feedback received through the consultation process.
- iv) Approves the revised estimate for 2013/14 as set out in Annex 1 to this Amendment.
- v) Notes that this revised estimate reflects a reduced contribution from the Environment & Transport Portfolio to provide Direct Revenue Funding to finance the Capital Programme of £2,585,000 and that this funding will be replaced by Council Resources.
- vi) Accepts grants which total £3.6M (£3.35M from the Cabinet Office and £250,000 from the Department for Work & Pensions) to support unemployed adults and young people into employment as part of the City Deal and approves in accordance with financial procedure rules revenue expenditure for the delivery of the programme over a period of three years.
- vii) Approves the Council to act as Lead Accountable Body for the administration of the grant funding which totals £3.6M across the Solent LEP area.
- viii) Delegates authority to the Assistant Chief Executive to undertake such actions necessary to enable the successful delivery of the programme.
- ix) Notes the position on the forecast roll forward budget for 2014/15 as set out in paragraphs 44 to 72 of the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda as amended by the changes in Annex 2 to this Resolution.
- x) Notes the explanation of the changes to the revised estimate for 2013/14 and the forecast roll forward budget for 2014/15 as set out in Annex 3 to this Resolution as a result of the final Local Government Finance Settlement and amendments to the Business Rates Retention Scheme.
- xi) Delegates authority to the Chief Financial Officer to grant Business Rates Retail Relief to qualifying ratepayers using the Council's discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended by the Localism Act 2011 for the financial years 2014/15 and 2015/16 only, as set out in Annex 3 to this Resolution.
- xii) Approves the revenue pressures as set out in Appendix 4 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda.



- xiii) Approves the revenue bids set out in Appendix 5 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda as amended by the changes in Section A of Annex 2 and set out in more detail in Annex 4 to this Resolution.
- xiv) Approves the efficiencies, income and service reductions as set out in Appendix 6 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda as amended by the changes in Section B & C of Annex 2 and set out in more detail in Annex 5 to this Resolution.
- xv) Approves the General Fund Revenue Budget as set out in Annex 6 to this Resolution which assumes a council tax increase of 1.99%.
- xvi) Delegates authority to the Chief Financial Officer to action all budget changes arising from the approved pressures, bids, efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- xvii) Approves the allocation of up to £500,000 from the Organisational Development Fund which is part of the Strategic Reserve to fund the resourcing requirements to complete the Pay & Allowances Review.
- xviii) Notes that after taking these items into account, there is an estimated General Fund balance of £6.9M at the end of 2017/18 as set out in Annex 8 to this Resolution.
- xix) Delegates authority to the Chief Financial Officer, in consultation with the Director of Corporate Services, to do anything necessary to give effect to the recommendations in this Resolution.
- xx) Sets the Council Tax Requirement for 2014/15 at £73,467,000.
- xxi) Notes the estimates of precepts on the Council Tax collection fund for 2014/15 as set out in Annex 9 to this Resolution.
- xxii) Delegates authority to the Chief Financial Officer to implement any variation to the overall level of Council Tax arising from the final notification of the Hampshire Fire and Rescue Authority precept and the Police and Crime Commissioner for Hampshire precept.
- xxiii) Notes the Medium Term Forecast as set out in Annex 10 to this Resolution.
- xxiv) Authorises the Chief Executive and Chief Officers to pursue the development of the options for efficiencies, income and service reductions as set out in Appendix 6 to the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda for the financial years 2015/16 and 2016/17 as amended by the changes in Section B & C of Annex 2 to this Amendment and continue to develop options to close the remaining projected gaps in those years.
- xxv) Approves the following amounts now calculated by the Council for the year 2014/15 in accordance with Section 31 and Sections 34 to 36 of the Local Government Finance Act 1992 as amended (the Act).
- xxvi) Determines in accordance with Section 52ZB of the Act that the Council's relevant basic amount of Council Tax for 2014/15 is not excessive in accordance with principles approved by the Secretary of State under Section 52ZC of the Act.

- |   |                 |
|---|-----------------|
| a) Aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.   | £648,966,250.00 |
| b) Aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.   | £575,499,250.00 |
| c) Calculation in accordance with Section 31A(4) of the Act, of the Council's council tax requirement for the year, being the amount by which the aggregate at a) above exceeds the aggregate at b) above. (Item R in the formula in Section 31B(1) of the Act).    | £73,467,000.00  |
| d) The amount at c) above (Item R), divided by the Council Tax base of 57,044.0 (Item T in the formula in Section 31B(1) of the Act), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year. | £1,287.90       |

e) Precepting authority - Southampton City Council	Valuation Bands	Amount
	A	£858.60
	B	£1,001.70
	C	£1,144.80
	D	£1,287.90
	E	£1,574.10
	F	£1,860.30
	G	£2,146.50
	H	£2,575.80

Being the amounts given by multiplying the amount at d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amount to be taken into account for the year in respect of dwellings listed in different valuation bands.

- f) That it be noted for the year 2014/15 that the Police And Crime Commissioner for Hampshire are provisionally recommending the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown in the following table:

Valuation Bands	Amount
A	£102.84
B	£119.98
C	£137.12
D	£154.26
E	£188.54
F	£222.82
G	£257.10
H	£308.52

- g) That it be noted for the year 2014/15 that the Hampshire Fire and Rescue Authority are provisionally recommending the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown in the following table:

Valuation Bands	Amount
A	£40.92
B	£47.74
C	£54.56
D	£61.38
E	£75.02
F	£88.66
G	£102.30
H	£122.76

- h) That, having calculated the aggregate in each case of the amounts at e), f) and g) above, the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the following amounts of the Council Tax for the year 2014/15 for each of the categories of dwellings shown below subject to final notification of the precepts for the Police and Crime Commissioner for Hampshire and the Hampshire Fire and Rescue Authority:

Valuation Bands	Amount
A	£1,002.36
B	£1,169.42
C	£1,336.48
D	£1,503.54
E	£1,837.66
F	£2,171.78
G	£2,505.90
H	£3,007.08



**GENERAL FUND 2013/14 - REVISED BUDGET**

	<b>Working Budget £000's</b>	<b>Revised Budget £000's</b>	<b>Variance £000's</b>
<b>Portfolio Total</b>	<b>214,798.0</b>	<b>212,213.0</b>	<b>2,585.0 F</b>
<b>Levies &amp; Contributions</b>			
Southern Seas Fisheries Levy	31.4	31.4	0.0
Flood Defence Levy	31.8	31.8	0.0
Coroners Service	560.0	600.0	40.0 A
	<b>623.2</b>	<b>663.2</b>	<b>40.0 A</b>
<b>Capital Asset Management</b>			
Capital Financing Charges	13,356.6	13,568.6	212.0 A
Capital Asset Management Account	(24,585.1)	(25,997.1)	1,412.0 F
	<b>(11,228.5)</b>	<b>(12,428.5)</b>	<b>1,200.0 F</b>
<b>Other Expenditure &amp; Income</b>			
Direct Revenue Financing of Capital	401.0	401.0	0.0
Net Housing Benefit Payments	(881.9)	(881.9)	0.0
Non-Specific Government Grants	(134,449.6)	(138,282.2)	3,832.6 F
Contribution to Pay Reserve	1,400.0	1,400.0	0.0
Contribution to Transformation Fund	1,000.0	1,000.0	0.0
Collection Fund (Surplus) / Deficit	(1,041.6)	(1,041.6)	0.0
Open Spaces and HRA	435.7	435.7	0.0
Risk Fund	752.4	450.8	301.6 F
Contingencies	410.7	410.7	0.0
(Surplus) / Deficit on Trading Areas	35.8	35.8	0.0
	<b>(131,937.5)</b>	<b>(136,071.7)</b>	<b>4,134.2 F</b>
<b>NET GF SPENDING</b>	<b>72,255.2</b>	<b>64,376.0</b>	<b>7,879.2 F</b>
<b>Draw from Balances:</b>			
To fund the Capital Programme	(401.0)	(401.0)	0.0
Draw from Balances (General)	(980.1)	6,899.1	7,879.2 F
Draw from Strategic Reserve	(825.0)	(825.0)	0.0
	<b>(2,206.1)</b>	<b>5,673.1</b>	<b>7,879.2 F</b>
<b>COUNCIL TAX REQUIREMENT</b>	<b>70,049.1</b>	<b>70,049.1</b>	<b>0.0</b>

**LIBERAL DEMOCRAT GROUP BUDGET PROPOSALS**  
**AMENDMENTS TO GENERAL FUND REVENUE BUDGET PAPERS**

REF.	<b><u>2014/15</u></b>	
	<b>BETTER</b> £000's	<b>WORSE</b> £000's
<b><u>Section A - Revenue Bids / Initiatives</u></b>		
NEW a		100.0
NEW b		50.0
NEW c		50.0
NEW d		25.0
NEW e		25.0
NEW f		130.0
NEW g		100.0
NEW h		100.0
NEW i		40.0
NEW j		75.0
NEW k		75.0
NEW l		75.0
NEW m		75.0
NEW n		75.0
<b><u>Section B - Additional Savings</u></b>		
NEW a	(15.0)	
NEW b	(70.0)	
NEW c	(30.0)	
NEW d	(4,183.0)	
NEW e	(222.8)	
NEW f	(282.9)	

**LIBERAL DEMOCRAT GROUP BUDGET PROPOSALS**  
**AMENDMENTS TO GENERAL FUND REVENUE BUDGET PAPERS**

**2014/15**

REF.		BETTER £000's	WORSE £000's
<b><u>Section C - Rejected / Mitigated Savings Proposals</u></b>			
COMM 2	Reduce Community Centre budgets		12.0
COMM 3	Review of all community safety, youth offending and emergency planning activities across the council		102.0
EDL 5	Reduction in Archives opening hours		9.0
EDL 6	Reduction in Museum and Gallery Education Team		29.0
E&T 2	Pest Control - Reduce number of vans and staff		25.0
E&T 4	Reduction in staff delivering the Environmental Health Service		43.0
E&T 6	Use efficiencies to rationalise parks and street cleansing waste disposal and recycling costs. Reduce transport costs.		70.0
E&T 9	Reduction in overtime costs		10.0
E&T 10	Review external cleaning contracts		5.0
E&T 24	Reduction in staff delivering the Trading Standards Service		60.0
E&T 27	Disband the City Patrol Service		150.0
E&T 31	Review and redesign the way the Out of Hours Noise Service is delivered to reduce costs whilst still maintaining a responsive service on the busiest nights of the week including the weekend.		17.0
E&T 33	Restructure of Parking & Transport Teams		15.0
E&T 34	Restructure of the City Design group		24.0
E&T 35	Remove Conservation Officer		23.0
E&T 36	Restructure of Planning Policy and Sustainability teams		34.0
HS 3	Reduction of working hours for posts within housing development		22.0

**LIBERAL DEMOCRAT GROUP BUDGET PROPOSALS**  
**AMENDMENTS TO GENERAL FUND REVENUE BUDGET PAPERS**

REF.	<u>2014/15</u>	
	BETTER £000's	WORSE £000's
<b><u>SECTION D - Business Rates</u></b>		
		4,022.4
<b><u>Section E - Other</u></b>		
	(5.4)	
<b><u>Section F - Balances</u></b>		
		(858.3)
	<u>(4,809.1)</u>	<u>4,809.1</u>
<b>Net Gap / (Surplus)</b>		<u><u>0.0</u></u>

## **EXPLANATION OF CHANGES**

When the General Fund Revenue Budget 2014/15 to 2016/17 report was published, it was acknowledged that a number of factors would potentially change which would affect the budget proposed. It was advised that any changes required would be highlighted and taken into account if necessary in a revised budget proposal for the Council meeting on 12 February.

The areas that remained to be clarified were:

- The final Local Government Settlement.
- Referendum limits and principals and the impact on council tax setting.
- Regulations and guidance in relation to the Business Rates Retention Scheme.

The final position for each of these three elements is set out below.

### **FINAL LOCAL GOVERNMENT SETTLEMENT**

The final settlement was published on 5 February 2014 and confirmed that there are no changes to the proposals that were previously announced at the provisional settlement (i.e. the methodology used to determine Settlement Funding Assessment figures and related specific grants remain unchanged).

However, there has been an increase to Revenue Support Grant (RSG) nationally of £3.1M for 2014/15, as the Efficiency Support Grant and the Efficiency Support Grant for Services in Sparse Areas (now to be known as the Rural Services Delivery Grant) allocations remained unchanged from the provisional settlement and so amounts held back are not required. This has resulted in an increase in funding to the Council of £10,600. No changes were made to the illustrative figures for 2015/16.

### **COUNCIL TAX**

At the time of writing the General Fund Revenue Budget 2014/15 to 2016/17 report, the Government had yet to announce the Council Tax Referendum threshold for the 2014/15 budget year. The referendum level was set at 2%, but government had indicated that they were minded to consider representations for a lowering of the threshold. There was therefore a distinct possibility that the referendum threshold would be lowered, and if this were the case Council would have had to decide whether to proceed with the proposed council tax increase of just under 2%, which would trigger a referendum, or to consider a lower council tax increase taking account of any revised referendum limit.

The Minister's written statement for the Final Local Government Finance Settlement confirmed that the referendum limit is set at 2% but that this will apply to the level of Band D council tax including levies, which was not previously the case. The impact of this change on the level of council tax is to set a basic amount of council tax for the year of £1,287.90, which is a 1.99% increase. This reduces the overall level of council tax to be raised by £5,200 in 2014/15.

