

COUNCIL MEETING

Wednesday, 17th September,
2014
at 2.00 pm

Council Chamber - Civic Centre

This meeting is open to the public

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

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WARD	COUNCILLOR	WARD	COUNCILLOR
Bargate	Bogle Noon Tucker	Millbrook	Denness Galton Thorpe
Bassett	Hannides B Harris L Harris	Peartree	Keogh Lewzey Dr Paffey
Bevois	Barnes-Andrews Burke Rayment	Portswood	Norris Claisse O'Neill
Bitterne	Letts Lloyd Stevens	Redbridge	McEwing Pope Whitbread
Bitterne Park	Baillie Inglis White	Shirley	Chaloner Coombs Kaur
Coxford	Morrell Spicer Thomas	Sholing	Mrs Blatchford Hecks Jeffery
Freemantle	Moulton Parnell Shields	Swaythling	Mintoff Painton Vassiliou
Harefield	Daunt Fitzhenry Smith	Woolston	Chamberlain 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.

Use of Social Media:- If, in the Chair's opinion, a person filming or recording a meeting or taking photographs is interrupting proceedings or causing a disturbance, under the Council's Standing Orders the person can be ordered to stop their activity, or to leave the meeting

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.

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

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.

Questions

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

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

Southampton City Council's Priorities:

- Jobs for local people
- Prevention and early intervention
- Protecting vulnerable people
- Affordable housing
- Services for all
- City pride
- A sustainable Council

Mobile Telephones – Please switch your mobile telephones to silent 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

Proposed Dates of Meetings

(Municipal Year 2014/15)

2014	2015
16 July	11 February (Budget)**
17 September	18 March
19 November	20 May (AGM)"

*Date Subject to the election schedule.

CONDUCT OF MEETING

FUNCTIONS OF THE COUNCIL

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

RULES OF PROCEDURE

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

BUSINESS TO BE DISCUSSED

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

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, 9 September 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, 17TH SEPTEMBER, 2014 in the COUNCIL CHAMBER CIVIC CENTRE at 2:00pm. when the following business is proposed to be transacted:-

1 APOLOGIES

To receive any apologies.

2 MINUTES (Pages 1 - 12)

To authorise the signing of the minutes of the Council Meeting held on 16th July 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 (Pages 13 - 20)

Report of the Leader of the Council, attached.

6 MOTIONS

Councillor Moulton to move:

Full Council expresses its disappointment at the draft plans that are now being consulted upon for the regeneration for the Millbrook Estate and calls for a far more comprehensive and ambitious scheme.

Furthermore Full Council expresses its deep concern about the future loss of green space and a football pitch at Green Park, that would result from the building of flats there.

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 OVERVIEW AND SCRUTINY: SUMMARY OF CALL IN ACTIVITY

To note that there has been no use of the call-in procedure since last reported to Council.

10 LATE NIGHT LEVY - CONSIDERATION OF CONSULTATION RESPONSES

(Pages 21 - 118)

Report of the Head of Legal and Democratic Services detailing the responses to the consultation on the proposal to introduce a Late Night Levy to Southampton, attached.

11 ELECTORAL CYCLE (Pages 119 - 126)

Report of the Director, Corporate Services detailing the consultation arrangements that should be undertaken prior to the Council deciding which options should be approved in regard to the electoral cycle, attached.

12 CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS ((Pages 127 - 146)

Report of the Cabinet Member for Resources and Leisure in consultation with the Chief Financial Officer setting out changes to existing Revenue and Capital budgets, attached.

13 HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2014/15 – 2018/19

(Pages 147 - 164)

Report of the Cabinet Member for Housing & Sustainability updating the Housing Revenue Account (HRA) Capital Programme and detailing changes since the last update in February 2014, attached.

14 THE GENERAL FUND CAPITAL PROGRAMME 2013/14 TO 2016/17 (Pages 165 - 176)

Report of the Chief Financial Officer detailing the General Fund Capital Programme from 2013/14 to 2016/17, attached.

NOTE: There will be prayers by the Mayor's Chaplain, David Adcock 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 loop at the end of the line.

M R HEATH
Director of Corporate Services

SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON 16 JULY 2014

Present:

The Mayor, Councillor Mrs Blatchford
The Sheriff, Councillor Norris
Councillors Baillie, Barnes-Andrews, Bogle, Burke, Chaloner, Chamberlain, Coombs, Daunt, Denness, Fitzhenry, Galton, Hammond, Hannides, B Harris (minute 28 onwards), L Harris, Hecks, Inglis, Jeffery, Kaur, Keogh, Letts, Lewzey, Lloyd, McEwing, Mintoff, Morrell, Noon, O'Neill, Dr Paffey, Painton, Parnell, Payne, Rayment, Shields, Smith, Spicer, Stevens (minute 31 onwards), Thomas, Thorpe, Tucker, Vassiliou, Whitbread and White

23. APOLOGIES

Apologies for absence were submitted on behalf of Councillors Claisse, Moulton and Pope.

24. MINUTES

RESOLVED that the minutes of the Council meeting and the Extraordinary Council meeting held on the 4th June 2014 be approved and signed as correct records.

Arising from the minutes, it was noted that there was a need for a slight change to the financial procedure rules referred to in the minutes.

The change was in relation to Financial Procedure Rules in relation to both Revenue Virement Rules (A.11) and Capital Programme Management (B.37) where the formulation of the wording was currently as follows:

- Up to £200K, approved by Chief Officer in consultation with CFO
- £200K - £500K – approved by Cabinet member in consultation with CFO
- £500K-£2m – approved by cabinet
- £2m+ approved by Council

The intention had been that for approvals between £200-£500K, Cabinet Members were aware and involved. However, the wording meant that a formal decision would be required for each of these decisions. It was therefore proposed to vary the wording of the £200-£500K bracket.

RESOLVED that approval be given to vary the wording of the £200K-£500K bracket to:

- -approved by the Chief Officer in consultation with CFO and Cabinet Member.

25. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

The Mayor paid tribute to the work of Alan Spencer, Town Sergeant, who would be leaving the Council on the 21st July, 2014 to take up a new position in Portsmouth. On

behalf of the Council, the Mayor thanked Alan for his service to the Council and wished him well for the future.

26. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

It was noted that no requests to present deputations, petitions or public questions had been received.

27. 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. Woodside Lodge – Potential closure

Question from Councillor White to Councillor Shields

Woodside Lodge is being considered for closure therefore what consideration has the Cabinet Member given to the long term use of the other two dementia homes?

Answer:

Woodside Lodge is not being considered for closure. The only decision Cabinet is being asked to consider on 15th July is to authorise consultation on the re-provision of services at Woodside residential care home, Kentish Road respite unit and day services. No decisions about the future of any unit, home or services have been proposed yet nor have any pre-determination been made as to what the likely outcome would be. However, one potential outcome could be a recommendation that Woodside Lodge closes with suitable re-provision of the services.

If Cabinet authorise the consultation process then this will be carried out fully and in line with relevant codes of practice and the outcome will be fully evaluated and taken into account before any further proposals are recommended. The Council would also evaluate all other relevant information, guidance and good practice.

Consideration has been made about seeking Cabinet authorisation to consult on other residential homes but this has not been deemed necessary at the current time. This is for a number of reasons; including the fact that any closure or re-provision of services would need to be very carefully managed and we would wish to make sure that we have sufficient available resource to do this, the other homes are at a higher level of average occupancy and we are also cognisant that whilst there is capacity in the market at present, we would not want to over-use the available capacity all at once and would wish to manage the development of the market in a controlled manner.

2. Woodside Lodge – Occupancy

Question from Councillor White to Councillor Shields

As the occupancy rate of Woodside Lodge is currently considerably lower than the other homes can the Cabinet Member give the comparison of the rates for all three dementia homes over the last 12 months?

Answer:

The figures quoted are for the period April 2013 to March 2014. As you will appreciate, there is monthly variation but the average figures are as follows:

- Woodside Lodge 87%
- Glen Lee 95%
- Holcroft House 98%

3. Woodside Lodge – Value and possible use

Question from Councillor White to Councillor Barnes-Andrews

Can the Cabinet Member indicate the value of the Woodside Lodge site and possible use should the decision be made to close the home?

Answer:

The Council has not assessed an open market value of the premises recently, however the asset value stated in the council's accounts is £652,000 as at 1st April 2012 based on the existing use value to the Council as required by Accounting Regulations. This is not the likely amount that might be realised on a sale which may be completely different. This would require investigation into potential alternative uses from a planning point of view, together with more detailed legal and technical assessment of the site. The site is not allocated for any particular use within the Council's adopted Development Plan, and so any planning application for alternative use would be assessed against general policies. The principle of an alternative residential use would be acceptable.

4. Consultations

Question from Councillor Galton to Councillor Letts

Would the Leader agree with me in the importance of ensuring all consultations are as inclusive as possible?

Answer:

Yes

5. Primary School Provision

Question from Councillor Galton to Councillor Jeffery

Are you still confident in the Local Authority's ability to meet the need in primary school provision and any school expansions to facilitate the various expansion processes?

Answer:

Yes, I am confident that we will meet our responsibilities in delivering the requirements for primary expansion.

The authority has been planning to meet the increase in pupil numbers in primary schools for a number of years. Based upon current planning, the numbers reach a peak in Reception age in 2015 although we are, obviously closely monitoring birth-rates and other factors that affect numbers.

We have expanded schools to meet this need with further expansions planned for September 2015. These are all on target to meet the required deadlines.

6. Regents Park Road

Question from Councillor Galton to Councillor Rayment

Has the Cabinet Member visited the bottom end of Regents Park Road since its recent repairs and is she satisfied with the end of the road now?

Answer:

I have not yet visited the length of road in question, however I am advised by our engineers that the recent repair to the road surface was carried out to remove several large potholes and to improve ride quality.

There are some outstanding remedial works to these repairs which will be carried out by the contractor at no cost to the Council and with minimal disruption to local residents

7. Home Condition Standards

Question from Councillor Baillie to Councillor Payne

When are you going to adopt a new improved standard for the condition of homes owned by SCC?

Answer:

The Council adopted its own standard for the quality of Council Homes in 2012 as part of the Housing Revenue Account Business Plan. This determines the level of investment and replacement timeframes for our Capital Programme.

Details are included as an appendix with the annual Business Plan report agreed by Council each February.

8. Affordable Homes

Question from Councillor Baillie to Councillor Payne

What is the requirement for new Affordable Homes in Southampton over the next 10 years, and what is your target?

Answer:

The Administration's target is to provide one new affordable home a day (365 a year).

The 2014 PUSH South Hampshire Strategic Housing Market Assessment has suggested that over the period 2013-2036 the estimated level of housing need for affordable housing is 16,251 homes, or 707 per annum for Southampton.

9. City's Housing Estates

Question from Councillor Baillie to Councillor Payne

Why have you allowed many of the estates to look so unkempt?

Answer:

The Council is currently investing more in its homes and estates through the Housing Revenue Account Capital programme than at any other time including significant investment in Decent Neighbourhoods in many areas including Shirley, Holyrood, Maybush and Bassett. We are also completing the largest external painting programme for our walk up blocks across the city helping dramatically improve the appearance of many of our estates. Customer satisfaction with our capital programme is consistently over 95%.

28. MOTIONS

Spitfire Tribute

Councillor Hannides moved and Councillor Letts seconded:

"The Council welcomes the Executive's clear leadership in supporting the National Spitfire Project (NSP), and notes the unanimous backing it has received from all political groups on the Council.

The Council resolves to:

- Endorse the NSP's objective of building a lasting tribute to the Spitfire as a memorial to the men and women who designed, built, maintained and flew the aircraft.

- Facilitate the provision and transfer of Council-owned land for the Spitfire monument on the designated waterfront site at Mayflower Park.
- Note the lasting benefits to the City of erecting an international landmark at Mayflower Park to be seen and enjoyed by Southampton residents and millions of visitors.
- Recognise the high importance of the project to the City and continue to positively and constructively engage with the National Spitfire Project team”.

UPON BEING PUT TO THE VOTE THE MOTION WAS DECLARED CARRIED

RESOLVED that the motion be unanimously approved.

29. 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.

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

It was noted that the following changes to the appointments to Committees, Sub-Committees and other bodies had been made:

- (i) Councillor Les Harris had replaced Councillor Hecks on the Planning and Rights of Way Panel (West) and Councillor Hecks would now serve on the Planning and Rights of Way Panel (East);
- (ii) Councillor Claisse had replaced Councillor Fitzhenry on Planning and Rights of Way Panel (West) and Councillor Fitzhenry would now serve on Planning and Rights of Way Panel (East);
- (iii) Councillors Coombs, Galton, Hammond, McEwing, Parnell, Thorpe and O’Neill had been appointed to the first Scrutiny Inquiry on Air Quality;
- (iv) Councillor Keogh had replaced Councillor Jeffery on the Governance Committee;
- (v) Councillor Keogh had replaced Councillor Denness on the Overview and Scrutiny Management Committee; and
- (vi) Councillor Les Harris had replaced Councillor Vassilliou on Employment and Appeals Panel.

31. FINANCIAL STATEMENTS FOR 2013/14

The Council agreed to debate the business under minutes 31 – 37 together and therefore agreed to suspend Council procedure Rules 14.2, 14.5, 14.6, 14.7, 14.8, 14.9 and 16.2 to allow all amendments to be debated together and to allow maximum procedural flexibility within the debate for items 31 – 37.

The report of the Chief Financial Officer was submitted detailing the Financial Statements for 2013/14 (copy of report circulated with agenda and appended to signed minutes).

RESOLVED :

- (i) That it be noted that the Financial Statements 2013/14 had been signed by the Chief Financial Officer;
- (ii) That it be noted that the approval of the Financial Statements 2013/14 by the Governance Committee would take place on 15 September 2014, subject to any changes required after the completion of the Audit. Any such changes would be presented to the Governance Committee; and
- (iii) That the revised statement on the Minimum Revenue Provision Policy as set out in paragraphs 7-13 of the report be noted.

32. EXCLUSION OF THE PRESS AND PUBLIC - CONFIDENTIAL PAPERS INCLUDED IN THE FOLLOWING MATTER

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 4 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. In applying the public interest test, the appendix includes details of a litigation settlement which is currently subject to legal privilege and therefore cannot be publicly disclosed at this time.

33. GENERAL FUND REVENUE OUTTURN 2013/14

The report of the Chief Financial Officer was submitted seeking approval of the General Fund Revenue Outturn 2013/14 (copy of report circulated with the agenda and appended to the signed minutes).

RESOLVED :

- (i) That the final outturn for 2013/14 as detailed in Appendix 1 to the report, which is an underspend of £11.8M, be noted;
- (ii) That it be noted that included within the overall underspend of £11.8M, is a significant one-off adjustment of £4.5M in relation to a change in how the Council accounts for its Minimum Revenue Provision (MRP);
- (iii) That the performance of individual Portfolios in managing their budgets as set out in paragraph 8 of the report be noted, together with the major variances in Appendix 2 to the report;
- (iv) That the carry forward requests totalling £2.1M as outlined in paragraph 15 of the report and set out in Appendix 3 to the report be approved;

- (v) That the use of £3M of the 2013/14 underspend to fund the Council's Transformation programme, as set out in paragraph 17 of the report be approved;
- (vi) That the use of part of the 2013/14 underspend to fund the Council's settlement requirement in respect of Litigation as set out in confidential appendix 4 to the report be approved; and
- (vii) That it be noted that the level of General Fund balances at 31 March 2014 was £53.4M, reducing to £9M by 2017/18.

34. GENERAL FUND CAPITAL OUTTURN 2013/14

The report of the Chief Financial Officer was submitted seeking approval of the General Fund Capital Outturn 2013/14 (copy of report circulated with agenda and appended to signed minutes).

RESOLVED :

- (i) That the actual capital spending in 2013/14 as shown in paragraphs 4 and 5 be noted together with the major variances detailed in Appendix 1 and Appendix 2 to the report;
- (ii) That the revised estimates for 2014/15, adjusted for slippage and re-phasing as shown in Appendix 3 to the report, be noted;
- (iii) That the proposed capital financing in 2013/14 as shown in paragraph 12 of the report be approved;
- (iv) That it be noted that the capital programme remained fully funded up to 2016/17 based on the latest forecast of capital receipts although the forecast could be subject to change; most notably with regard to the value and timing of anticipated capital receipts;
- (v) That it be noted that a part repayment of £5,750,000 against outstanding prior years' temporary borrowing, which stood at £9,400,000, had been made in 2013/14;
- (vi) That it be noted that it is currently anticipated that the remaining temporary borrowing of £3,650,000 would be repaid by the end 2014/15 when anticipated capital receipts were finally forecast to be received, following the planned sale of a number of property assets; and
- (vii) That the addition of £152,000 to the Education and Change portfolio capital programme (£107,000 in 2013/14 and £45,000 in 2014/15) to fund the overspend on the refurbishment of 315 Coxford Road scheme to be funded by council resources (capital receipts) be approved.