## BUSINESS RATES RETENTION (BRR) SCHEME

This is the first year of the new Business Rates Retention Scheme and the estimated position for the year is a deficit of £17.6M of which the Council's share is 49% or £8.6M. However, in January 2013 the Government announced its intention to make regulations allowing the liability for prior year appeals (which are a major factor in the deficit position) to be spread over five years from 2013/14 to 2017/18. At the point of writing the General Fund Revenue Budget 2014/15 to 2016/17 report these regulations were still awaited.

Regulations have been laid that confirm local authorities' ability to spread this liability. However, further regulations have yet to be finalised and discussions with the DCLG have confirmed that they intend to amend the regulations for 2013/14, which will affect the BRR Scheme and change the financial consequences in that year of decisions to spread the liability for prior year appeals.

The changes in essence will mean that if the Council does not spread the liability for prior year appeals and bears the full deficit in 2014/15 that it will be eligible for a Safety Net payment in 2013/14 that is forecast to be almost £1.5M. In addition, a Section 31 grant will be payable in 2013/14 to compensate the Council for lost income due to changes made to small business rate relief which is anticipated to be £0.8M. These changes are reflected in Annex 1, which sets the revised budget for 2013/14 to be approved by Council.

The impact of the decision not to spread the liability for prior year appeals and how this will be managed through balances is shown below:

	2013/14	2014/15	2015/16	2016/17	2017/18
	£000's	£000's	£000's	£000's	£000's
Safety Net Payment	(1,494.2)				
Section 31 Grant	(800.0)				
Collection Fund Deficit Profile		4,022.4	(1,340.8)	(1,340.8)	(1,340.8)
Addition to / (Draw From) Balances	2,294.2	(4,022.4)	1,340.8	1,340.8	1,340.8
<b>Net Impact of Changes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

This change in treatment has enabled the Council to add an additional £2.3M to balances which will be drawn in 2015/16 and 2017/18 and will reduce the forecast gap in those years by £1.8M and £0.5M respectively.

## FORECAST ROLL FORWARD BUDGET 2014/15

The roll forward gap remains at £14.4M, as set out in the General Fund Revenue Budget 2014/15 to 2016/17 report on the Council agenda but there are changes to how this figure has been arrived at due to the items explained above.

The overall impact on the forecast revenue position is shown in the Table below:

	<b>2014/15</b>
	<b>£000's</b>
Forecast Deficit in Budget Report	14,401.0
Settlement Change in Grant Funding	(10.6)
Council Tax Referendum Limits	5.2
BRR Scheme – Deficit Profile	4,022.4
– Draw From Balances	(4,022.4)
Addition to Balances	5.4
<b>Revised Forecast Deficit</b>	<b>14,401.0</b>

**PROPOSED BUDGET PACKAGE 2014/15**

Summarised below is the proposed budget package put forward for consideration. The detailed analysis is reflected in the General Fund Revenue Account set out in Annex 6 to this Resolution. The proposals are based on a Council Tax increase of 1.99% and include a draw from balances of £7.8M.

	<b>£000,s</b>
Total GF Spending (After Draw From Balances & Pressures)	88,535.8
Bids (Annex 4)	1,045.0
Efficiencies, Income and Service Reductions (Annex 5)	(13,916.0)
Reduced Direct Revenue Funding (Net of Interest & MRP Costs)	(2,197.8)
<b>Council Tax Requirement</b>	<b>73,467.0</b>

**GRANTING OF BUSINESS RATES RETAIL RELIEF (2014/15 & 2015/16)**

As part of the 2013 Autumn Statement the Government announced a range of measures in relation to Business Rates. One of these was to grant a discount of up to £1,000 against business rates bill for retail premises such as pubs, cafes, restaurants and charity shops with a rateable value of up to £50,000 in 2014/15 and 2015/16. A definition of the properties that will benefit from this relief is set out in the Business Rates Retail Relief Guidance issued by the DCLG.

As this is a measure for 2014/15 and 2015/16 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government has set out in the guidance that it expects local authorities to use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief. As a consequence, it will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to grant relief to qualifying ratepayers and Council are therefore asked to delegate authority to the Chief

Financial Officer to grant Business Rates Retail Relief to qualifying ratepayers for the financial years 2014/15 and 2015/16, as per recommendation (xi) of this Resolution.



**SUMMARY OF REVENUE BIDS**

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	Recurring or One Off (R or O)	2014/15	2015/16	2016/17	Head of Service
					£000's	£000's	£000's	
<b><u>Children's Services Portfolio</u></b>								
NEW a	Prevention	Investment in the Youth Service		R	100	150	150	Graham Talbot
<b>Children's Services Portfolio Total</b>					<b>100</b>	<b>150</b>	<b>150</b>	
<b><u>Communities</u></b>								
NEW b	Community Development	Support to Food Banks		R	50	50	50	Suki Sitaram
NEW c	Community Development	Support to Credit Unions		R	50	50	50	Suki Sitaram
<b>Communities Portfolio Total</b>					<b>100</b>	<b>100</b>	<b>100</b>	
<b><u>Economic Development &amp; Leisure Portfolio</u></b>								
EDL 1	Leisure Events	Queens Baton Relay	Funding to deliver an event as part of the Queens Baton Relay, a national programme	O	50			Mike Harris
NEW d	Libraries, Arts & Heritage	Leisure Volunteers Coordinator	To support re-establishment of library, gallery and museum opening hours. To rise to £35,000 in 2015/16 and 2016/17	R	25	35	35	Mike Harris
<b>Economic Development &amp; Leisure Portfolio Total</b>					<b>75</b>	<b>35</b>	<b>35</b>	

**SUMMARY OF REVENUE BIDS**

Portfolio Ref	Service Activity	Description of Item	Impact / Issues	Recurring or One Off (R or O)	2014/15	2015/16	2016/17	Head of Service	
					£000's	£000's	£000's		
<b><u>Environment &amp; Transport Portfolio</u></b>									
NEW e	Planning	Planning Enforcement	To rise to £35,000 in 2015/16 and 2016/17	R	25	35	35	Paul Nichols	
NEW f	Parking & Transport	Residents Parking Permits	Abolish charge for First Parking permit.	R	130	130	130	Frank Baxter	
NEW g	Parking & Transport	Evening Parking Charges	£1 for any period between 6pm and 8am	R	100	100	100	Frank Baxter	
NEW h	Parking & Transport	Investment in support to bus services	Focusing on service gaps e.g. Mansbridge	R	100	100	100	Frank Baxter	
NEW i	Integrated grounds maintenance & management	Investment in play areas	Focusing on areas unable to benefit from Section 106 agreements e.g. St Denys Community Centre, Portswood Recreation Ground	R	40	40	40	Jon Dyer-Slade	
NEW j	Waste Collection	Investment in Waste Collection	Investment to enhance service in respect of fly tipping and response to clearance at key points in the year.	R	75	100	100	Jon Dyer-Slade	
					<b>470</b>	<b>505</b>	<b>505</b>		
<b><u>Health &amp; Adult Social Care Portfolio</u></b>									
NEW k	Adult Social Care	Investment in Tele Care		R	75	100	100	Jane Brentor - Lead / Carol Valentine - BH	
NEW l	Adult Social Care	Investment in Adult Services Community Assets		R	75	100	100	Jane Brentor - Lead / Carol Valentine - BH	
NEW m	Adult Disability Care Services	Investment in reablement		R	75	100	100	Jane Brentor - Lead / Carol Valentine - BH	
					<b>225</b>	<b>300</b>	<b>300</b>		



**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE****2014/15**

<b>Portfolio</b>	<b>Efficiencies</b>	<b>Income</b>	<b>Service Reductions</b>	<b>Total</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Children's Services	(120)	(20)	0	(140)
Communities	(52)	0	0	(52)
Economic Development & Leisure	(62)	0	(70)	(132)
Environment & Transport	(991)	(248)	(278)	(1,517)
Health & Adult Social Care	(6,811)	0	0	(6,811)
Housing & Sustainability	(20)	(10)	0	(30)
Leader's Portfolio	(288)	(80)	0	(368)
Resources	(1,614)	0	(832)	(2,446)
<b>Sub-Total</b>	<b>(9,958)</b>	<b>(358)</b>	<b>(1,180)</b>	<b>(11,496)</b>
Capita "Relaunch" Savings*				(1,500)
People Transformation				(920)
<b>Total</b>	<b>(9,958)</b>	<b>(358)</b>	<b>(1,180)</b>	<b>(13,916)</b>

\*Estimated General Fund savings from Capita renegotiated contract price resulting from a combination of "Efficiencies" and "Service Reductions".

**IMPACT OF PROPOSALS ON STAFFING**

<b>Portfolio</b>	<b>FTE In Post</b>	<b>FTE Vacant</b>	<b>FTE Total</b>
Children's Services	0.00	1.00	1.00
Communities	0.00	1.00	1.00
Economic Development & Leisure	3.06	0.90	3.96
Environment & Transport	5.00	8.40	13.40
Health & Adult Social Care	0.50	3.00	3.50
Housing & Sustainability	0.00	0.00	0.00
Leader's Portfolio	0.00	3.90	3.90
Resources	1.60	3.00	4.60
<b>Sub-Total</b>	<b>10.16</b>	<b>21.20</b>	<b>31.36</b>
People Transformation	8.30	24.28	32.58
<b>Total</b>	<b>18.46</b>	<b>45.48</b>	<b>63.94</b>

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant			
<b><u>Children's Services - Efficiencies</u></b>											
CS 1	Infrastructure	School PFI contract savings	(20)	(20)	(20)						Graham Talbot
CS 2	Early Years	Efficiencies at two Council run nurseries - Startpoint Northam and Startpoint Sholing	(100)	(110)	(110)					1.00	Graham Talbot
		<b>Sub-total</b>	<b>(120)</b>	<b>(130)</b>	<b>(130)</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>			
<b><u>Children's Services - Income</u></b>											
CS 3	Inspire	Increased charges to schools for traded services	(20)	(20)	(20)						Graham Talbot
		<b>Sub-total</b>	<b>(20)</b>	<b>(20)</b>	<b>(20)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			
		<b>Children's Services Portfolio Total</b>	<b>(140)</b>	<b>(150)</b>	<b>(150)</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>			
<b><u>Communities - Efficiencies</u></b>											
COMM 1	Community Development	Review of community development activities across the council, including deletion of a vacant post	(52)	(67)	(67)	TBC				1.00	Suki Sitaram
		<b>Sub-total</b>	<b>(52)</b>	<b>(67)</b>	<b>(67)</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>			
<b><u>Communities - Service Reductions</u></b>											
COMM 2	Communities	DELETE - Reduce community centres budget and reinvest in community safety	0	0	0						Suki Sitaram
COMM 3	Community Safety and Emergency Planning	DELETE - Review of all community safety, youth offending and emergency planning activities across the council	0	0	0	0.00				0.00	Suki Sitaram
		<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			
		<b>Communities Portfolio Total</b>	<b>(52)</b>	<b>(67)</b>	<b>(67)</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>			

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service	
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant	FTE In Post	FTE Vacant		
<b><u>Economic Development &amp; Leisure - Efficiencies</u></b>												
EDL 1	Development & Economy	Reductions in Economic Development Team but maintaining Inward Investment service	(42)	(48)	(48)	(48)	(48)	(48)	1.00	0.70	Barbara Compton	
EDL 2	Major Projects	Efficiencies in Leisure Major Projects team	(20)	(20)	(20)	(20)	(20)	(20)			Mike Harris	
		<b>Sub-total</b>	<b>(62)</b>	<b>(68)</b>	<b>(68)</b>	<b>(68)</b>	<b>(68)</b>	<b>(68)</b>	<b>1.00</b>	<b>0.70</b>		
<b><u>Economic Development &amp; Leisure - Service Reductions</u></b>												
EDL 3	Gallery & Museums	Reduce opening hours of Tudor House museum	(58)	(70)	(70)	(70)	(70)	(70)	2.06		Mike Harris	
EDL 4	Development & Economy	Reductions in City Development Team - deletion of 0.2 FTE vacant post	(12)	(12)	(12)	(12)	(12)	(12)		0.20	Barbara Compton	
EDL 5	Arts & Heritage	<b>DELETE</b> - Reduction in Archives opening hours	0	0	0	0	0	0	0.00		Mike Harris	
EDL 6	Gallery & Museums	<b>DELETE</b> - Reduction in Museum and Gallery Education Team	0	0	0	0	0	0	0.00		Mike Harris	
		<b>Sub-total</b>	<b>(70)</b>	<b>(82)</b>	<b>(82)</b>	<b>(82)</b>	<b>(82)</b>	<b>(82)</b>	<b>2.06</b>	<b>0.20</b>		
		<b>Economic Development &amp; Leisure Portfolio Total</b>	<b>(132)</b>	<b>(150)</b>	<b>(150)</b>	<b>(150)</b>	<b>(150)</b>	<b>(150)</b>	<b>3.06</b>	<b>0.90</b>		