35. REVIEW OF PRUDENTIAL LIMITS AND TREASURY MANAGEMENT OUTTURN 2013/14

The report of the Chief Financial Officer was submitted concerning the treasury management activities for 2013/14 (copy of report circulated with the agenda and appended to signed minutes).

RESOLVED :

- (i) That the Treasury Management (TM) activities for 2013/14 and the outturn on the Prudential Indicators be noted;
- (ii) That it be noted that the continued proactive approach to TM had led to reductions in borrowing costs and safeguarded investment income during the year;
- (iii) That the immediate action taken in response to down rating of the Authority's current Bankers (the Co-operative Bank), be noted; and
- (iv) That the extended scope of the Interest Equalisation Reserve to include the risk associated with 'bail-in' following the banking regulation reform which in future would force losses on investors before taxpayers are asked to support failing banks, and the subsequent change of name of this reserve to the Treasury Risk Reserve be approved.

36. COLLECTION FUND OUTTURN 2013/14

The report of the Chief Financial Officer was submitted concerning the actual payments made to and from the collection fund during the 2013/14 financial year (copy of report circulated with agenda and appended to signed minutes).

RESOLVED that the accounts for the Collection Fund in 2013/14 as shown in Appendix 1 to the report be noted.

37. HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL OUTTURN 2013/14

The report of the Cabinet Member for Housing and Sustainability was submitted detailing the level of spend on the Housing Revenue Account for the financial year 2013/14 (copy of report circulated with agenda and appended to signed minutes).

RESOLVED :

- (i) That the HRA revenue outturn for the financial year 2013/14, as set out in Appendix 1 to the report, and the working balance at the end of the year of £2,278,000; be noted;
- (ii) That the carry forward requests, totalling £278,000, for the specific revenue items set out in paragraph 11 of the report, which can be funded from the working balance; be approved;
- (iii) That the HRA capital outturn for the financial year 2013/14, as summarised in paragraph 13 of the report; be noted;

(iv) That the amendments to schemes in the HRA Capital Programme for 2014/15, as set out in Appendix 3 to the report, to take account of the slippage and re-phasing in 2013/14 be approved; and

(v) That the 2013/14 capital financing, as set out in paragraph 18 of the report, be noted and that the use of available resources would be reviewed as part of the next full update of the HRA Business Plan later in 2014.

38. BETTING SHOPS, PAYDAY LOAN PREMISES, FAST FOOD OUTLETS AND PUBLIC HOUSES

The report of the Leader of the Council was submitted concerning the prevention of the spread of betting shops, pay-day-loan premises, cheap off-licences, and fast food off-licences (copy of report circulated with agenda and appended to signed minutes).

RESOLVED that the report be noted.

39. SOUTHAMPTON CITY STRATEGY 2014-2025

The report of the Leader of the Council was submitted seeking approval of the Council's contribution towards the implementation of the City Strategy 2014-2025 (copy of the report circulated with agenda and appended to signed minutes).

RESOLVED :

(i) That the draft Southampton City Strategy 2014 - 2025 prepared by Southampton Connect be endorsed; and

(ii) That delegated authority be granted to the Chief Executive, as the incoming Chair of Southampton Connect, to agree the Council's contribution to the final City Strategy 2014 – 2025 which would reflect feedback from Southampton Connect partners.

40. COUNCIL STRATEGY 2014 - 2017

The report of the Leader of the Council was submitted seeking approval of the Council Strategy 2014 – 2017 (copy of the report circulated with the agenda and appended to signed minutes).

RESOLVED:

(i) That the recommendations made by the Overview and Scrutiny Management Committee and Cabinet, be noted and that they be reflected in the final version of the Council Strategy 2014 -2017;

(ii) That the draft Council Strategy 2014-2017, including the Council priorities attached as Appendix 1 to the report, be approved; and

(iii) That delegated authority be granted to the Assistant Chief Executive, following consultation with the Leader of the Council, to finalise the draft Council Strategy 2014 -2017, including incorporating any changes made at the meeting and to make any in year changes and to refresh relevant sections of

the strategy in 2015 and 2016 so that it aligns with any new budgetary or policy developments which would impact on the Council's activities during 2014- 2017.

41. HRA CAPITAL PROGRAMME PROJECT APPROVALS 2014-15/ 2015-16 PHASE 1

The report of the Cabinet Member of Housing was submitted seeking approval for expenditure on various housing projects across the City (copy of report circulated with agenda and appended to signed minutes).

RESOLVED:

- (i) That the previously agreed schemes of "External Cladding (PRC houses)", totalling £3,951,000, "External Cladding (flats)", totalling £2,212,000, and "External Cladding (tower blocks)", totalling £3,215,000, be merged into one scheme headed "External Cladding across the City" with a combined budget of £9,378,000;
- (ii) That in accordance with Financial Procedure Rules capital expenditure of £11,466,000 phased
 £5,240,000 in 2014-15; and
 £6,226,000 in 2015-16

on External Cladding systems and Supported Housing two-storey walkway repairs across the City be approved, for which provision exists within the Warm and Energy Efficient and Safe and Wind and Weather Tight sections of the HRA Capital programme, as detailed in the table below:

	2014-15	2015-16	Total
	£000s	£000s	£000s
Warm and Energy Efficient			
External Cladding across the City	4,739	4,639	9,378
Total for Warm and Energy Efficient	4,739	4,639	9,378
Safe Wind and Weather Tight			
Supported Housing two-storey walkway repairs	501	1,587	2,088
Total Safe Wind and Weather Tight	501	1,587	2,088
Total	5,240	6,226	11,466

42. PAY AND ALLOWANCES

The report of Leader of the Council was submitted seeking approval of the revised changes to the Council's overall Pay Policy and associated allowances (copy of report circulated with agenda and attached to signed minutes).

RESOLVED:

(i) That approval be given as the Council's preferred option to

(a) Implement the proposed changes to terms and conditions of employment (Pay and Allowances) achieved through collective agreement with recognised Trade Unions.

Or, if necessary

(b) Implement the proposed changes to terms and conditions of employment (Pay and Allowances) through the dismissal and re-engagement of affected staff if the union ballot rejects the proposed changes;

(ii) That delegated authority be granted to the Head of Human Resources to negotiate the final details and take any action necessary to implement the report; and

(iii) That delegated authority be granted to the Head of Legal and Democratic Services to amend the Officer Scheme of Delegation so that any decisions to amend or change pay and allowances are only exercised by or with the prior approval of the Head of Human Resources.

Chair



17th September 2014

Agenda Item 5

DECISION-MAKER:	COUNCIL		
SUBJECT:	EXECUTIVE BUSINESS		
DATE OF DECISION:	17 SEPTEMBER 2014		
REPORT OF:	LEADER OF THE COUNCIL		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Suki Sitaram	Tel: 023 8083 2060
	E-mail:	suki.sitaram@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None			

BRIEF SUMMARY

This report outlines Executive Business conducted since the last Council meeting in July 2014.

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. Following approval of the Council Strategy by Full Council on 16th July 2014, this report highlights the contribution of different portfolios towards the new council priorities outlined below:
 - Jobs for local people
 - Prevention and early intervention
 - Protecting vulnerable people
 - Affordable housing
 - Services for all
 - City pride
 - A sustainable Council.
4. In celebration of the 50th anniversary of both the Nuffield Theatre and the City of Southampton, Guildhall Square was converted into a unique pop-up venue, Nuffield Playing Field, from 1st to 17th August 2014. The Art at the Heart Festival, a festival of theatre, film, music, visual art and dance was presented by the Nuffield Theatre in partnership with Art Asia, City Eye, John Hansard Gallery, Mayflower Theatre and Turner Sims. This is a precursor to the opening of the new arts complex in 2016.
4. 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:

- The quality of Southampton's parks and open spaces. St James' Park, Weston Shore, Mansel Park and Mayfield Park are officially some of the very best in the UK. These parks and open spaces have received the prestigious Green Flag Award handed out by environmental charity Keep Britain Tidy. A Green Flag flying overhead is a sign to the public that the space boasts the highest possible standards, is beautifully maintained and has excellent facilities. A huge amount of work from both our staff and voluntary groups is required to keep these areas in such fantastic condition and these awards are a testament to the collective hard work and dedication of local people.
- Our inspired and well-crafted communications campaigns. We have been nominated for the Chartered Institute of Public Relations PRide Awards 2014 for our My Journey "Love handles?" cycling campaign. It has been shortlisted in two categories: Best Public Sector Campaign and Best Integrated Campaign. This is the result of a team effort between our Communications, Transport and Design Teams.
- Our work to help keep our city safe. The Citywatch team keep a watchful eye over us day and night and in recognition of their work to reduce crime over the last ten years the team has been presented with a "Western Area Commanders Certificate of Congratulations" award at the Southampton Business Against Crime (SoBAC) 10-year celebration. This is a real honour as these certificates are not often given to people outside of the police.
- Our partnership working with the private sector. The National Outsourcing Association (NOA) has shortlisted the council and Capita for the Best Contribution to the Reputation of Outsourcing Award and the Corporate Social Responsibility Award at the 2014 NOA Awards. The winners will be announced on Thursday 20th November 2014.
- Achievements in delivering excellence in frontline service. The council has been nominated for 3 awards at the Association for Public Service Excellence (APSE) Local Government Service Awards 2014. Our Section 106 Employment and Skills Programme has been nominated for Best Employment and Equality Initiative, our work on improving garden waste collections has been nominated for Best Service Team - Waste Management and Recycling, and our Bin It to Win It initiative that rewards residents who recycle has been nominated for Best Information Technology and Communication Initiative. The awards ceremony will take place on Thursday 11th September 2014.

JOBS FOR LOCAL PEOPLE

5. Early ideas for the planned Royal Pier Waterfront development were on display to the public on 11th July 2014. The event took place at Westgate Hall and was well attended by both residents and local interest groups who viewed the plans and provided comments. Feedback from the event has been taken on board by the Council's selected development partner RPW (Southampton) Ltd, a joint venture between Morgan Sindall Investments Limited (MSIL) and the Lucent Group, in preparation for the planning application scheduled for 2015.
6. Following the publication of the GCSE results the Council's Skills and

Regeneration Service teamed up with No Limits and local training providers to run drop-in sessions on Thursday 21 August for school leavers, providing information, advice and support. No Limits advisers were able to help with a whole host of other issues such as health, housing, work, training and apprenticeships. This is particularly relevant because as from this year the age at which young people are required to remain in education or training increases to 18, an extra two years after GCSEs. The aim is to give all young people more opportunities to gain the qualifications and skills they need to get on.

7. At its meeting on 15th July 2014, Cabinet approved the expansion of Springwell School by the total of 16 additional places from September 2014. This decision will help drive up education standards and attainment for children with SEN by enabling a greater number of students to access the educational support that they need. It will also allow a greater number of those students that have a preference to attend Springwell School to do so.

PREVENTION AND EARLY INTERVENTION

8. Southampton is one of eleven areas in the country to receive a grant of £500,000 from the Big Lottery Fund. The grant is for HeadStart, a project aiming to improve the emotional wellbeing and resilience of 10 to 14 year olds, who sometimes struggle with the transition from primary to secondary school, puberty and new decisions about issues like drugs, alcohol and sex. This is welcome news for the City and for our teenagers. The grant has been provided for the first year with the potential of securing a five year programme worth £10 million.
9. We have received the welcome news that our Families Matter programme can be expanded to help us to improve the lives of families with difficulties including rent arrears, youth offending, health issues and family conflict. The expanded programme will help children from “troubled families” in the City get a better chance in life through various initiatives such as intensive parenting courses, closer work with schools and colleges, and support and advice with health issues and family dynamics. Since 2012, our Families Matter programme has helped to turn around the lives of 455 families in the City and I am confident that we will build on this success to reach even more families in need.
10. Work is being undertaken by the Council and the Clinical Commissioning Group on the latest iteration of the Better Care Southampton Plan. This Plan provides a blueprint for the future of health and social care services in the City, aiming to completely transform the delivery of care in Southampton so that fully integrated health and social care will be delivered as locally as possible with people at the centre of their own care. A series of clusters are being developed which will be the building blocks in a new system which will bring together community nurses, therapists, geriatricians, mental health workers, primary care, social care, housing and the voluntary sector to work in an integrated way. Neighbourhoods and communities will have a valued role in supporting people and there will be a much stronger focus on prevention and early intervention.
11. The Council and the Clinical Commissioning Group were required to submit proposals for a Southampton Better Care Plan to the Department of Health

in March 2014. Whilst indications from the Department of Health on the Southampton Plan were favourable, the government has changed the rules for the pay for performance element of the fund. Consequently all local areas are being required to submit a revised Better Care Plan to the Department of Health by 19th September 2014.

PROTECTING VULNERABLE PEOPLE

12. We want to continue to support more people to live and remain independent in the community, in their own homes for as long as possible. To help enable this to happen Cabinet, at its meeting on 15th July 2014, authorised the Director of People to initiate a process of consultation on the way some of our directly provided services, commissioned respite and day care services are delivered. The principles behind the proposals are to:
 - Make best use of community resources to improve outcomes for those using the services
 - Meet the Care Act 2014 requirements
 - Ensure Council funding achieves the best outcomes for those who receive care services.
13. We are consulting on the following:
 - The closure of Woodside Lodge Residential Home
 - Re-provision of respite care services for adults with a learning disability, currently provided at Kentish Road
 - Redesign and re-provision of all the Council's in-house day services for those with a learning or physical disability or mental health conditions.
14. There are no formal proposals being put forward for the last two items as we want to work with the service users, their families and carers and staff to design a service which is modelled on best practice and fit for the future. This is the right thing to do as we want to make sure that people get high quality services that best meet their individual needs and support people to live their lives as they choose. It is not just about saving money but primarily about achieving better outcomes. Consultation on the proposals began on 24th July 2014 and will close on 23rd October 2014. The feedback will inform the subsequent Cabinet decision on the future of services.
15. At its meeting on 15th July 2014, Cabinet approved the re-commissioning, through a tender process, of advocacy services for all adults, inclusive of all elements of specialist and dedicated advocacy currently provided across the City. Procuring an advocacy service which amalgamates the current fragmented funding streams, totalling £259,200 per annum, will enable the services to be redesigned in order to meet current demand, local need and achieve parity of service access.

AFFORDABLE HOUSING

16. A community event to celebrate the completion of extensive improvement works to Kingsland Estate took place on 13th August 2014. In partnership with British Gas the improvement works have retained the original, iconic 1940 architectural features of this neighbourhood whilst making homes more energy efficient, helping to reduce energy bills for residents.
17. Further demonstrating the hard work of our housing service Ventnor Court, one of our supported housing establishments, has received a facelift with new lifts, newly refurbished community rooms, new mobility scooter storage

facilities, improved security and a new community garden.

18. Work to bring empty homes back into use in Southampton has, for the twentieth year running, reached its target of filling at least 100 empty properties. As a result, more than 2,000 homes have reopened their doors to Southampton families since the target was introduced in 1994. This is the equivalent of providing a new neighbourhood the size of the Weston estate over a 20 year period.

SERVICES FOR ALL

19. Southampton's garden waste collection scheme is proving to be very popular with nearly 11,500 households signing up since April 2014, and this number is growing all the time. This impressive level of take up shows that our residents are keen to recycle their garden waste and appreciate the convenience of doorstep collections.
20. Major environmental improvement work to Queen's Park and Queen's Terrace is underway to resurface the walkways, improve drainage and expand Queen's Park. The work will include improvements to the planting, street furniture, lighting and connections to Queen's Terrace. The developments, made possible through the 'Platform for Prosperity scheme' will significantly enhance Queen's Park, reconnecting it to Oxford Street and improving its links to the City Centre. The £1.1M improvements are being funded by the Department for Transport and the Council and contribute to the City Centre Master Plan ambitions for growth and prosperity.
21. A total of £2.4M funding from the Department for Transport was secured in 2014 by the Council for a number of schemes as part of a wider project to manage network 'pinch points' across the city. Other 'pinch point' works include the current Central Bridge waterproofing project, waterproofing of Northam River Bridge that will start once Central Bridge is complete, and the improvements to the Western Approach Rail Bridge, which were completed earlier this year.

CITY PRIDE

22. To celebrate the anniversary of the signing of Southampton's Armed Forces Community Covenant, the City's statement of support for our Armed Forces personnel (past and present) and their families, an annual report has been produced highlighting the key achievements in 2013/14. The report has been recognised by the Ministry of Defence as good practice and acknowledges the stronger working relationships we are forging with our Armed Forces communities in Southampton, demonstrated by the Council's decision to amend the Housing Letting policy to include members of the Merchant Navy.
23. A number of Southampton's 200 plus Junior Neighbourhood Wardens (JNWs) took part in a special sports day to mark their achievements this year. The JNW scheme encourages children aged 7 - 12 to take pride in their neighbourhood and become young champions of the community. Throughout the year, the JNWs accompany the 'leaders' (Wardens aged 13 – 16 year olds), the Council's Neighbourhood Wardens and other services to improve their local area. Regular events are organised including litter picks, clean ups, painting projects, graffiti removal sessions, recycling, environmental and garden projects, fundraising for charities, sports days and

more. The scheme is free to join, helps to keep children occupied during the school holidays and makes communities stronger. Well done and thank you to all our JNWs for their work this year.