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant			
<b><u>Environment &amp; Transport - Efficiencies</u></b>											
E&T 1	Bereavement	Energy efficiency measures	(10)	(10)	(10)						Mitch Sanders
E&T 2	Pest Control	<b>DELETE</b> - Reduce number of vans and staff	0	0	0	0	0	0.00			Mitch Sanders
E&T 3	Kennels	More efficient delivery of the kennels service to deal with stray dogs	(34)	(34)	(34)			1.00			Mitch Sanders
E&T 4	Environmental Health	<b>MITIGATE</b> - Reduction in staff delivering the Environmental Health Service	(42)	(42)	(42)			0.00	1.00		Mitch Sanders
E&T 5	Street lighting	Savings from dimming	(53)	(60)	(60)						Rob Harwood
E&T 6	Parks and Street Cleansing	<b>Mitigate</b> - Use efficiencies to reinvest in parks and street cleansing waste disposal and recycling costs. Reduce transport costs.	(70)	(70)	(70)						Jon Dyer-Slade
E&T 7	Integrated Grounds Maintenance & Management	Efficiencies in management structure	(20)	(60)	(60)			1.50			Jon Dyer-Slade
E&T 8	Integrated Grounds Maintenance & Management	Saving from employment of seasonal staff	(20)								Jon Dyer-Slade
E&T 9	Street Cleansing	<b>Mitigate</b> - Reduction in overtime costs	(5)	(10)	(10)						Jon Dyer-Slade
E&T 10	Street Cleansing	<b>Mitigate</b> - Reinvest savings from review of external cleaning contracts	(5)	(10)	(10)						Jon Dyer-Slade
E&T 11	Waste Collection	Increase efficiency of the new garden waste service	(22)	(22)	(22)						Jon Dyer-Slade
E&T 12	Waste Collection	Restructure Waste & Recycling management structure	(45)	(50)	(50)			0.50	1.00		Jon Dyer-Slade

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15	2015/16	2016/17	Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	FTE In Post	FTE Vacant	
E&T 13	Waste Disposal	Housekeeping efficiencies within the waste disposal contract	(5)	(5)	(5)			Jon Dyer-Slade
E&T 14	Waste Disposal	Reduced support required for introducing the New Glass Recycling service	(410)					Jon Dyer-Slade
E&T 15	Integrated grounds maintenance & management services	Introduce two year rolling apprenticeships into grounds maintenance and street cleansing	(22)	(22)	(22)	2.00	2.00	Jon Dyer-Slade
E&T 16	Waste & Recycling Collection	More efficient method of collecting household waste, dry mixed recycling materials and glass	(228)	(240)	(240)			Jon Dyer-Slade
		<b>Sub-total</b>	<b>(991)</b>	<b>(635)</b>	<b>(635)</b>	<b>4.00</b>	<b>5.00</b>	
<b><u>Environment &amp; Transport - Income</u></b>								
E&T 17	Planning	Increased Planning fee income	(40)	(40)	(40)			Paul Nichols
E&T 18	Port Health	Increased income arising from the work of the Port Health Team	(50)	(50)	(50)			Mitch Sanders
E&T 19	Trading Standards	Use of existing resources to deliver services funded by government grant income as an alternative to staff reduction.	(50)	(50)	(50)			Mitch Sanders
E&T 20	Waste Collection	One off income from implementation phase of the new glass collection service	(60)					Jon Dyer-Slade
E&T 21	Waste Collection	Revise the charging mechanism and work flow for removal of bulky waste collection service	(7)	(10)	(10)			Jon Dyer-Slade
E&T 22	Waste Collection	Increase textile recycling on Southampton City Council owned sites	(12)	(12)	(12)			Jon Dyer-Slade
E&T 23	Waste Disposal	Support other local authorities with waste disposal strategies and contract management	(14)	(14)	(14)			Jon Dyer-Slade



**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant	FTE In Post	FTE Vacant	
NEW a	Parking & Transport	Increase charge for Residents second parking permit to £60	(15)	(15)	(15)	(15)					Frank Baxter
		<b>Sub-total</b>	<b>(248)</b>	<b>(191)</b>	<b>(191)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b><u>Environment &amp; Transport - Service Reductions</u></b>											
E&T 24	Trading Standards	Delete - Reduction in staff delivering the Trading Standards Service	0	0	0	0	0	0	0	0	Mitch Sanders
E&T 25	Planning	Reduction in Planning Policy external costs	(30)	(30)	(30)	(30)					Paul Nichols
E&T 26	Transport	Remove funding for City Centre Shuttle Bus	(110)	(110)	(110)	(110)					Frank Baxter
E&T 27	City Patrol	<b>Delete</b> - Disband the City Patrol Service	0	0	0	0	0	0	0	0	Mitch Sanders
E&T 28	Integrated grounds maintenance & management	Restructure play area funding and remove the play area development officer post from revenue funding.	(40)	(40)	(40)	(40)					Jon Dyer-Slade
E&T 29	Environmental Health	Reduction in staff providing technical support to the Environmental Health team.	(23)	(23)	(23)	(23)			0.40		Mitch Sanders
E&T 30	Bereavement & Registration Services	Reduction in staff delivering the Registration Service.	(40)	(40)	(40)	(40)			1.00		Mitch Sanders
E&T 31	Environmental Health	<b>Delete</b> - Review and redesign the way the Out of Hours Noise Service is delivered to reduce costs whilst still maintaining a responsive service on the busiest nights of the week including the weekend. Retain full 7-nights a week operation	0	0	0	0			0		Mitch Sanders
E&T 32	Scientific Services	Rationalisation of air quality continuous monitoring network	(10)	(10)	(10)	(10)					Mitch Sanders
E&T 33	Parking & Transport	<b>Mitigate</b> - Restructure of Parking & Transport Teams reinvesting part savings in service enhancements	(15)	(60)	(60)	(60)			0.00	3.00	Frank Baxter

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant	FTE In Post	FTE Vacant	
E&T 34	Planning	Delete - Restructure of the City Design group	0	0	0	0	0	0.00	0	0.00	Paul Nichols
E&T 35	Planning	Delete - Remove Conservation Officer	0	0	0	0	0	0.00	0	0.00	Paul Nichols
E&T 36	Planning	Delete - Restructure of Planning Policy and Sustainability teams	0	0	0	0	0	0.00	0	0.00	Paul Nichols
E&T 37	Planning	Reduce Learning & Development, travel and subsistence budgets	(10)	(10)	(10)	(10)	(10)	(10)			Paul Nichols
		<b>Sub-total</b>	<b>(278)</b>	<b>(323)</b>	<b>(323)</b>	<b>(323)</b>	<b>(323)</b>	<b>1.00</b>	<b>1.00</b>	<b>3.40</b>	
		<b>Environment &amp; Transport Portfolio Total</b>	<b>(1,517)</b>	<b>(1,149)</b>	<b>(1,149)</b>	<b>(1,149)</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>8.40</b>	

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant			
<b><u>Health &amp; Adult Social Care - Efficiencies</u></b>											
H&ASC 1	Adult Disability Care Services	Improve outcomes from reablement service so fewer people need care packages and for those where ongoing care is required they have reduced support needs.	(348)	(697)	(697)						Jane Brentor - Lead / Carol Valentine - BH
H&ASC 2	Adult Disability Care Services	Proactively assisting up to 600 people to access low level services to delay access to long term care by between 3 and 6 months	(168)	(337)	(337)						Jane Brentor - Lead / Carol Valentine - BH
H&ASC 3	Provider Day Services	Move from SCC provided horticultural and woodwork Day Service to an alternative model of delivery for same service	(30)	(60)	(60)			0.50	1.00		Jane Brentor / Stephanie Ramsey
H&ASC 4	Learning Disability and Adult Disability Care Services	Retender of Domiciliary Care across all care groups. Increased focus on improving quality and reducing/delaying future long term care needs of clients	(360)	(420)	(420)						Stephanie Ramsey - Lead / Carol Valentine - BH
H&ASC 5	Learning Disability and Adult Disability Care Services	Review above standard cost Residential and Nursing Packages	(500)	(500)	(500)						Stephanie Ramsey - Lead / Carol Valentine - BH
H&ASC 6	Learning Disability	Review of placements for 1) clients with an acquired Brain Injury and 2) clients with a Learning Disability to ensure appropriateness of current accommodation	(140)	(140)	(140)						Stephanie Ramsey - Lead / Carol Valentine - BH

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant			
H&ASC 7	Adult Disability Care Services	Reviewing day service provision for older people and improving Community Options to support reablement	(80)	(120)	(120)	(120)					Stephanie Ramsey / Carol Valentine
H&ASC 8	Portfolio Wide	Remodelling through use of Social Care transfer funding allocated via NHS and maintaining eligibility criteria	(2,300)	(2,300)	(2,300)	(2,300)					Stephanie Ramsey
H&ASC 9	Portfolio Wide	Savings from various recurring and one off contingencies no longer required	(1,400)	(400)	(400)	(400)					Alison Elliot
H&ASC 10	Mental Health Commissioning	Remodelling in Substance Misuse Provision	(135)	(135)	(135)	(135)			2.00		Stephanie Ramsey
H&ASC 11	Public Health	Review of Current Public Health Supported Services & Refocus of Investment to improve outcomes for children and young people and reduce health inequalities	(1,350)	(1,750)	(1,750)	(1,750)					Andrew Mortimore / Stephanie Ramsey
H&ASC 12	Adult Disability Commissioning	Reduction in Nursing Block Contract Beds		(20)	(40)	(40)					Stephanie Ramsey
		<b>Sub-total</b>	<b>(6,811)</b>	<b>(6,879)</b>	<b>(6,899)</b>	<b>(6,899)</b>	<b>0.50</b>	<b>0.50</b>	<b>3.00</b>		
		<b>Health &amp; Adult Social Care Portfolio Total</b>	<b>(6,811)</b>	<b>(6,879)</b>	<b>(6,899)</b>	<b>(6,899)</b>	<b>0.50</b>	<b>0.50</b>	<b>3.00</b>		

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15		2015/16		2016/17		Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	£000's	FTE In Post	FTE Vacant			
<b><u>Housing &amp; Sustainability - Efficiencies</u></b>											
HS 1	Estate Regeneration and Housing Delivery	Further charge to HRA	(20)	(20)	(20)	(20)					Barbara Compton
		<b>Sub-total</b>	<b>(20)</b>	<b>(20)</b>	<b>(20)</b>	<b>(20)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b><u>Housing &amp; Sustainability - Income</u></b>											
HS 2	Sustainability	Income from non General Fund areas	(10)	(15)	(15)	(15)					Paul Nichols
		<b>Sub-total</b>	<b>(10)</b>	<b>(15)</b>	<b>(15)</b>	<b>(15)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b><u>Housing &amp; Sustainability - Service Reductions</u></b>											
HS 3	Housing Development	Delete - Reduction of working hours for posts within housing development	0	0	0	0					Barbara Compton
		<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
		<b>Housing &amp; Sustainability Portfolio Total</b>	<b>(30)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15	2015/16	2016/17	Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	FTE In Post	FTE Vacant	
<b><u>Leader's - Efficiencies</u></b>								
LEAD 1	Legal Services	Review and reduction of service provision and minor restructure in Legal Services	(98)	(105)	(105)	1.40		Richard Ivory
LEAD 2	Democratic Services	Restructure in Democratic Services to reflect changing requirements and reduction in member support	(64)	(64)	(64)	2.50		Richard Ivory
LEAD 3	Democratic Services	Renegotiation of current lease arrangements for Mayoral car	(6)	(6)	(6)			Richard Ivory
LEAD 4	Chief Executive & Communications	Reduction in overall spend	(50)	(50)	(45)			Suki Sitaram
NEW b	Democratic Services	10% reduction in all Members Allowances	(70)	(70)	(70)			Richard Ivory
		<b>Sub-total</b>	<b>(288)</b>	<b>(295)</b>	<b>(290)</b>	<b>0.00</b>	<b>3.90</b>	
<b><u>Leader's - Income</u></b>								
LEAD 5	Communications	Activity undertaken by the Contracts team has resulted in a contract for provision of a wireless network service to be managed by Communications, that will provide a minimum guaranteed income from the provider	(50)	(10)	(10)			John Spiers
NEW c	Licensing	Introduction of a Late Night Levy	(30)	(30)	(30)			Richard Ivory
		<b>Sub-total</b>	<b>(80)</b>	<b>(40)</b>	<b>(40)</b>	<b>0.00</b>	<b>0.00</b>	
		<b>Leader's Portfolio Total</b>	<b>(368)</b>	<b>(335)</b>	<b>(330)</b>	<b>0.00</b>	<b>3.90</b>	

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15	2015/16	2016/17	Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	FTE In Post	FTE Vacant	
<b><u>Resources - Efficiencies</u></b>								
RES 1	Admin Buildings	Savings arising from the rationalisation of central office accommodation (Accommodation Strategy) including the vacation of buildings	(569)	(569)	(569)			John Spiers
RES 2	Property Portfolio Management	Disposal of some investment property leads to a reduction in overall management costs and fees payable to Capita	(250)	(250)	(250)			John Spiers
RES 3	Contract Management	Savings achieved from the Capita Contract	(572)	(572)	(572)			John Spiers
RES 4	Customer Services	Reduction in postage costs across the council following a review of current postal charges and work to streamline future provider arrangements	(50)	(52)	(52)			John Spiers
RES 5	Risk Management & Insurance	Reduction in the annual contribution to the internal Self-Insurance Fund	(100)	(100)	(100)			Andy Lowe
RES 6	Cross Council	Reduction in colour photocopying / printing	(23)	(23)	(23)			Andy Lowe
RES 7	Investment Property	Reduction in the annual contribution towards the provision for bad debts	(50)	(50)	(50)			John Spiers
RES 8	Procurement	Efficiencies / reduction in costs from future procurement activity relating to sub £100k spend / contracts		(300)	(400)			John Spiers
<b>Sub-total</b>			<b>(1,614)</b>	<b>(1,916)</b>	<b>(2,016)</b>	<b>0.00</b>	<b>0.00</b>	

**SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS**

Portfolio Ref	Service Activity	Description of Item	2014/15	2015/16	2016/17	Net Reduction in Posts		Head of Service
			£000's	£000's	£000's	FTE In Post	FTE Vacant	
<b><u>Resources - Service Reductions</u></b>								
RES 9	Finance Service	Redirection of resources and reduction in current service provision.	(100)	(100)	(100)	1.00	1.00	Andy Lowe
RES 10	Admin Buildings	Reductions in cleaning, general supplies, services and budgets maintaining Civic Buildings where there is discretionary spend	(90)	(90)	(90)	1.00	1.00	John Spiers
RES 11	Central Repairs & Maintenance	Further reduction in planned maintenance programme resulting from fewer properties and the setting up of sinking funds for future maintenance of Civic Centre and One Guildhall Square	(300)	(300)	(300)			John Spiers
RES 12	Cross Council	Reduction in general supplies & services budgets across all Directorates	(250)	(250)	(250)			Andy Lowe
RES 13	Property Client	Reduction of Accommodation Planning role in Property Team. Current rationalisation of office accommodation will be complete by September 2014, after the vacation of Marland House	(8)	(16)	(16)	0.60		John Spiers
RES 14	Admin Buildings	Deletion of Project and Safety Officer as significant part of the role (project management) is now minimal due to other budget reductions. The safety aspects of the role have also diminished due to fewer buildings	(24)	(24)	(24)	1.00		John Spiers
RES 15	Admin Buildings	Reduction in some out of hours services through reductions in overtime and deletion of one vacant Town Sergeant post	(40)	(40)	(40)		1.00	John Spiers
RES 16	HR Services	Reduction in General Supplies & Services budgets	(20)	(20)	(20)			Richard Ivory
<b>Sub-total</b>			<b>(832)</b>	<b>(840)</b>	<b>(840)</b>	<b>1.60</b>	<b>3.00</b>	
<b>Resources Portfolio Total</b>			<b>(2,446)</b>	<b>(2,756)</b>	<b>(2,856)</b>	<b>1.60</b>	<b>3.00</b>	
<b>GRAND TOTAL</b>			<b>(11,496)</b>	<b>(11,521)</b>	<b>(11,636)</b>	<b>10.16</b>	<b>21.20</b>	



**2014/15 GENERAL FUND REVENUE ACCOUNT**

<b>Portfolios</b>	<b>2014/15 Forecast £000's</b>	<b>Revenue Pressures £000's</b>	<b>Revenue Bids £000's</b>	<b>Savings &amp; Income £000's</b>	<b>2014/15 Budget £000's</b>
Children's Services	55,692.5	3,300.0	100.0	(140.0)	58,952.5
Communities	3,780.8		100.0	(52.0)	3,828.8
Economic Development & Leisure	13,752.8		75.0	(132.0)	13,695.8
Environment & Transport	38,835.4	128.0	470.0	(4,025.7)	35,407.7
Health & Adult Social Care	71,720.2	91.0	225.0	(7,766.0)	64,270.2
Housing & Sustainability	2,341.6			(65.3)	2,276.3
Leader's Portfolio	3,265.4	105.0		(368.0)	3,002.4
Resources	22,822.6		75.0	(3,911.0)	18,986.6
<b>Sub-total for Portfolios</b>	<b>212,211.3</b>	<b>3,624.0</b>	<b>1,045.0</b>	<b>(16,460.0)</b>	<b>200,420.3</b>
<b>Levies &amp; Contributions</b>					
Southern Seas Fisheries Levy	31.4				31.4
Flood Defence Levy	39.8				39.8
Coroners Service	560.0				560.0
	<b>631.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>631.2</b>
<b>Capital Asset Management</b>					
Capital Financing Charges	12,588.4			446.2	13,034.6
Capital Asset Management Account	(24,525.7)				(24,525.7)
	<b>(11,937.3)</b>	<b>0.0</b>	<b>0.0</b>	<b>446.2</b>	<b>(11,491.1)</b>
<b>Other Expenditure &amp; Income</b>					
Direct Revenue Financing of Capital	100.0			(100.0)	0.0
Trading Areas (Surplus) / Deficit	0.0				0.0
Net Housing Benefit Payments	(758.2)				(758.2)
Non-Specific Government Grants & Other Funding	(70,371.9)				(70,371.9)
Business Rates (*)	(40,455.9)				(40,455.9)
Council Tax Collection Fund (Surplus) / Deficit	(1,781.9)				(1,781.9)
Open Spaces and HRA	435.7				435.7
Risk Fund	4,400.0				4,400.0
Contingencies	250.0				250.0
	<b>(108,182.2)</b>	<b>0.0</b>	<b>0.0</b>	<b>(100.0)</b>	<b>(108,282.2)</b>
<b>NET GF SPENDING</b>	<b>92,723.0</b>	<b>3,624.0</b>	<b>1,045.0</b>	<b>(16,113.8)</b>	<b>81,278.2</b>
<b>Draw from Balances:</b>					
Addition to / (Draw From) Balances	(8,379.0)			567.8	(7,811.2)
To fund the Capital Programme	(100.0)			100.0	0.0
	<b>(8,479.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>667.8</b>	<b>(7,811.2)</b>
Revenue Pressures	3,624.0	(3,624.0)			0.0
<b>Net Gap in Budget After Pressures</b>	<b>14,401.0</b>	<b>0.0</b>	<b>1,045.0</b>	<b>(15,446.0)</b>	<b>0.0</b>
<b>COUNCIL TAX REQUIREMENT</b>	<b>73,467.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>73,467.0</b>

(\* Includes Section 31 Grant in respect of reduced Business Rates income due to changes announced in the Autumn Statement and also the Top Up paid to the Council as part of the Business Rates Retention Scheme)

**COUNCIL TAX CALCULATION 2014/15**

	2013/14 £000's	2014/15 £000's	Change £000's	Change %
<b>Budget Requirement (a)</b>	<b>194,861.7</b>	<b>173,136.1</b>	<b>(21,725.6)</b>	<b>-11.15%</b>
Less NDR	(49,534.0)	(45,562.1)	3,971.9	-8.02%
Less Top Up Payment	(1,548.8)	(1,579.0)	(30.2)	1.95%
Less RSG	(72,688.2)	(59,393.1)	13,295.0	-18.29%
Aggregate External Finance	(123,771.0)	(106,534.2)	17,236.8	-13.93%
Deficit / (Surplus) on Council Tax Collection Fund	(1,041.6)	(1,781.9)	(740.3)	71.07%
Deficit / (Surplus) on Business Rates Collection Fund		8,646.9	8,646.9	
<b>Net Grant Income (b)</b>	<b>(124,812.6)</b>	<b>(99,669.2)</b>	<b>25,143.4</b>	<b>-20.14%</b>
<b>Amount to be met from Council Tax (a - b)</b>	<b>70,049.1</b>	<b>73,467.0</b>	<b>3,417.9</b>	<b>4.88%</b>
Tax base	55,471.7	57,044.0	1,572.3	2.83%
<b>Basic amount of Council Tax (Band D)</b>	<b>1,262.79</b>	<b>1,287.90</b>	<b>25.11</b>	<b>1.99%</b>
Last years Council Tax		1,262.79		
Increase (Cash)		25.11		
Increase (Cash per Week)		0.48		
Increase (%)		1.99%		

BALANCES

	2013/14	2014/15	2015/16	2016/17	2017/18
	£000's	£000's	£000's	£000's	£000's
Opening Balance	29,923.5	33,413.6	20,991.4	11,906.4	6,917.3
Draw to Support Capital	(401.0)	0.0	0.0	0.0	0.0
(Draw to Support) / Contribution from Revenue	9,299.1	(7,811.2)	(4,654.9)	(248.9)	4,000.0
Contributions (to) / from Other Reserves	(1,400.0)	0.0	0.0	0.0	0.0
Draw for Strategic Schemes	(4,008.0)	(4,611.0)	(4,430.1)	(4,740.2)	(4,000.0)
<b>Closing Balance</b>	<b>33,413.6</b>	<b>20,991.4</b>	<b>11,906.4</b>	<b>6,917.3</b>	<b>6,917.3</b>

**COLLECTION FUND ESTIMATES 2014/15**

	2013/14 £000's	2014/15 £000's	Change £000's	Change %
Southampton City Council Precept	70,049.1	73,467.0	3,417.9	4.88%
Police and Crime Commissioner for Hampshire Precept	8,390.1	8,799.6	409.5	4.88%
Fire and Rescue Authority Precept	3,404.9	3,501.4	96.5	2.83%
Income due from Council Tax Payers	<u>81,844.0</u>	<u>85,767.9</u>	<u>3,923.9</u>	<u>4.79%</u>
Tax Base for Area	55,471.7	57,044.0	1,572.3	2.83%
<b>Basic Amount of Tax for Band D Property</b>	<b><u>1,475.42</u></b>	<b><u>1,503.54</u></b>	<b><u>28.12</u></b>	<b><u>1.91%</u></b>

(The tax base and resulting precepts are now calculated on a slightly different basis than in previous years, reflecting the required adjustments as a result of the localisation of Council Tax Benefit and the changes to associated funding. Changes to the scheme approved by Council in January 2013 for implementation from April 2014 have the impact of increasing the overall taxbase going forward).

**MEDIUM TERM FINANCIAL FORECAST**

Portfolios	2014/15 Forecast £000's	Base Changes £000's	2015/16 Forecast £000's	Base Changes £000's	2016/17 Forecast £000's
Children's Services	58,952.5		58,952.5		58,952.5
Communities	3,828.8		3,828.8		3,828.8
Economic Development & Leisure	13,695.8		13,695.8		13,695.8
Environment & Transport	35,407.7		35,407.7		35,407.7
Health & Adult Social Care	64,270.2		64,270.2		64,270.2
Housing & Sustainability	2,276.3		2,276.3		2,276.3
Leader's Portfolio	3,002.4		3,002.4		3,002.4
Resources	18,986.6		18,986.6		18,986.6
Add Pressures - Future Years (Unknown)		1,000.0	1,000.0	1,000.0	2,000.0
Base Changes & Inflation		6,378.9	6,378.9	7,904.0	14,282.9
<b>Sub-total for Portfolios</b>	<b>200,420.3</b>	<b>7,378.9</b>	<b>207,799.2</b>	<b>8,904.0</b>	<b>216,703.2</b>
<b>Levies &amp; Contributions</b>					
Southern Seas Fisheries Levy	31.4		31.4		31.4
Flood Defence Levy	39.8		39.8		39.8
Coroners Service	560.0		560.0		560.0
	<b>631.2</b>	<b>0.0</b>	<b>631.2</b>	<b>0.0</b>	<b>631.2</b>
<b>Capital Asset Management</b>					
Capital Financing Charges	13,034.6	1,297.5	14,332.1	960.0	15,292.1
Capital Asset Management Account	(24,525.7)	(500.0)	(25,025.7)	(460.0)	(25,485.7)
	<b>(11,491.1)</b>	<b>797.5</b>	<b>(10,693.6)</b>	<b>500.0</b>	<b>(10,193.6)</b>
<b>Other Expenditure &amp; Income</b>					
Direct Revenue Financing of Capital	0.0		0.0		0.0
Trading Areas (Surplus) / Deficit	0.0		0.0		0.0
Net Housing Benefit Payments	(758.2)		(758.2)		(758.2)
Non-Specific Government Grants & Other Funding	(70,371.9)	26,423.0	(43,948.9)	12,718.2	(31,230.7)
Business Rates	(40,455.9)	(6,891.3)	(47,347.2)	(937.2)	(48,284.4)
Council Tax Collection Fund (Surplus) / Deficit	(1,781.9)	1,781.9	0.0		0.0
Open Spaces and HRA	435.7		435.7		435.7
Risk Fund	4,400.0	100.0	4,500.0	100.0	4,600.0
Contingencies	250.0		250.0		250.0
	<b>(108,282.2)</b>	<b>21,413.6</b>	<b>(86,868.6)</b>	<b>11,881.0</b>	<b>(74,987.6)</b>
<b>NET GF SPENDING</b>	<b>81,278.2</b>	<b>29,590.0</b>	<b>110,868.2</b>	<b>21,285.0</b>	<b>132,153.2</b>
<b>Draw from Balances:</b>					
Addition to / (Draw From) Balances	(7,811.2)	3,156.3	(4,654.9)	4,406.0	(248.9)
To fund the Capital Programme	0.0		0.0		0.0
<b>NET GAP IN BUDGET</b>	<b>(7,811.2)</b>	<b>3,156.3</b>	<b>(4,654.9)</b>	<b>4,406.0</b>	<b>(248.9)</b>
<b>COUNCIL TAX REQUIREMENT</b>					
	<b>73,467.0</b>	<b>32,746.3</b>	<b>106,213.3</b>	<b>25,691.0</b>	<b>131,904.3</b>
Council Tax	73,467.0	1,463.1	74,930.1	1,494.0	76,424.1
<b>Roll Forward Gap</b>	<b>(0.0)</b>	<b>31,283.2</b>	<b>31,283.2</b>	<b>24,197.0</b>	<b>55,480.2</b>
Less Savings - Future Years (Known)		(325.0)	(325.0)	(415.0)	(740.0)
<b>REVISED GAP</b>	<b>(0.0)</b>	<b>30,958.2</b>	<b>30,958.2</b>	<b>23,782.0</b>	<b>54,740.2</b>
<i>Executive Position</i>	<i>0.0</i>	<i>30,958.2</i>	<i>30,958.2</i>	<i>23,782.0</i>	<i>54,740.2</i>
<i>Varaince</i>	<i>(0.0)</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>



# Agenda Item 5

<b>DECISION-MAKER:</b>	COUNCIL		
<b>SUBJECT:</b>	EXECUTIVE BUSINESS		
<b>DATE OF DECISION:</b>	19 MARCH 2014		
<b>REPORT OF:</b>	LEADER OF THE COUNCIL		
<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Name:</b>	<b>Suki Sitaram</b>	<b>Tel:</b> <b>023 8083 2060</b>
	<b>E-mail:</b>	<b>suki.sitaram@southampton.gov.uk</b>	
<b>STATEMENT OF CONFIDENTIALITY</b>			
None			

## **BRIEF SUMMARY**

This report outlines Executive Business conducted since the last Council meeting on 20<sup>th</sup> November 2013.