A SUSTAINABLE COUNCIL

24. We have recognised that the scale of transformation required will need investment, for instance in new technology and have identified that we will need to invest £3-5M per year over the next 3 years. The Cabinet approved that the underspend of £3M in 2013/14 will be used to fund the Council's Transformation Programme in 2014/15. I will be reporting on further work that is being undertaken in the coming months. We have agreed details about the next phase of the One Council Transformation Programme and have prioritised improving experiences of the Council's customers and have agreed a single approach to our customers and putting in place a new model for business support. This includes the establishment of a single 'front door' for customers of services within the People Directorate (adults, housing and children) as part of the customer model.
25. We have agreed governance arrangements for the transformation programme with the establishment of 3 boards to lead on the three transformation workstreams – customer, infrastructure and service design. The Cabinet is fully engaged in the programme with Cabinet Members representation on each of these boards as well as on the Assurance Board. We are conducting a staff survey and have started the activity analysis work to establish the gap between where we are now and where we need to be to meet our financial pressures and manage future demand.
26. The transformation programme includes working with our public sector partners to exploit opportunities for joining up assets and services, and in doing so releasing surplus buildings to generate receipts and savings. At the meeting on 15th July Cabinet approved a number of recommendations that will enable the Council to achieve this and become more sustainable.
27. To provide the Council with additional options over and above those currently available to it with regard to the disposal, sale or use of its assets, Cabinet approved the creation of a Limited Liability Partnership (LLP) between the Council and a private sector partner, Public Sector Plc Facilitating Limited (PSPF). This relationship will bring funding opportunities which have not traditionally available to the Council. The formed LLP will be required to demonstrate its value before projects are agreed for delivery.
28. In order to generate ongoing revenue savings Cabinet also approved the next phase of the Accommodation Strategy to enable the potential vacation of One Guildhall Square (OGS), followed by the vacation and disposal of service property with moves into the Civic Centre, once OGS has been vacated.
29. To help us to improve the services we offer to our customers the Council's website is being refreshed. We have ensured that the development takes into account resident and staff feedback and we are now at the stage where the website design is being finalised. The new website will be launched in October 2014 and will enable additional transactions to be undertaken online, saving the Council money and meeting the needs of residents, many of whom expect to be able to access information and services digitally. This development reflects the Council's commitment to become a modern,

efficient organisation focussed on and valued by its customers.

RESOURCE IMPLICATIONS

Capital/Revenue

30. N/A

Property/Other

31. N/A

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

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

POLICY FRAMEWORK IMPLICATIONS

33. Council Plan 2014-17

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	None
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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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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	
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DECISION-MAKER:	LICENSING COMMITTEE COUNCIL		
SUBJECT:	LATE NIGHT LEVY – CONSIDERATION OF CONSULTATION RESPONSES		
DATE OF DECISION:	11 SEPTEMBER 2014 - LICENSING COMMITTEE 17 SEPTEMBER 2014 - COUNCIL		
REPORT OF:	CABINET MEMBER FOR COMMUNITIES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Richard Ivory	Tel: 023 8083 2794
	E-mail:	Richard.ivory@southampton.gov.uk	
Director	Name:	Mark Heath	Tel: 023 8083 2371
	E-mail:	Mark.heath@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

If implemented by the Council the Late Night Levy will be an annual payment of between £299 and £4,440 by premises authorised to supply alcohol after midnight. The income is split between the police and the Council whose share is used solely for initiatives that assist reduce crime and disorder related to the night time economy.

This report presents the outcome of the consultation exercise on proposals to introduce a Late Night Levy and requests the Licensing Committee to make a recommendation to Council on whether or not a Late Night Levy should be introduced in the City.

RECOMMENDATIONS:

Licensing Committee

- (i) To consider the consultation responses and recommend to Council whether or not to introduce a Late Night Levy in the city.
- (ii) To recommend the key provisions of the Late Night Levy, if it is decided to introduce one.

Council

- (i) To consider the report submitted to the Licensing Committee, the views of that committee and the consultation generally and resolve whether or not it is desirable to introduce a Late Night Levy as detailed in this report and if so, decide the matters referred to at paragraphs 5 and 6 below.

REASONS FOR REPORT RECOMMENDATIONS

1. The provision for the late night levy has been introduced by the Government to allow authorities to require those businesses that benefit from the

existence of a late night economy in their area to contribute towards the costs that it causes. The term “late night economy” is not defined for the purpose of the levy but is a general term meant to reflect the business that takes place in the city after midnight, primarily leisure related and involving alcohol.

2. While the late night economy provides significant economic benefits to the City, there are consequential costs of crime and disorder, anti-social behaviour, and costs that fall on the police, the Council and other partners.
3. The Government has said legislation has been introduced as it is not considered:
“... fair to expect local communities and taxpayers to bear the full brunt of the costs that the late night economy causes in their area. Therefore, this charge allows licensing authorities to require those businesses that benefit from the existence of a late night economy in their area to contribute to some of the costs that it causes.”
4. The rationale is not to restrict the extent of the late night economy but to ensure a contribution towards the consequential costs.
5. Council at it’s meeting on 15th April 2014 resolved to undertake a formal consultation on the desirability of a levy and options. The consultation period expired on 31st July 2014. The responses to the consultation need to be considered to enable Council to decide:
 - Pursuant to section 125(2) of the Police Reform and Social Responsibility Act 2011 (“the 2011 Act”) whether the late night levy requirement is to apply to the City of Southampton
 - If so, pursuant to section 132(1) of the 2011 Act that:
 - (a) the date on which the late night levy requirement is first to apply is 1st April 2015
 - (b) for the first levy year and, subject to section 133 of the 2011 Act, each subsequent levy year:-
 - (i) the late night supply period shall begin at one minute passed midnight and end at 6 am;
 - (ii) that the following permitted exemption categories as defined in regulation 4 of the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 are to apply:-
 - (1) regulation 4(a) – hotels etc. supplying alcohol for on-consumption by resident patrons;
 - (2) regulation 4(b) – theatres supplying alcohol for on-consumption to ticket holders, performers, guests at private events;
 - (3) regulation 4(c) – cinemas supplying alcohol for on-consumption to ticket holders, guests at private events;
 - (4) regulation 4(d) – bingo halls where the playing of non-remote bingo is the primary activity;
 - (5) regulation 4(e) – registered community amateur sports clubs;
 - (6) regulation 4(f) – community premises like church halls and village halls, etc. that are subject to the alternative licence

condition and

(7) regulation 4 (i) – premises authorised to supply alcohol for on consumption only between midnight and 6 am on 1 January

(iii) that the following permitted exemption category as defined in regulation 4 of the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 is not to apply:-

(1) regulation 4(g) – single country village pubs in designated rural settlements which receive rate relief;

(2) regulation 4(h) – premises liable for the Business Improvement District levy.

(iv) that the following permitted reduction category as defined in regulation 5 of the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 is not to apply:-

(1) regulation 5(1)(a) – members of business-led best practice schemes

Save that if such a scheme is subsequently approved and adopted by the Council in accordance with paragraph 6 below that the Head of Legal and Democratic Services be authorised to administer the scheme and take all decisions in relation to it, including reductions in the levy payable by approved premises

(2) regulation 5(1)(b) – certain premises authorised to supply alcohol for on-consumption which receive small business rate relief.

(v) the proportion of the net amount of levy payments that is to be paid to the relevant local policing body under section 131 of the 2011 Act is 70 per cent.

6. To authorise that the Head of Legal and Democratic Services has delegated powers to do all things necessary to implement these decisions, including:-

(a) Power to publish notice of the decisions in accordance with regulation 9(1)(b) of the Late Night Levy (Application and Administration) Regulations 2012;

(b) Power to determine whether the holders of any relevant late night authorisations fall within any permitted exemption or reduction categories and in particular whether the holders of any relevant late night authorisations who are members of any subsequently approved business-led best practice scheme fall within the permitted reduction category;

(c) Subject always to the statutory role of Licensing Committee and its Sub- Committees, to make arrangements for free applications to vary authorisations before the beginning of the first levy year and determine such applications in accordance with regulations 9(1)(c) and 9(5) of the Late Night Levy (Application and Administration) Regulations 2012;

(d) Power to determine the aggregate amount of expenses of the Council that are permitted deductions under section 130(1)(b) of

the 2011 Act;

- (e) Power to publish annual notices under section 130(5) of the 2011 Act relating to anticipated expenses and the net amount of the levy payments;
- (f) Power to make adjustments to payments in accordance with paragraph 7 of the Late Night Levy (Application and Administration) Regulations 2012;
- (g) Power to determine from time to time when and for what purposes the Council will apply the non-specified proportion of the net amount of the levy payments;
- (h) Authorisation to enter into an agreement with the Police and Crime Commissioner (PCC) and the Chief Constable regarding the use of the net amount of levy payments as a single programme and to establish a Late Night Levy Board (to include operators) to facilitate a single programme; and
- (i) Authorisation to create and implement a business-led best practice scheme that will satisfy the criteria contained in regulation 5(1)(a) of the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012 after consultation with the Police and Crime Commissioner, the Chief Constable, operators, and the Late Night Levy Board (if established).

7. To note that the Head of Legal and Democratic Services shall review the operation and effect of the levy in 2017 (or earlier, if considered necessary) and report the outcome of the review to Licensing Committee.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Not to introduce a levy. This option is fully considered in this report.

DETAIL (Including consultation carried out)

8. Section 125(2) of the Police Reform and Social Responsibility Act 2011 empowers a local authority to apply a late night levy to their area.
9. On 20th November 2013 Council passed a motion delegating authority to the Head of Legal and Democratic Services to commence a consultation on a proposed new late night levy. Preliminary consultation then took place with the PCC and police in order to work up draft and evidenced proposals.
10. On 15th April 2014 Cabinet agreed in principle proposals for the design of a late night levy and agreed that the Council should consult on them. The report to Cabinet is attached as Appendix 1.
11. The consultation started on 30th April 2014 and finished on 31st July 2014.
12. The Council is required to consult the Police and Crime Commissioner, the Chief Constable and licence holders who may be affected by the levy.
13. In addition officers:
 - consulted with other licence holders who would not be required to pay the levy, residents associations, solicitors who have represented licensed premises in the area, both national and local organisations with an interest in licensing matters and the late night refreshment houses in the

- city.
14.
 - prepared a consultation document setting out the proposals and a questionnaire respondents could complete. A copy of the consultation document is attached at appendix 2.
 15.
 - created a specific page on the Council internet site with details of the late night levy and links to the consultation document and instructions to respond by either e-mail or post.
 16.
 - provided a link to the consultation page on the Councils current consultation internet page.
 17. The statutory notices were placed on the Council's website and in the Southern Evening Daily Echo and Hampshire Independent on Friday 25th April 2014 and letters or e-mails were sent to those with whom we wished to consult.
 18. The list of consultees include all 721 premises licensed to sell alcohol by Southampton City Council, local and national solicitors involved with licensing, relevant and other authorities and resident associations. A full list is attached as Appendix 3.
 19. **Rationale for the proposals and supporting police data**

The principle behind the Council proposing the levy is that of the need to maintain, and hopefully increase, the range of measures including direct policing costs directly related to managing the anti social aspects of the city's night time economy and primarily alcohol consumption related behaviour post midnight. It is abundantly clear that there is a significant cost, not solely police costs, in managing this.

Critically the tests within the 2011 Act do not require consideration of how crime rates have changed over any given period of time. It is accepted the police data attached to the report covers a wider period than that envisaged under the levy proposals. However, the data clearly shows a significant degree of violent and ASB incidents which are linked to alcohol and which are policed by the measures currently in place.

Table 1 on page 7 of the Consultation document in Appendix 2 identifies spikes in reported violence against the person on Tuesday nights and weekends. The reason for this is these are the busiest nights for the NTE; Tuesday nights are traditionally busy "student nights" with associated drinks promotions and the second busiest night in the city There are estimated to be in excess of 40,000 students attending the two Universities in the city and the trade has grasped an opportunity to exploit this and have historically marketed their venues towards students on a Tuesday.

Qualifications are made in respect of the police statistical evidence. The police statistics are limited in nature. They are provided to show that there is not an insignificant level of crime and disorder in connection with the supply

of alcohol during the night time

It is acknowledged that the figures are incomplete and therefore inevitably limits as to what can be said with certainty. However officers are satisfied that the figures relate to the night time economy and associated alcohol supply even allowing for some latitude. Overall the figures paint a clear picture.

Even if some disregard is made in respect of incidents that occur relating to light night takeaways there still remains substantial cost.

The basis for the police figures and the reasons they have been presented as they have are the police do not record crime in such a manner to allow precise and detailed data, such as alcohol related crimes linked to a premises, to be extracted. Good indicators of such data are Violence against the person and ASB incidents that occurred in the NTE area.

The hourly breakdown of crimes demonstrates the peaks in the demand correlate to the busy hours of the alcohol premises.

The Amended Home Office Guidance on the Late Night Levy published in December 2012 has been fully taken into account in formulating these proposals and responses to the consultation submissions. This guidance is attached as appendix 4.

The rationale for proposing 0001 as the commencement time for the levy is that police data demonstrates an increase in anti social behaviour and crime from 2300. The one minute passed is suggested to avoid any doubt for premises licensed to sell alcohol up to midnight that they will not be subject to the levy.

Response to the Consultation

20. There have been 33 responses to the consultation received from a mix of members of the public, licence holders and groups associated with the licensed trade. All the responses are available online and hard copies are in Political Group Rooms.
21. There are 7 responses from residents or residents associations, 10 from either licensing solicitors/professionals/ licensed groups, 11 licence holders, Hampshire police and the Police and Crime commissioner and 3 responses did not give a clear indication but are probably residents.
22. The licensing solicitors/professionals/ licensed groups would represent a number of premises each and some of the licence holders have more than one premises in the city.
23. Because the respondents are a mix of categories detailed individual breakdown of the responses is impractical as it is important appropriate

weight is given to each response. The following is a summary of the main points together with the Council's response

20 of the responses did not support the introduction of the late night levy, 10 did and 3 gave no clear indication.

- 7 respondents agreed the policing and other costs assessment was fair and 12 disagreed.
- 5 agreed with the crime assessment with 10 disagreeing mainly as the police figures had no context to them.
- 8 agreed a revenue was needed with 10 disagreeing stating partnership working was a preference
- 5 agreed with the supply period whilst 11 did not, alternative times of either 0100 or 0200 were suggested and 2 suggested it be 24 hours.
- 8 agreed theatres, cinemas and bingo halls should be exempt 9 disagreed
- 6 agreed Community Amateur sports clubs and community premises should be exempt and 11 against
- 13 agreed Country Village pubs should not be exempt, 4 disagreed
- 10 agreed BIDs should not be exempt and 5 disagreed
- 15 agreed there should be an exemption for New Years Eve with 2 disagreeing
- 8 agreed premises with Small Business rate relief should not be allowed a reduction and 6 disagreed
- 5 agreed a Business led Best practice scheme should not have a discount and 13 disagreed and 11 to 1 agreed a scheme should be developed and 13 to 2 agreed such a scheme should get a discount
- 11 agreed with the split of the revenue and 1 disagreed
- 6 agreed the date to implement the levy and 6 disagreed

24. A number of the responses expressed the opinion the data was flawed as the costs were not specific to the levy period. One group felt we have not met the legal requirement to consider the cost of policing and other arrangements between midnight and 6am

Response

Officers believe they have followed due process and approach and that the overall data supplied by the police and other partners shows there is undoubtedly a significant cost to partners directly related to the post midnight - night time economy. It is not considered reasonable to have to provide forensic data to support exactly how much is spent after midnight by each partner. Whether that cost is 80% of the total or 50% is not considered to be a salient factor. The primary issue is that undeniably significant cost and resources are used managing the post midnight period and the funding for that in the current climate is very likely to cease. That is both adequate and reasonable justification.

The Council is not analysing trends in police data or relative levels in crime either nationally or locally but the overall costs of policing and the desirability of raising a levy to assist in dealing with the issue.

25. Common themes in the responses include

- Introduction of a late night levy is premature as the fees structure is under consultation (Plymouth has deferred a decision for this reason)

Response

The Home Office Guidance on the Consultation on fees under the Licensing Act 2003 states the purpose of the fee is not to tackle crime and states Late Night Levy and Early Morning Restriction Orders can be used for that purpose. European Service Directives also restrict the purposes fees to the administration of the licence.

- The data provided does not demonstrate the need for a levy as the data is too broad and does not detail the costs between midnight and 6 am

Response

See response above. In addition, the police have provided figures that demonstrate an increase in violent crime and anti social behaviour on Tuesday nights and weekends. Historically because of increased levels of violent crime Street Pastors, Taxi Marshals and the I.C.E. bus have all been deployed at weekends and have been successful in reducing the levels of violent crime but the police data clearly demonstrates there are peaks at weekends and Student nights (Tuesdays).