## **RECOMMENDATIONS:**

- (i) That the report be noted.

## **REASONS FOR REPORT RECOMMENDATIONS**

1. This report is presented in accordance with Part 4 of the Council's Constitution.

## **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

2. Not applicable.

## **DETAIL (Including consultation carried out)**

### **INTRODUCTION**

3. This report highlights the contribution of different Portfolios towards the council's priorities since the last council meeting on 20<sup>th</sup> November 2013.
4. I am sure you will agree that the launch of the City's Fiftieth Anniversary celebrations on 24<sup>th</sup> February 2014 by the Mayor was impressive. This included an invitation from the Mayor for every school in the city to send 2 pupils and one teacher to collect a commemorative gift, display of the Royal Charter, a Mayoral Service at St Mary's Church and a reception at City College. We will ensure the council actively contributes to the year long celebrations. This will include funding pin badges for all primary school children and our pledge to set up a People's Panel. We are part of the task and finish group set up by Southampton Connect which includes representatives from Southampton Solent University, Daily Echo, Business South and the City College. A number of events have agreed to carry the 50<sup>th</sup> anniversary logo, which was developed by the council's design team.

5. We are also thrilled that our bid was successful and that we will be welcoming the Queen's Baton in this, our 50th year of city status. We are working with Cunard, Active Nation and Solent University and I know that the city is going to really get behind Team England during the Commonwealth Games.
6. We are share in the excitement of the proposals for the long awaited Royal Pier Waterfront development which will further enhance our city's reputation as a first-class destination to live, work and visit.
7. Southampton is the second highest ranking city in England for 'good growth' – this is official, based on the "Good Growth Index 2013", beaten only by Reading/ Bracknell. This Index compares how 39 UK and above average cities for 'good growth' perform well on the job, income and skills measures in the report. Southampton showed the most improvement of any other city, between 2012 and 2013, featuring fourth overall within the UK (Aberdeen and Edinburgh ranked second and third) this year. This is a rise of 10 ranking places since the 2012 survey, demonstrating the city's commitment to growth and economic development opportunities. We are ensuring that we capitalise on this by being actively involved in the region's developing Strategic Economic Plan to access the Single Local Growth Fund. This will help us to drive the key developments in the city, particularly Royal Pier, and continue the critical work on waste transformation and estate regeneration.
8. However, we are all committed to ensuring that the city's economic growth potential benefits all residents and skills and employment agenda is key to this. Southampton City Council is leading the way on the skills agenda and we have got ambitious plans for the future of our city. Therefore it is vital that we have a skilled workforce to help us and our development partners realise them. We will continue to prioritise this as it forms the critical element for fairness, social and economic inclusion for our residents. It will also help the council to manage demand for services in future years if more people can be paid work and not be dependent on the council and other agencies for high cost services.
9. We continue to be recognised for the excellent work we do and since the last report I am delighted that we have been recognised for:
  - Our outstanding commitment to construction recruitment and training at the second annual National Skills Academy for Construction Awards, picking up the top accolade for our approach that brings together all partners involved in construction projects to address skills needs and co-ordinate training delivery. The judges said our approach shows true innovation and the city was described as a clear leader among local authorities in delivering the employment and skills agenda, both regionally and nationally, having supported the original introduction of the framework.
  - 'My Journey' which scooped prizes in two categories at the Chartered Institute of Public Relations (CIPR) PRide Awards ceremony (Wessex and Channel Islands region), Silver for My Journey Brand Awareness



Campaign in Best Public Sector Campaign category and for the Outstanding Young Communicator of the Year category.

- We also scooped up GovDelivery's Excellence in Digital Communication Award which officially recognised our impressive communications work through the use of Stay Connected. We have been praised for our tremendous achievements so far in using digital communications to proactively reach residents and customers, keeping them informed of council services and supporting channel shift and Digital by Default initiatives. Building on the success of this work will be an essential ingredient in our channel shift ambitions to make it easy for our residents to use digital communications as their first preference.
- Following an annual review external assessment for the Hospitality Assured (Business Excellence) Accreditation Award, the accreditation for our City Catering service has been extended. The assessor highlighted the many areas of innovation and service development that have been achieved over the past year as well as noting the quality of training and teamwork throughout the service.

10. LGA Peer Review Action Plan update

- Cabinet and CMT regularly review the agreed Action Plan. Since my last report the LGA have facilitated top team building sessions and a follow up session is being organised in June 2014. We have taken up the LGA offer on specific expertise in HR, communications, performance management and decision making. This has contributed to the approval of HR transformation projects by the Transformation and Improvement Board as well as a review of HR policies.
- The Chief Executive and I have a regular programme of visits to staff teams and partners and not only have we learnt a great deal but we have also had very positive feedback following these visits.
- We are beginning to use Group Leaders meetings to have strategic discussions on long term issues and priorities.
- We are making progress in establishing a council-wide performance management approach and work is underway for the new performance framework to be used from April 2014 and to develop the right set of measures for the medium term, once the Council Plan is refreshed in July 2014. We have also taken the lead in reviewing and reducing the number of strategies, plans and policies we have and the number of groups we service and support – this is vital in a climate of austerity.
- We have agreed the council's Communications Strategy, Plan and Media Protocol, following discussion at Group Leaders.
- The LGA completed a Peer Challenge on community safety and youth offending which will help us to determine what we should prioritise as our contribution to improving community safety in the city.
- We are also taking the lead in organising the City Survey under the umbrella of Southampton Connect and expect to use this feedback in reviewing the Council Plan in July 2014.
- We are working with the Centre Public Scrutiny to significantly reduce bureaucracy and revise and simplify processes. I have already instructed officers to increase delegations and to empower officers and staff to take

- decisions at the appropriate levels without escalating them upwards.
  - We are continuing to have strategic discussions with key partners and we want these to consider how we can work together to reduce costs by jointly looking at opportunities, dependencies and demand management.
  - The Chief Executive is working on a Medium Term Financial Strategy to deliver the Council Plan, which will prioritise jobs, skills, early help, prevention and income generation, identify how we can make the savings and become sustainable. This will be underpinned by a single, council-wide, joined-up transformation programme.
11. We have been experiencing bad weather since before Christmas and while the city may not have been hit as badly as some of our neighbours, the impact has been significant for some residents and businesses. I want to pay tribute to the excellent work done by all council, Capita and Balfour Beatty staff who play a role in ensuring we respond effectively in the event of civil emergencies and ensure proactive action is taken to minimise the impact.

### **PROMOTING SOUTHAMPTON AND ATTRACTING INVESTMENT**

12. The development agreement for Royal Pier was signed on 28 February 2014, between developers RPW (Southampton) Limited (a joint venture company owned by Morgan Sindall Investments Limited (“MSIL”) and funders Lucent Group (“Lucent”)), and landowners Southampton City Council, Associated British Ports and The Crown Estate. This is a major milestone towards the future development of the site. Royal Pier is one of Southampton City Council’s seven VIP Projects identified within the City Centre Master Plan. The project includes over 6,000 new jobs, over 500 homes, a hotel, and an enlarged Mayflower Park to provide a permanent home for Southampton International Boat show. The development, which will be developed over a number of years, will transform the waterfront and help to underpin the city’s future growth and prosperity.
13. I am delighted that we are one step further in our ambition to become a leading digital city with residents and visitors soon able to have free access to the internet in a range of locations. The five year contract with Arqiva to provide outdoor wireless connectivity to Southampton City Council comes at no cost to the council and will in fact provide a small income. There are a great many potential social and economic benefits to the city in providing such a service, and it aligns with our priority to promote Southampton and attract investment. The Arqiva Wi-Fi services will provide residents and users with unlimited, free access to online council services 24/7 as well as providing the first 30 minutes of use per day for free.
14. We have been ‘Highly Commended’ in the Innovative Small Business Friendly Project award by the Federation of Small Business. The awards programme specifically acknowledges local authority economic support and they have expressed their appreciation for the council’s continuing support for small businesses.
15. Work has begun on the first phase of the Station Quarter development and will develop the area surrounding the north entrance/exit of Southampton

Central Station. This phase will help us create a more welcoming arrival experience, enhancing the perception of our great city for our residents and visitors alike. The Station Quarter is one of Southampton City Council's seven City Centre Master Plan VIP Projects, designed to build a brighter future for the city both economically and socially. The planned developments are expected to:

- support local businesses
- lead to the creation of around 300 jobs
- better pedestrian links with the city centre
- improved taxi and bus management
- safe, green travel connections and
- a new flexible community events space.

16. At the Full Council meeting on 17th July 2013 Members considered a motion betting shops, pay-day-loan premises, cheap off-licenses and seeks to bar the opening of fast food outlets near schools. It was agreed to undertake a thorough review of our planning policies and report back in six months. At their meeting on 17<sup>th</sup> December 2013, Cabinet agreed a review of planning policies in order to minimize the harmful impact of these developments. It was also agreed to set up a cross-departmental group to allow a further six months to look into this. An update in this work will be reported to Cabinet in May/June 2014. This work will include:

- assessing all new planning applications for hot food takeaways within 500m of schools and, if there is considered to be an overriding health implication, then opening hours are restricted during lunch times.
- setting up of a cross departmental group to explore whether there are opportunities to influence the spread of betting shops, pay-day-loan premises, and the opening of fast food outlets near schools over the longer term and reports back to Cabinet within six months. Cheap off-licence sales will not be considered further as this is not a planning issue.
- report back to Cabinet will include consideration on whether an article 4 should be served to require planning permission for the conversion of pubs to any other use classes.

17. Cabinet approved the Arts and Heritage Collection Development Policy 2014-17. A Council approved acquisition and disposals policy is an essential requirement of the Arts Council Accreditation Scheme for museums. Without Accreditation, eligibility for funding for Southampton from the Arts Council, Heritage Lottery Fund and other lottery, trust and foundation grant giving sources would be significantly restricted. The Arts & Heritage Collection Development Policy will guide the work of the Arts and Heritage team over the next three years as it rationalises current holdings and adds new material to its collections that reflect the needs of a modern city. It will also provide enhanced public access to this important learning resource.

## **RAISING AMBITIONS AND IMPROVING OUTCOMES FOR CHILDREN AND YOUNG PEOPLE**

18. OFSTED confirmed that Richard Taunton Sixth Form College moved from 'satisfactory' in the last inspection to 'good' and with this result, all 3 colleges in the city are now rated good. In my last report I highlighted the continued improvement in the GCSE performance of the city's young people and it is reassuring to see that we are making progress throughout the educational journey.
19. The Children's Services Transformation programme has created a joint Multi Agency Safeguarding Hub (MASH) to manage all referrals, the creation of two Early Intervention Teams for 0-4 year olds and 5 – 19 year olds. MASH will be launched this month and will bring together staff from existing teams and services across children's social care, education, prevention and health. The approach aims to ensure that there is a comprehensive range of both universal and targeted services to support vulnerable children and families. This will promote good outcomes for children and families by embedding our own, and partners, services into an integrated, whole system early identification and intervention approach, that puts the child and family at the centre.
20. We are proposing that four schools (Thornhill Primary, Bitterne Park Primary, Mansbridge Primary and Bitterne Manor Primary) increase the number of children that they admit in September 2015. These changes are necessary to accommodate the huge increase in the number of children born and living in Southampton. We are also in discussion with Portswood Primary School about potentially increasing their numbers in 2015.
21. Southampton has been chosen as one of just twelve areas in the UK to receive Big Lottery Funding that could see up to £10 million invested into the mental wellbeing of the city's 10-14 year olds. The funding of £500,000 for Head Start is intended to help equip young people to deal better with difficult circumstances in their lives, so as to prevent them experiencing common mental health problems. A final plan will be approved by the Big Lottery in April 2014, with pilot projects expected to start in summer 2014.

## **IMPROVING HEALTH AND KEEPING PEOPLE SAFE**

22. Redesigning and commissioning integrated health and social care services will improve quality and outcomes and result in more effective use of resources and cost avoidance and as a consequence release savings. Towards this end, following Cabinet agreement in the autumn, our new Integrated Commissioning Unit as now been established jointly with the Clinical Commissioning Group (CCG) within a single management structure. This is overseen by the Integrated Commissioning Board and accountability for commissioning decisions will be retained by the Cabinet and CCG Governing Body.