- The Levy is unfair as it is not targeted at the area that causes the problems, some polluters will be able to avoid paying and a number of non polluters will be forced to pay

Response

Regretfully, the Act does not allow the Council to select areas to adopt, if the Late Night Levy is adopted it has to cover the whole of the city by law. Whilst the NTE is not synonymous with the levy paying community the NTE is directly linked to the availability of alcohol after midnight and levy is the most appropriate option to be able to assist in dealing with it in times of reducing resources.

A reduction of services such as Taxi Marshals or Street Pastors has the real potential to result in an increase in crime, negative publicity for the NTE of the city and a negative impact on the economy of both day and night economies.

- Newcastle who introduced the levy in November 2013 have seen a third of eligible premises vary out of the levy period. This will incur additional costs to the council and reduce the income

Response

Such variations will be commercial decisions for licence holders. Officers expect a number of premises to vary out of the levy period and reduce the income from the levy. Officers have estimated the gross amount collected may be around £100,000. This however will be sufficient, after deductions, to cover the costs of providing the present services to the NTE and it is hoped have a surplus to extend the services after consultation with the Levy Board.

- The levy has the potential to change the NTE of the city, smaller more diverse premises likely to struggle and so could reduce the range of what is on offer in the city that in turn will damage the NTE.

Response

The levy has a sliding scale of charges, smaller premises pay a smaller amount starting at 82p per day, The introduction of the Levy will enable the authorities to provide adequate support to allow the NTE to flourish, to be safe and a desirable place to visit and operate a business. Officers consider the removal of the services to the NTE is likely to cause considerable damage to the NTE as it is likely violent crime and anti social behaviour will increase resulting in more premises being taken to review, less business investment and less visitors.

- A strong feeling any monies raised should be used for additional services

Response

The priority is to secure the present level of service/initiatives all of which are discretionary. Any additional funds will be solely used to support the NTE and it is proposed a levy board will be convened to include the Council, Police, and trade to advise on how the monies raised should be best spent to improve the NTE.

- Costs associated with the management and policing of public spaces have no association with venues selling alcohol.

Response

Those who cause ASB / crime in public spaces could have bought

alcohol from off-licences which would still remain a concern. They could have been drinking on premises after midnight and then left and caused problems in public places. It is therefore reasonable to include cleaning costs that relate to the public realm which can be strewn with bottles, glasses and general rubbish which is reasonably related to the night time economy.

Impact of the proposal.

26. Southampton was recognised in 2011 for the work partners had done to reduce violent crime within the NTE with the Tilley Award and the Council recognises the efforts of the trade to improve over recent years.
27. The Tilley Award recognised it was not one project that made Southampton so good but a combination of schemes and these included the Taxi Marshals, Street Pastors and the I.C.E. bus. These schemes come at a significant cost and at a time of shrinking budgets funding for these schemes is very likely to cease. In the Council's view they are crucial to the success of the night time economy and therefore alternative funding is required.
28. The desire is to secure funding to allow these successful projects to continue, assist greatly in keeping the city safe at night and improve and thereby enhance the reputation of the city and encourage future investment.
29. The services provided to the NTE are concentrated on when and where they are most required and presently this is at weekends predominantly in the London Road and Bedford Place area. Taxi Marshals are at 3 sites, London Road, Lower Bannister Street and Above Bar Street. The I.C.E. bus parks in Above Bar Street near to the Cenotaph. Southampton Street Pastors cover a wider area but are limited to the city centre. However all these services make a significant contribution to the reputation of Southampton being a safe place to live, work, visit and enjoy.
30. There is a risk a number of premises will vary their licences to avoid the levy. Newcastle (the first authority to adopt the levy) has seen approximately a third of premises liable for the levy vary their licence to avoid it. If replicated here this could potentially result in a less diverse NTE and reduction in employment opportunities especially for the 18 to 24 age range. However, a number of premises do not use the full hours of their licence so a number that vary will already be operating outside of the levy hours. In officers views the impact of the levy on the diversity of the NTE will be limited.
31. Concern has been expressed that a large number of premises will have a terminal hour of midnight resulting in large numbers on the street at this time and placing the services such as police and transport under a strain. Officers do not believe this will be the case as presently the NTE does not get into full swing until after 11pm. Officers used their many years of experience to assess individual premises on the likelihood of changing their operating hours and it is their opinion there will not be a significant impact on present operating hours within the NTE.
32. In order to recover the costs of paying the levy premises may seek more

drinks promotions or stop or reduce funding to schemes that promote the licensing objectives such as contributions to street patrols or safe routes home.

33. The potential is for premises to seek longer hours and this could have a negative impact on costs as it may then be necessary to keep services such as police and taxi marshals on longer as well as the costs of processing the applications, many of which are likely to be objected to and will result in numerous hearings. It is difficult to predict how many premises will attempt to extend their hours but any operator will need to consider the extra costs of staff for longer hours against the risk of keeping customers longer and spending more in an already very competitive and difficult market.
34. There is presently a healthy relationship with the licensed trade and the relevant authorities. The responses to the consultation suggest this will be at risk if a levy is imposed and there is a strong call for an alternative course such as a BID or Community Alcohol Partnership be considered. The relevant authorities are committed to working in partnership to maintain a healthy NTE. If adopted and subsequently one of these initiatives or schemes such as a BID comes to fruition the levy will be reviewed and can be withdrawn if a better system is put in place.
35. The levy will by law need to be city wide. Accordingly, there are a number of premises that will attract the levy that presently will not directly see any of the services provided and fear the monies raised will only pay for existing services and consider they will not benefit from the levy and will in effect be subsidising the services given to the 'problem' area. This too could damage the relationship with the council. As already mentioned the relevant authorities will continue to work in partnership with the trade to maintain a healthy NTE. The night time economy is dynamic rather than static and regular reviews will take place through the Levy Board to analyse where the levy funds may be best placed.

Other matters

36. The Levy should be reviewed 2017, to allow for a full year's revenue, costs and impact to be properly assessed The results of the assessment can then be presented in time to consider continuation, cessation or amendments to the levy on the anniversary date of the implementation.
37. Home Office guidance suggests the authority should set a date at least 4 weeks prior to the implementation of the levy as a deadline to receive applications to vary licences for free to bring them out of the levy. Officers are requesting 2 calendar months to ensure undue strain is not placed on the team that will be required to process variation applications generated should the Late Night Levy be introduced.
38. The PCC has re-iterated his intention of using any monies raised to improving the safety of people using the City's NTE. This should allay the concerns of a number of respondents expressing a concern about where the money will be spent. The intention is that this is supplemented by a more formal agreement
39. Another response suggested the introduction date be extended by 6 months to allow time for the authority to process the variation applications and

prepare for the levy and to allow premises time to properly assess and budget for the impact of the levy. The proposed date was 1st February 2014. Officers consider this has the potential to cause problems. The timetable published in the consultation document required applications to vary out of the Late Night Levy hours to be completed by 31/12/14 and the levy be implemented on the 1st February 2015. This clashes with the increased trade and public holidays around Christmas and New Year. Officers now propose a date of 1st April 2015 to introduce the Late Night Levy should it be agreed to proceed. If the suggestion in paragraph 37 is agreed then applications to vary out of the Levy period will need to be submitted by 31st January 2015.

40. A lot of the responses complained of the blanket approach of the levy in that it applied across the city. This is a valid point, however the law does not allow for the levy to be introduced in selective areas. The monies raised from the levy will be invested to improve the NTE of the city and thereby benefitting all from an enhanced reputation.
41. The funding from the Police and Council for Taxi Marshals, Southampton Street Pastors and the I.C.E. bus is under threat. These services were recognised in the Tilley Award as being a key part to improving the violence statistics linked to the NTE but are discretionary. Officers are of the opinion insufficient funding of these schemes (and therefore a reduction of them on the ground) is likely to lead to an increase in crime and disorder and reduce the appeal of Southampton's NTE.
42. Through out the process we have referred to the Home Office Guidance on the Late Night Levy (Appendix 4).

Timetable

43. If the levy is to be introduced Council needs to decide the date on which the late night levy should commence. The recommendation in this report is 1st April 2015. This is the earliest date that it is considered practicable to introduce the late night levy in light of the matters that need to be addressed after a decision to a late night levy – statutory notices, processing free applications to vary, publication of the estimates of the administrative expenses, establishing a system to recover the late night levy.
44. On that basis the first levy year will run from 1st April 2015 to 31st March 2016.
45. Those premises which already have an authorisation to supply alcohol will have to pay the levy at the same time as they pay the annual licence fee during that year. This is not the same date for every holder. Holders of new authorisations will have to pay the levy for the first time 14 days after the grant of the authorisation and with the annual licence fee in subsequent years.
46. The Council will have to pay the police share to the Police and Crime Commissioner within 28 days of the end of the levy year.
47. It is proposed to review the operation of the Late Night Levy in 2017 or earlier, if it is considered necessary.