23. The CCG and the council have also made a first stage submission to the Department of Health's Better Care Fund to enable the NHS and local authorities to jointly commission health and social care services and drive development of integration locally. This funding will be available from 2015-16 and detailed plans to direct its use are being developed. A first stage submission, following extensive local stakeholder engagement, was made in February 2014 and this is currently being assessed by Ministers.
24. We agreed to enter into an agreement with the CCG to put in place a business case for Housing Provision for People with Learning Disabilities and Complex Needs, which is driven by the need to have local, person centred services delivered in the right place and at the right time. This unified approach across the two agencies will provide clarity for the housing market and ensure there is no competition for limited resources. It also sends a strong message to the residential care market that Southampton is actively promoting the supported living model for people with complex needs, where this is appropriate. The business case has four main aims to:
- provide locally based housing to support personalised approaches of care
  - improve the quality of life for those with complex needs (e.g. by reducing challenging behaviours and crisis/breakdowns)
  - improve support for informal carers, ensuring that individuals maintain natural networks around them and informal carers well being is supported
  - reduce dependency on health and social care services by provision of effective and efficient local service.
25. Cabinet approved the proposal for the council and the CCG to work together to re-commission the Adult Domiciliary Care framework across the City in 2014. The domiciliary care market within Southampton currently provides care for approximately 1,810 people in any given week. It accounts for a £18.07 million spend and there are currently up to 75 providers working in the city and delivering care packages. Due to its size and importance in terms of meeting service user needs and enabling the city to meet its strategic requirements, it is essential that domiciliary care provision achieves high standards of delivery, quality and value for money. Re-commissioning these services will help us to:
- achieve improved quality within domiciliary care services
  - ensure the best value available within the market
  - ensure services are able to respond to changing needs and demands.

## **HELPING INDIVIDUALS AND COMMUNITIES TO WORK TOGETHER AND HELP THEMSELVES**

26. The council's application to the Our Place programme for initial funding of £3,000 from DCLG was successful. This was for support and funding for the Freemantle and Shirley area (Freemantle and Shirley netWORK project). Locality, in partnership with the Local Government Association and delivery associates such as the Community Development Foundation are running the

Our Place programme which is enabling 160 projects to apply for up to £30,000 at different stages to support the development of their communities. Our bid was jointly led by the Cabinet Members for Communities and for Health and Adult Social Care and prepared by a cross council and CCG team. Given the short timescales, a few community interest groups, including Park Life CIC and the Freemantle Community Centre were consulted and hope to be involved. The Freemantle and Shirley netWORK project aims to harness existing activists and develop new networks to maximise use of community resources to access and develop the services needed for the area. Ultimately the project is expected to develop a community led plan linking in with initiatives to increase self reliance and improve community cohesion.

27. We were one of six councils to have a thematic inspection focussing on the contribution of the Youth Offending Team to the work and outcomes of the Troubled Families (Families Matter) Programme. This inspection, led by HMI Probation was undertaken jointly with inspectors from the Care Quality Commission, OFSTED and HM Inspectorate of Constabulary. The purpose of this inspection was to examine the policy and practice of Youth Offending Teams and assess the effectiveness of their work towards achieving the objectives of the Troubled Families (Families Matter) Programme. The inspection looked at the impact on service provision and took into account how youth offending services and their partners, have evolved in response to this significant change in policy and practice. A multi disciplinary inspection team, 7 inspectors, met with relevant managers, practitioners and other stakeholders. The team also examined a sample of case files and undertook a small number of detailed case studies, to assess the contribution of all relevant agencies and staff to achieving the specific objectives of the local Families Matter Programme. No individual reports will be produced for each inspection visit and the overall report will be published in the summer on the learning points, good practice examples and conclusions from all six inspections.
28. We are working with Southampton Connect and John Denham, MP, to support local community groups in celebrating St George's Day through setting up a specific Community Chest Fund to award special one-off grants of £100 to support community events held on 23 April 2014. Our aim is to bring communities together to celebrate our National Day and get to know one another. This could be with a community lunch or activity day and we are particularly interested in events that will bring different groups of people together e.g. people of different ages or people from different backgrounds. The grants will be awarded on a 'first come, first served' basis and applicants are advised to submit their applications as soon as possible. The final deadline for applications is Wednesday 2 April 2014. We will use the same criteria and guidelines as our well tested Community Chest Grants scheme and the grant decisions will be made by officers.
29. Cabinet approved the application made for Bassett ward to be designated as a Neighbourhood Area and the designation of the Bassett Neighbourhood

Forum following the formal public consultation process.

## **ENCOURAGING NEW HOUSE BUILDING AND IMPROVING EXISTING HOMES**

30. Cabinet approved capital programme expenditure on various housing projects which will contribute to the Council's strategic housing objectives through improving the facilities of our estates, the wellbeing and satisfaction of our residents in areas where they live. Schemes of work to be included:
- Storage/charging facilities at a number of supported housing residential blocks
  - Refurbishment to communal areas including improved lighting, flooring and ceilings to residential blocks across the city
  - Continuing the existing programme of works of the Supported Housing Asset Plan
  - Installation of energy saving measures to various blocks across the city where Energy Companies Obligation (ECO) works are planned (utilising grant funding) with additional measures such as PV panels, LED lighting, ground /air source transfer pump installations.  
This included approval of virements of:
    - £200,000 in 2014/15 to provide a new budget for the 'Decent Neighbourhoods: Estate Improvement Programme'
    - £475,000 in 2014/15 for 'Communal Area works – Future Projects', within the HRA Capital Programme, to increase the budget for the 'Weston Court - Communal Area Works' scheme from £1.5M to £1.975M
    - £1,425,000, from the unapproved provision for Communal Area Works – Future Projects, within the HRA Capital Programme, to provide new budgets for specific schemes.

## **MAKING THE CITY MORE ATTRACTIVE AND SUSTAINABLE**

31. We are introducing a new household glass collection service to make it easier for our residents to recycle glass bottles and jars. The changes to weekly rubbish and recycling collection days will allow us to provide a more efficient and cost effective service. The new service is free of charge and will help increase our recycling rate which is important as every additional 1% of recycling we collect saves us £50,000 each year.
32. Cabinet approved a recommendation to clarify the council's policy in relation to all aspects of waste management and includes an education and enforcement framework to support the Council in maintaining a clean city. This covers the new glass recycling service and all aspects of waste management including litter, fly tipping, graffiti and household waste and recycling. The need for this approach has been highlighted by the Waste and Recycling Service transformation programme funded by a government grant. The aim is to:
- enable the council to focus its limited education and enforcement

resources to areas of high priority that are likely to have the biggest impact on improving behaviour, environmental quality and recycling performance.

- provide balanced education and enforcement where justified
- enable the council to undertake prioritised activity in high risk areas to ensure public health and public amenity
- promote and encourage responsible waste management, to encourage recycling and re-use, to reduce the amount of waste going to landfill
- reduce the costs associated with waste collection and disposal.

## **DEVELOPING AN ENGAGED, SKILLED AND MOTIVATED WORKFORCE**

33. Following consideration of how the council can build a strong HR foundation and deliver HR transformation projects, an HR supply and demand model has been agreed. To support delivery of this model, a set of HR projects have been identified and the scope, objectives and deliverables for the transformation projects are being finalised. Work is also progressing with the Local Government Pension Scheme (LGPS) changes as a legal and regulatory compliance project which potentially impacts all staff and has to be delivered by 1<sup>st</sup> April 2014.
34. The key HR Transformation projects are Resourcing and Establishment Control, HR Operating Mode, Learning and Development and Performance Management. The Transformation and Improvement Board has agreed additional resources to progress these projects. This work is a key to the delivery of the council's overall transformation programme and work is now underway to complete businesses cases for approval.
35. The Pay and Allowances is a priority project with an allocated project manager and team. This work is in hand and making good progress. Once the initial resourcing plan has been approved, the Pay and Allowances project will be on track to deliver the revised outputs by the due dates in the updated plan.

## **IMPLEMENTING BETTER WAYS OF WORKING TO MANAGE REDUCED BUDGETS AND INCREASED DEMAND**

36. Now that the work on developing the 2014/15 budget has been completed, the Council's Management Team is working on a single transformation plan for the Council which will include key cross cutting projects that will help us to reduce cost and change the way in which the Council offers information and service. This is with the aim of moving to less expensive ways of providing services.

## **RESOURCE IMPLICATIONS**

### **Capital/Revenue**

37. N/A

### **Property/Other**

38. N/A



**LEGAL IMPLICATIONS**

**Statutory power to undertake proposals in the report:**

39. As defined in the report appropriate to each decision.

**Other Legal Implications:**

40. None.

**POLICY FRAMEWORK IMPLICATIONS**

41. Council Plan 2013-16

**KEY DECISION?** No

<b>WARDS/COMMUNITIES AFFECTED:</b>	All
------------------------------------	-----

**SUPPORTING DOCUMENTATION**

**Appendices**

1.	None

**Documents In Members' Rooms**

1.	None

**Equality Impact Assessment**

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
--	----

**Other Background Documents**

**Equality Impact Assessment and Other Background documents available for inspection at:**

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
------------------------------	--

1.		
2.		

This page is intentionally left blank

# Agenda Item 9

<b>DECISION-MAKER:</b>	COUNCIL		
<b>SUBJECT:</b>	REVISION TO CONSTITUTION – VOTING BY MEMBERS ON BUDGETS		
<b>DATE OF DECISION:</b>	19 MARCH 2014		
<b>REPORT OF:</b>	HEAD OF LEGAL AND DEMOCRATIC SERVICES		
<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Name:</b>	Richard Ivory	<b>Tel:</b> 023 8083 2794
	<b>E-mail:</b>	Richard.ivory@southampton.gov.uk	
<b>Director</b>	<b>Name:</b>	Mark Heath	<b>Tel:</b> 023 8083 2371
	<b>E-mail:</b>	Mark.heath@southampton.gov.uk	

## STATEMENT OF CONFIDENTIALITY

None

## BRIEF SUMMARY

This report seeks authority to amend the Council's Constitution following the coming into force of the Local Authorities (Standing Orders)(England)(Amendment) Order 2014 (SI.2014/165)

## RECOMMENDATIONS:

- (i) That the Council's Constitution – Council Procedure Rules be revised to record the way members vote on budget decision matters in accordance with the Local Authorities (Standing Orders)(England)(Amendment) Order 2014.

## REASONS FOR REPORT RECOMMENDATIONS

1. The Local Authorities (Standing Orders)(England)(Amendment) Order 2014 (SI.2014/165) came into force on 25<sup>th</sup> February 2014. The statutory instrument requires Councils to revise their Constitutions as soon as is reasonably possible to reflect voting by members on budget decision matters.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None

## DETAIL (Including consultation carried out)

3. The new Regulations require Councils "immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting". Accordingly, this requires to be reflected in the Council Procedure Rules by inserting a new paragraph 17.6.

## RESOURCE IMPLICATIONS

### Capital/Revenue

4. None

**Property/Other**

5. None

**LEGAL IMPLICATIONS**

**Statutory power to undertake proposals in the report:**

6. Sections, 8, 20 and 190 Local Government and Housing Act 1989 and the Local Authorities (Standing Orders)(England)(Amendment) Order 2014

**Other Legal Implications:**

7. None

**POLICY FRAMEWORK IMPLICATIONS**

8. None

**KEY DECISION?** No

<b>WARDS/COMMUNITIES AFFECTED:</b>	None
------------------------------------	------

**SUPPORTING DOCUMENTATION**

**Appendices**

1.	None
----	------

**Documents In Members' Rooms**

1.	None
----	------

**Equality Impact Assessment**

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
--	----

**Other Background Documents**

**Equality Impact Assessment and Other Background documents available for inspection at:**

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
----	------	--

# Agenda Item 10

<b>DECISION-MAKER:</b>	COUNCIL		
<b>SUBJECT:</b>	PAY POLICY STATEMENT FINANCIAL YEAR 2014 - 2015		
<b>DATE OF DECISION:</b>	19 MARCH 2014		
<b>REPORT OF:</b>	HEAD OF STRATEGIC HUMAN RESOURCES		
<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Name:</b>	<b>Mike Watts</b>	<b>Tel:</b> <b>023 8083 4255</b>
	<b>E-mail:</b>	<b>mike.watts@southampton.gov.uk</b>	
<b>Director</b>	<b>Name:</b>	<b>Mark Heath</b>	<b>Tel:</b> <b>023 8083 2371</b>
	<b>E-mail:</b>	<b>mark.heath@southampton.gov.uk</b>	

## STATEMENT OF CONFIDENTIALITY

None

## BRIEF SUMMARY

This Pay Policy Statement ("Pay Statement") is provided in accordance with the Localism Act 2011 ("Localism Act") and has to be updated prior to the commencement of each subsequent financial year.

This Pay Statement sets out Southampton City Council's pay policies relating to its workforce (excluding schools) for the financial year 2014-2015, including the remuneration of its Chief Officers, lowest paid employees and the relationship between its Chief Officers and that of its employees who are not Chief Officers.

## RECOMMENDATIONS:

- (i) To approve the Southampton City Council Pay Policy Statement for 2014/15.

## REASONS FOR REPORT RECOMMENDATIONS

1. To enable the Council to be compliant with the Localism Act 2011.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None.

## DETAIL (Including consultation carried out)

3. Chapter 8 of the Localism Act 2011 deals with openness and accountability in local pay and requires that local authorities prepare a pay policy statement for each financial year. Guidance has been published which sets out the key policy principles that underpin the pay accountability provisions in the Act.
4. The published statement must include details of a range of issues relating to the pay of the Council's workforce but does not apply to local authority schools. The only significant amendment is the adoption of the use of 'median average' earnings for the pay multiple calculation, rather than the 'mean average' that was previously used. This is as a result of revised Government guidance.

5. Other minor revisions have been made to post titles, inclusion of salary information for Grade 1 and reference to the April 2013 pay award for employees who are not Chief Officers. There have been no pay policy changes during the year.

### **PAY POLICY STATEMENT REQUIREMENTS**

6. Section 38 of the Localism Act 2011 provides requirements on the content of the policy statements. These include the setting out of the Council's policies relating to the remuneration of the chief officers; the remuneration of its lowest-paid employees and the relationship between the remunerations of chief officers and non-chief officers.
7. The Pay Policy Statement must provide a definition of what is its "lowest paid-employees" along with the reasons for this definition.
8. The Pay Policy Statement must also include the Council's policies relating to:
  - a. Responsibility for decisions on pay structures;
  - b. Pay scales and grading framework;
  - c. Remuneration level including bonuses, performance related pay, charges, fees and allowances;
  - d. Benefits in kind;
  - e. Pension;
  - f. Severance payments; and
  - g. Specific remuneration of Chief Officers.

### **FUTURE REPORTING ARRANGEMENTS**

9. As per the legislation contained within the Localism Act, the Council's pay policy statement must be refreshed and approved for each new financial year. It is therefore proposed that future Pay Policy Statements will be reported each year to the March meeting of Council unless it requires in year revision.

### **RESOURCE IMPLICATIONS**

#### **Capital/Revenue**

10. None.

#### **Property/Other**

11. None.

### **LEGAL IMPLICATIONS**

#### **Statutory power to undertake proposals in the report:**

12. Localism Act 2011.

#### **Other Legal Implications:**

13. None.

### **POLICY FRAMEWORK IMPLICATIONS**

14. None.

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	None
-----------------------------	------

**SUPPORTING DOCUMENTATION**

**Appendices**

1.	Pay Policy 2014 - 2015
2.	Chief Executive and Chief Officer's Pay Scales (CHIEF to CO4)
3.	Council's Mainstream Pay Structure (Grades 1 – 13)
4.	Discretionary Severance and Pension Arrangement Policy

**Documents In Members' Rooms**

1.	None
----	------

**Equality Impact Assessment**

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
--	----

**Other Background Documents**

**Equality Impact Assessment and Other Background documents available for inspection at:**

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	Department for Communities & Local Government Guidance March 2013	
----	---	--

This page is intentionally left blank



## **SOUTHAMPTON CITY COUNCIL PAY POLICY STATEMENT FINANCIAL YEAR 2014 - 2015**

### **1. Purpose**

This Pay Policy Statement (“Pay Statement”) is provided in accordance with the Localism Act 2011 (“Localism Act”) and has to be updated prior to the commencement of each subsequent financial year.

This Pay Statement sets out Southampton City Council’s pay policies relating to its workforce (excluding schools) for the financial year 2014-2015, including the remuneration of its Chief Officers, lowest paid employees and the relationship between its Chief Officers and that of its employees who are not Chief Officers.

### **2. Definitions**

For the purpose of this Pay Statement the following definitions apply:

**2.1 “Pay”** in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements and termination payments.

**2.2 “Chief Officers”** refers to the following roles within the Council:

Statutory Chief Officers are:

- a) Chief Executive, as Head of Paid Service
- b) Director of Corporate Services, as Monitoring Officer
- c) Director, People which includes Adult Services and Social Care and Children’s Services
- d) Chief Financial Officer, as Section 151 Officer
- d) Director of Public Health

Non Statutory Chief Officers are:

- a) Director, Place

Deputy Chief Officers are:

- a) Heads of Service who report directly to/or are accountable to a statutory or non-statutory Chief Officer in respect of all or most of their duties.

**2.3 “Lowest paid employees”** refers to those employees paid within Grade 1 of the Council’s mainstream pay structure. This definition has been adopted

because Grade 1 is the lowest grade on the Council's mainstream pay structure and these posts have been as assessed through the NJC Job Evaluation scheme as having the least amount of complexity and responsibility.

**2.4 “Employee who is not a Chief Officer”** refers to all employees who are not covered under the “Chief Officer” group above. This includes the “lowest paid employees”. i.e. employees on Grade 1.

### **3. Pay Framework and remuneration levels**

#### **3.1 General approach**

The pay structure and pay scales have been designed to enable the Council to recruit and retain suitably qualified employees at all levels who are dedicated to fulfilling its corporate objectives and delivering services to the public whilst operating within an acceptable financial framework.

With a diverse workforce the Council recognises that its Pay Policy needs to retain sufficient flexibility to cope with a variety of circumstances that may arise that might necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. The decision to apply a market premium will be approved by the Head of Human Resources.

#### **3.2 Responsibility for decisions on pay structures**

The outcome of reviews into the local pay and grading structures covering all jobs are considered by the Employment and Appeals Committee constituted and comprised of Councillors from the political parties. The Committee's recommendations are submitted to a meeting of Full Council for approval.

It is essential for good governance that decisions on pay are made in an open and accountable manner. The Council's locally determined pay structures are based on the outcome of recognised job evaluation schemes (Hay and National Joint Council (NJC)). This followed a national requirement for all Local Authorities to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer and to comply with employment legislation and the economic climate locally. The current mainstream pay structure was implemented in 2003. The pay structure for Chief Officers and Heads of Service was determined through the Hay Job evaluation process during the senior management restructure process in 2011.

#### **3.3 Pay scales and grading framework**

The mainstream pay structure for all employees below the level of Chief Executive, Chief Officers and Heads of Service consists of a pay spine of 59 points, comprising 13 grades with grade 1 being the lowest and grade 13 the highest. Each employee will be on one of the 13 grades based on their job evaluated role. Each grade contains several zones and spinal column points to allow for incremental advancement within the grade subject always to an employee's satisfactory performance.

The Chief Executive and Chief Officer's pay grades reflect the same principles as for all of the Council's pay structures, consisting of 6 grades with 5 spinal column points in each and 6 for the Chief Executive.

Details of the Chief Officer pay scales (Appendix 2) and the Council's mainstream pay structure (Appendix 3) are appended to this Statement and are published on the Council's website.

Pay awards are considered annually for all employees but are subject to restrictions imposed nationally by the Government and/or negotiated locally. The outcome of national consultations by the Local Government Association in negotiation with the Trade Unions in relation to the settlement of the annual pay award is normally applied. If there is an occasion where to do so would distort the local pay structures alternative proposals are developed, discussed with the trade unions and brought to Elected Members for formal approval. Employees on the mainstream pay scale received a 1% pay award from 1 April 2013. There has been no inflationary annual pay award to the Chief Executive and Chief Officers since April 2008.

#### **4. Remuneration – level and element**

##### **4.1 Salaries**

**4.1.1 “Chief Officers”** are identified at 2.2 above. They are all paid within the Council's pay structures as follows:

- a) Chief Executive, as Head of Paid Service will be paid a salary within the grade range £137,356 to £172,618.
- b) Statutory and Non-Statutory Chief Officers will be paid a salary within the grade range £93,600 to £130,714 (apart from the Director of Public Health whose salary package equates to a maximum of £138,000 and is protected by COSOP transfer rules).

**4.1.2 “Deputy Chief Officers” who are Heads of Service** are all paid within the Council's pay structures as follows:

- c) within the grade range £62,336 to £108,984.

Details of Chief Officer and Heads of Service remuneration have been published since 2010 on the Council's website.

#### **4.2 Bonuses and Performance related pay**

There is no provision for bonus payments or performance related pay awards to any level of employee.

There is, however, an honorarium provision for an accelerated increment which may be awarded where an employee performs duties outside the scope of their post over an extended period or where the additional duties and responsibilities involved are exceptionally onerous. All such payments/increments are subject to approval by a Chief Officer (Director) and the Head of Human Resources.

#### **4.3 Other pay elements**

The pay structure for Chief Officers takes account of the clearly defined additional responsibilities in respect of the Section 151 and Monitoring Officer roles.

#### **4.4 Charges, fees or allowances**

Allowances or other payments, for example shift working, standby, etc. may be made to employees, below Heads of Service, in connection with their role or the pattern of hours they work in accordance with National or local collective agreements.

The Council recognises that some employees incur necessary expenditure in carrying out their responsibilities, for example travel costs, use of home telephone costs. Reimbursement for reasonable expenses incurred on Council business are paid in accordance with the Council's collective agreement and subsequent amendments to it.

The Director of Corporate Services has been appointed as the Council's Returning Officer for elections and he has appointed the Business Services Manager and Principal Elections Manager as his Deputy Returning Officers. For performing elections duties in respect of local (Council) elections, the Returning Officer and Deputies receive a fee payable according to a scale of costs, charges and expenses set by the Hampshire and Isle of Wight Election Fees Working Party and allowed under the Local Government Act 1972. This scale is published on the Council's website.

#### **4.5 Benefits in kind**

The Council is very conscious of the requirement to demonstrate that employees are paid fairly and in supporting this key principle has removed all benefits in kind from its Pay and Reward structure.

#### **4.6 Pension**

All employees as a result of their employment are eligible to join the Local Government Pension Scheme. There will be no increases or enhancement to pension entitlements.

#### **4.7 Severance payments**

The Council already publishes its policy on discretionary payments on early termination of employment and flexible retirement as well as publishing its policy on increasing an employee's total pension membership and on awarding additional pension. These policies cover all levels of employee and are applied in support of efficient organisational change and transformation linked to the need for efficiencies and expenditure reduction.

Details of the Council's policies are attached as Appendix 4.

The Council needs to retain the flexibility to respond to unforeseen circumstances as regards re-employing former local government employees. Such an occurrence would be considered very much the exception rather than the rule. If the Council were to re-employ a previous local government employee who had received a redundancy or severance package on leaving, or who was in receipt of a pension covered by the Redundancy payments (Continuity of Employment in Local Government Modification order 1999, known as the Modification Order) (with the same or another authority), then the Council's policy is to ensure that the rules of the Modification Order are applied. In addition the council will ensure that an open and fair selection process has taken place before any appointment is confirmed. The same principle would be applied to such a person if they were to be engaged by the Council on a "contract for services" basis.

#### **4.8 New starters joining the Council**

Employees new to the Council will normally be appointed to the first point of the salary scale for their grade. Where the candidate's current employment package would make the first point of the salary scale unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a different starting salary point within the grade may be considered by the recruiting manager. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary scale within the grade.

#### **4.9 Use of consultants, contractors and temporary staff through personal service companies**

The Council is acutely aware of its obligation to secure value for money in the employment of its employees and those who carry our work on its behalf. Ordinarily employees will be employed directly by the Council but on an exceptional basis, where particular circumstances deem it necessary, people may be employed through personal service companies. When this situation arises the Council will give detailed consideration to the benefit of doing so and that the overriding need to ensure value for money is achieved. Such arrangements will require prior approval by the appropriate Director for the service area, the Head of Human Resources and Chief Financial Officer.

**5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers".**

This relates to the ratio of the Council's highest paid employee (falling within the definition of "Chief Officers") and the median average earnings across the whole workforce as a pay multiple. By definition, the Council's highest paid employee is the Chief Executive.

The median average pay has been calculated on all taxable earnings for the financial year 2013- 2014, which includes basic salary and any contractual allowances/payments.

<b>Highest paid employee</b>	<b>£147,142</b>
<b>Median FTE salary</b>	<b>£22,050</b>
<b>Ratio</b>	<b>6.7:1</b>



This page is intentionally left blank



# Agenda Item 10

Appendix 3

## Southampton City Council - Mainstream Pay Scales as at 01/04/2013

S.C.P.	Salary April 2013 £	Grades			
4	12519	1 Appt Zone			
		Deleted			
6	12866	1 Dev Zone	2 Appt Zone		
7	13167	1 App Zone	2 Dev Zone	3 Appt Zone	
8	13573		2 Dev Zone	3 Dev Zone	4 Appt Zone
9	13977		2 App Zone	3 Dev Zone	4 Dev Zone
10	14265			3 Dev Zone	4 Dev Zone
11	15133	5 Appt Zone		3 App Zone	4 Dev Zone
12	15442	5 Appt Zone		3 App Zone	4 Dev Zone
13	15851	5 Dev Zone		3 App Zone	4 App Zone
14	16135	5 Dev Zone			4 App Zone
15	16467	5 Dev Zone	6 Appt Zone		4 App Zone
16	16857	5 Dev Zone	6 Appt Zone		4 App Zone
17	17251	5 App Zone	6 Dev Zone		4 App Zone
18	17585	5 App Zone	6 Dev Zone		
19	18233	5 App Zone	6 Dev Zone		
20	18890	5 App Zone	6 Dev Zone		
21	19570	5 App Zone	6 App Zone	7 Appt Zone	
22	20070		6 App Zone	7 Appt Zone	
23	20652		6 App Zone	7 Dev Zone	
24	21319		6 App Zone	7 Dev Zone	
25	21734		6 App Zone	7 Dev Zone	
26	22039			7 Dev Zone	8 Appt Zone
27	22770			7 App Zone	8 Appt Zone
28	23514			7 App Zone	8 Dev Zone
29	24444			7 App Zone	8 Dev Zone
30	25264			7 App Zone	8 Dev Zone
31	26061	9 Appt Zone		7 App Zone	8 Dev Zone
32	26831	9 Appt Zone			8 App Zone
33	27621	9 Dev Zone			8 App Zone
34	28402	9 Dev Zone			8 App Zone
35	28997	9 Dev Zone			8 App Zone
36	29766	9 Dev Zone	10 Appt Zone		8 App Zone
37	30599	9 App Zone	10 Appt Zone		
38	31494	9 App Zone	10 Dev Zone		
39	32532	9 App Zone	10 Dev Zone		
40	33386	9 App Zone	10 Dev Zone		
41	34266	9 App Zone	10 Dev Zone		
42	34353		10 App Zone		

43	34842		10 App Zone	11 Appt Zone	
44	35699		10 App Zone	11 Appt Zone	
45	36501		10 App Zone	11 Dev Zone	
46	37383		10 App Zone	11 Dev Zone	
47	38241			11 Dev Zone	12 Appt Zone
48	39091			11 Dev Zone	12 Appt Zone
49	39931			11 App Zone	12 Dev Zone
50	40723			11 App Zone	12 Dev Zone
51	41567			11 App Zone	12 Dev Zone
52	42419	13 Appt Zone		11 App Zone	12 Dev Zone
53	43266	13 Appt Zone		11 App Zone	12 App Zone
54	44120	13 Dev Zone			12 App Zone
55	45685	13 Dev Zone			12 App Zone
56	46987	13 Dev Zone			12 App Zone
57	48112	13 Dev Zone			12 App Zone
58	49285	13 App Zone			
59	50467	13 App Zone			
60	51835	13 App Zone			
61	53236	13 App Zone			
62	54678	13 App Zone			



## DISCRETIONARY SEVERANCE AND PENSION ARRANGEMENTS POLICY

<b>Date of Issue:</b>	<b>February 2014</b>
<b>Equality Impact Assessment:</b>	<b>February 2014</b>
<b>Next Review:</b>	<b>February 2017</b>
<b>Policy Family</b>	<b>Organisational Change</b>

<b><u>Contents</u></b>	<b><u>Page No.</u></b>
<b>1. Position statement</b>	<b>3</b>
<b>2. Purpose</b>	<b>3</b>
<b>3. This applies to</b>	<b>3</b>
<b>4. Roles and responsibilities</b>	<b>3</b>
<b>5. Principles</b>	<b>3</b>
5.1 Severance Payments	3
5.1.1 Redundancy Pay	3
5.2 Pension Arrangements	4
5.2.1 Early Retirement	4
5.2.2 Additional Pension Service	5
5.2.3 Flexible Retirement	5
5.2.4 Early Payment of Deferred Benefits	6
5.2.5 Other pension Provisions	6
<b>6. General Guidance</b>	<b>6</b>
<b>7. Links to related topics</b>	<b>7</b>
<b>8. Review</b>	<b>7</b>

## **Equality Impact Assessment**

**1. Position Statement**

The Council is obliged to set out its position with regards to discretionary severance and pension arrangements. This document serves to discharge that obligation.

**2. Purpose**

2.1 This document sets out the Council’s policy on the use of the discretions available to it under the terms of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and the Local Government Pension Scheme Regulations 2008.

**3. This applies to:**

3.1 This policy applies to all employees, excluding employees in schools. The sections relating to early retirement and pension provisions apply only to employees who are members of the Local Government Pension Scheme (LGPS).

**4. Roles and responsibilities**

4.1 The responsibility for payment Discretionary Severance and Pension Arrangements has been delegated from the Employment and Appeals Panel (EAP) to officers named in the Scheme, with the exception of redundancy payments for Schools, which will continue to be decided by the EAP.

**5. Principles**

**5.1 Severance Payments**

**5.1.1 Redundancy Pay:**

A redundancy payment will be due to any employee with at least two years’ continuous local government service at the date of dismissal that fulfils the statutory definition of redundancy.

The Council will calculate redundancy pay based on age, continuous local government service and actual weekly pay (capped at the top of Grade 13), up to a maximum of 30 weeks pay, using the following formula:

(Age factor) x (number of complete years of continuous local government service – capped at 20 years) x (gross weekly salary capped at the top of grade 13) = Redundancy Entitlement.

The age factor is calculated as follows:

- 0.5 for each full year of service where the employee's age was under 22;
- 1 for each full year of service where the employee's age was 22 or above, but under 41; and
- 1.5 for each full year of service where the employee's age was 41 or above.

Redundancy pay (including any severance pay) under £30,000 is not taxable.

Voluntary redundancy payments will be an enhanced lump sum payment that applies a 1.25 multiplier to the formula. Please note that any pay in lieu of notice is taxable and will be funded by the employing Directorate.

For voluntary redundancies, offer an enhanced compensation payment that applies a 1.25 multiplier to the statutory formula.

There will be no entitlement to such a payment if the employee commences employment in local government or with a body included in The Redundancy Payments (Continuity of Employment in Local Government, etc) (Modification) Order 1999, as amended within a month and a day of leaving the Council. However if an employee starts employment after a month and a day, their continuous employment under the Modification Order will be broken.

## 5.2 Pension Arrangements

### 5.2.1 Early Retirement

The Council will, where the employee has at least three months membership of and is still contributing to the LGPS at the date of leaving:

- Pay an unreduced pension and lump sum based on accrued service to employees over the age of 55 who are dismissed on grounds of redundancy (unreduced means without an actuarial reduction and employer picking up the strain cost).
- Consider requests for early retirement from employees between the ages of 55 and 59 where the Pension Fund charge can be saved over a period of not more than three years.

- Consider requests for early retirement from employees between the ages of 55 and 59 on compassionate grounds where medical evidence is provided that the employee has to provide continuous care for a sick partner or dependant. This provision also applies to ex-employees who have deferred pension rights.

### 5.2.2 Additional Pension Service

The Council will not exercise its discretion to augment pensionable LGPS service, except in circumstances when an employee wishes to convert a lump sum payment in excess of the statutory redundancy payment to additional pensionable LGPS service.

### 5.2.3 Flexible Retirement

The Council will consider applications for Flexible Retirement in accordance with the provisions of the Flexible Retirement Procedure. The criteria for consideration of flexible retirement are as follows:

- An employee aged 55 or more and a member of the LGPS can draw all of the pension benefits they have already built up while continuing in employment
- This is provided the Council agrees to the employee either reducing their hours or moving into a position on a lower grade
- In such cases, pension benefits will be reduced in accordance with actuarial tables, unless an employee has protected rights. The Council will not waive the actuarial reductions.
- The Council will pay any cost for the early payment of benefits if this is financially viable (i.e. paid back within a year). This will not include the cost of waiving any early payment reduction. If this is not financially viable the request for Flexible Retirement will be declined.
- Requests for flexible retirement should typically involve a reduction in salary of 40%, either through reduced hours or level of responsibility (grade). However reductions of less than 40% will be considered with reference to the criteria listed below.

Applications should only be granted when it is in the Council's interests to do so. Consideration will be given to:

- Tangible and substantial future benefits to the Council and its tax payers
- Direct financial savings

- The need to ensure that the Council does not unlawfully discriminate on the grounds of characteristics protected by the Equality Act or other employment legislation.
- Overall reasonableness in exercising the discretion
- All costs incurred by the Council as an employer.

The change in hours will be ordinarily permanent

There may be a strain charge for the release of a pension for flexible retirement. Whether or not the employer authorises the flexible retirement in these cases will depend on the business case and the payback of the strain charge.

#### 5.2.4 Early Payment of Deferred Benefits

Deferred benefits, including suspended tier three ill health pensions, will be paid early provided it is in the Council's interests to do so, and having regard to the Pension Fund Charge for paying benefits early being affordable in each case.

#### 5.2.5 Other Pension Provisions

The Council will implement the following provisions:

- Employees will be asked to confirm their intention to pay optional contributions for unpaid absence over 30 days. This must be done within 30 days of the return to work.
- The Council will include a woman's LGPS membership between 1/4/72 and 5/4/88 in the calculation of her widower's pension at no extra charge.
- Employees may transfer pension rights from another pension scheme or LGPS employer within 12 months of joining the Council.

## 6. **General Guidance**

### 6.1 Severance Payments

The statutory formula for calculating a redundancy compensation payment allows the employer to calculate the number of week's pay an employee is entitled to, dependent on age and length of continuous local government service, up to a maximum of 30 weeks pay.

### 6.2 Early Retirement



- If a LGPS member leaves a local government employment:
  - a. Between the ages of 60 and 64 they are entitled to receive immediate pension benefits without the employer's consent.
  - b. Before they are entitled to the payment of retirement benefits but once they have attained age 55, they may request payment. However, the consent of the employing authority (or former employing authority) is required where the member is under 60.
- If the sum, in whole years, of the employee's age and the length of membership of the LGPS equals or exceeds 85, the employee is entitled to receive the payment of unreduced pension benefits in respect of membership before 1<sup>st</sup> April 2008 (or, in the case of employees born before 1<sup>st</sup> April 1956, membership before 1<sup>st</sup> April 2016). If the total service and age are less than 85, the pension benefits will be actuarially reduced unless the retirement is on redundancy, efficiency or compassionate grounds.

In cases of early retirement, the Council will have to pay a charge to the Pension Fund to cover the actuarial costs. This will not apply if the early retirement is made on compassionate grounds.

## 7. Links to related topics

Organisational Change Procedure  
Flexible Retirement Procedure

## 8. Review

- 8.1 This policy will be reviewed as necessary to ensure that it complies with current employment legislation and the requirements of the Council.



BusMan1 3/2010

## Equality and Safety Impact Assessment

The **public sector Equality Duty** (Section 149 of the Equality Act) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people carrying out their activities.

The Equality Duty supports good decision making – it encourages public bodies to be more efficient and effective by understanding how different people will be affected by their activities, so that their policies and services are appropriate and accessible to all and meet different people's needs. The Council's Equality and Safety Impact Assessment (ESIA) includes an assessment of the community safety impact assessment to comply with section 17 of the Crime and Disorder Act and will enable the Council to better understand the potential impact of the budget proposals and consider mitigating action.

<b>Name or Brief Description of Proposal</b>	Discretionary Severance and Pension Arrangements Policy
<b>Brief Service Profile (including number of customers)</b>	This document sets out the Council's policy on the use of the discretions available to it under the terms of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and the Local Government Pension Scheme Regulations 2008.
<b>Summary of Impact and Issues</b>	<b>Low – review in 3 years</b> Although there are some negative impacts in relation to age, these are specifically excluded from the Equality Act through other legal instruments in relation to pension and redundancy
<b>Potential Positive Impacts</b>	Mostly positive – legislation and regulations have changed in recently times to make pension benefits more available to minority groups e.g. civil partnerships. Also the nature of ill health benefits are to help ex employees who are permanently unfit for work/disabled.
<b>Responsible Service Manager</b>	Verity Srawley
<b>Date</b>	07/02/14

<b>This is a controlled document – once printed it becomes uncontrolled</b>	
Southampton City Council Strategic HR & OD	Date Printed: 10/03/2014

<b>Approved by Senior Manager</b>	Mike Watts
<b>Signature</b>	Mike Watts
<b>Date</b>	07/02/14

**Potential Impact**

<b>Impact Assessment</b>	<b>Details of Impact</b>	<b>Possible Solutions &amp; Mitigating Actions</b>
<b>Age</b>	The pension provisions will apply to older employees. The redundancy elements apply to all though younger staff may not get as much through reduced length of service and age factor compared to older employees	These provisions are as stated in legislation and pension regulations and are exempt from age discrimination legislation.
<b>Disability</b>	If an employee becomes permanently unfit to work and they have deferred benefits, this policy outlines how these claims will be dealt with	N/A – a positive impact to enable those with a disability to access their pension (if they are eligible).
<b>Gender Reassignment</b>	None	N/A
<b>Marriage and Civil Partnership</b>	Pension benefits apply to civil partnerships	The legislation and regulations changed a few years ago to reflect this – positive impact
<b>Pregnancy and Maternity</b>	Employees who are on maternity leave may receive a reduced pension if they choose not to make, or make reduced voluntary contributions while on maternity leave	Employees are advised of their options with regards to pension contributions prior to going on maternity leave.
<b>Race</b>	None	N/A
<b>Religion or Belief</b>	None	N/A
<b>Sex</b>	The retirement age for both genders were equalised a few years ago so this policy applies equally regardless of gender	None – positive impact
<b>Sexual Orientation</b>	None	N/A
<b>Community Safety</b>	None	N/A
<b>Poverty</b>	Policy outlines pension options for employees for when they reach retirement age or just prior to retirement age, e.g. flexible retirement and early retirement. Also option for deferred benefits when ex employees	This policy outlines the options for these groups so they do not endure poverty either later in life or when they become permanently unfit for work.

	have left the pension scheme and become disabled, or current employees become permanently unfit for work	
<b>Other Significant Impacts</b>	Although this policy will not improve the health of ex-employees/employees who become permanently unfit for work, it outlines the policy for how these cases are dealt with so for those who are eligible it might make their lives easier, e.g. they can use any lump sum awarded to make adjustments to their home	None – positive impact.

This page is intentionally left blank