RESOURCE IMPLICATIONS

Capital/Revenue

48. It is estimated the introduction of a Late Night Levy in Southampton will raise circa £100,000 per annum. This will reduce significantly if the supply period is for a lesser time.
49. The council's expenses will be deducted from this amount.
50. Any costs associated with the collection of this levy will be offset against the levy. Any balance must be ring fenced within the licensing budget in accordance with the Police Reform and Social Responsibility Act 2011.
51. The costs in the first year are likely to be significantly greater than following years to allow for implementation costs, allowing for initial set up costs, especially costs incurred processing the free variations allowed in the run up to the introduction to the late night levy.

Property/Other

52. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

53. Police Reform and Social Responsibility Act 2011 ("The Act")
54. The Late Night Levy (Application and Administration) Regulations 2012
55. The Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012
56. The Local Authorities (Functions and Responsibilities) Regulations 2000
57. The Local Authorities (Functions and Responsibilities) (Amendment Number 3) (England) Regulations 2004

Other Legal Implications:

58. There are tests within the 2011 Act under Section 125(3) which provide what the Council must consider when deciding whether to introduce a levy. They are a) the costs of policing and other arrangements for the reduction or prevention of crime and disorder, in connection with the supply of alcohol between midnight and 0600hrs. Secondly, (b) having regard to those costs, the desirability of raising revenue.

Consideration must be given to the costs of policing. Then consideration must be given to the desirability of raising revenue to meet those costs. Although it might seem a fair approach, there is no express requirement to consider relative costs or crime trends in the area.

However, it is not just policing costs, but policing costs and other arrangement costs for the reduction or prevention of crime and disorder, in connection with the supply of alcohol between midnight and 0600hrs which must be considered. Taken at its widest, this allows consideration of any arrangement within the

area which seeks to prevent disorder, hence the inclusion of the costs relating to Taxi Marshals, Street Pastors, and the ICE bus being considered, as they seek to prevent disorder and in place in connection with premises which supply alcohol.

The costs must be... in connection with the supply of alcohol between midnight and 0600hrs. This does not say 'directly related' and allows for a wide interpretation. Arrangements for e.g. street cleaning at late hours could be said to be in connection with premises supplying alcohol. If those premises were not open selling alcohol, there would not be the people in the area who e.g. buy fast food and add to the litter the streets.

Having regard to those costs, it is only the desirability of raising revenue which must be considered. This is not particularly prescriptive. If the Council is satisfied that there are substantial costs arising from (a) and that raising the levy will lead to a more than minimal return, this part of the test is met.

The introduction of the levy is a statutory process which needs to be followed exactly. Failure to do so could result in a legal challenge and, if successful, the refund of any levy paid (plus interest) as well as legal costs.

59. As well as ensuring that the proper procedure is followed (including proper consultation), the Council must take into account all material considerations and disregard all immaterial considerations before making the final decision. The key material considerations are those set out in the 2011 Act
60. There is no appeal against the introduction of a Late Night Levy. However, anyone unhappy who have a sufficient interest about the decision to introduce a levy could apply for judicial review of the Council's decision.

POLICY FRAMEWORK IMPLICATIONS

61. None

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	Report to Cabinet on 15 th April 2014 Report Appendix 1 Appendix 2
2.	The Consultation Document
3.	List of consultees
4	Amended guidance on the Late night Levy dated 2012

Documents In Members' Rooms

1.	Consultation responses
2.	

Equality Impact Assessment

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

DECISION-MAKER:	CABINET		
SUBJECT:	LATE NIGHT LEVY - CONSULTATION		
DATE OF DECISION:	15 APRIL 2014		
REPORT OF:	CABINET MEMBER FOR COMMUNITIES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Richard Ivory	Tel: 023 8083 2794
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STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

A motion was passed at Council on 20th November 2013 delegating authority to the Head of Legal and Democratic Services to commence the consultation process on a proposed new late night levy. Subsequent discussions with both the Chief Superintendent of Police for the City and the Police and Crime Commissioner (PCC), have taken place and Cabinet is now asked to consider the design of the levy where the Council has options and the consultation arrangements. This document will form the basis of statutory consultation.

This report examines the statutory procedures and consultation process prior to the formal consideration of introducing a Late Night Levy on premises authorised to sell or supply alcohol between midnight and 6 am. It examines the process and consequences of doing so and explains the options available to the council to design the levy as a basis for consultation in partnership with the Hampshire Police and Crime Commissioner.

RECOMMENDATIONS:

- (i) To consider and agree the proposals for the levy design for consultation purposes as set out in this report and as detailed below:
 - (a) The late-night supply period to run from one minute past midnight to 6am
 - (b) Exemptions from the levy will include:
 - Premises with overnight accommodation (but not where bars are open to the public/non residents)
 - Theatres and cinemas
 - Bingo halls
 - Community Amateur Sports Clubs
 - Community Premises

- Premises only open on New Year's Eve
 - (c) Exemptions from the levy will **not** include:
 - Country Village Pubs
 - Business Improvement Districts
 - (d) Reductions of the levy will not be granted for Council accredited business-led best practice schemes
 - (e) Reductions of the levy will not be granted for small businesses
- (ii) To consult on:
 - (a) the need for a Levy Board to advise on levy spend/priorities
 - (b) a range of activities on which to spend the levy which are or may be provided to tackle the late night alcohol related crime and disorder, and community safety services connected to the management of the night time economy, including:
 - Night time economy management
 - Taxi marshalling
 - ICE bus
 - CCTV improvements
 - Street pastors
 - Street cleaning
 - Enforcement initiatives
 - Personal safety initiatives
 - Providing temporary public conveniences
- (v) To delegate the final format of the consultation document to the Head of Legal & Democratic Services after consultation with the Cabinet Member for Communities.
- (vi) To note the arrangements for the operation of a late night levy with a target date for implementation of 1st February 2015

REASONS FOR REPORT RECOMMENDATIONS

1. The provision for the late night levy has been introduced by the Government to allow authorities to require those businesses that benefit from the existence of a late night economy in their area to contribute towards the costs that it causes.
2. While the late night economy provides significant economic benefits to the City, there are consequential costs of crime and disorder, anti-social behaviour, and costs that fall on the police, the Council and other partners.
3. Legislation has been introduced as it is not considered:
 - “... fair to expect local communities and taxpayers to bear the full brunt

of the costs that the late night economy causes in their area. Therefore, this charge allows licensing authorities to require those businesses that benefit from the existence of a late night economy in their area to contribute to some of the costs that it causes.”

4. The rationale is not to restrict the extent of the late night economy but to ensure a contribution towards the direct and consequential costs.
5. The proposal at this stage is to start the process to introduce the levy, to gather additional information as to the likely costs and consequences, to consult widely on the proposals so that full Council can be fully informed and able to make a final decision.
6. The Council's Statement Of Licensing Policy predates the Police Reform and Social Responsibility Act 2011 which introduced the levy and therefore no specific mention is made of it. However, throughout the document reference is made to crime and disorder, the night time economy and the need to balance the latter and against the former. Government initiatives are referred to and the policy is, therefore, consistent with the desirability of consulting on the need for a levy
7. By law the Council is required to carry out its various licensing functions so as to promote the four licensing objectives, which have equal importance:
 - the prevention of crime and disorder
 - public safety
 - the prevention of public nuisance
 - the protection of children from harm
8. Introduction of the levy can assist in the achievement of this policy and objectives by providing additional funds. The outcome of the consultation and further research will show if there are likely to be any detrimental impact which can be considered before the final decision will be made.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

9. None, Council has already passed a motion to move to the consultation stage.

DETAIL (Including consultation carried out)

10. The attached draft consultation document provides the detail to support the desirability of implementing the levy, detailed crime and disorder data and importantly the options that the Council has in relation to the design of the levy. Two significant options regarding reductions and exemptions from the levy relate to the reduction of the levy for Council accredited business-led best practice schemes and reductions of the levy for small businesses.

Reductions and exemptions relating to the reduction of the levy for Council accredited business-led best practice schemes.

11. Currently there is an arrangement called "Licensing Link" led by the trade which comprises members predominantly based in the City Centre. It provides a radio scheme and webpage for the sharing of information such as details of persons banned on their scheme, the Red Card Scheme.

12. The view is that Licensing Link is not currently robust enough and lacks commitment by all participants to fall within the meaning of a “best practice” business led scheme that warrants a reduction in the levy. It is not considered this current scheme is of sufficient standing, has adequate commitment from all members and provides the necessary outcomes to warrant a financial reduction. However, it is intended to consult stakeholders as regards any possible reductions from the levy for businesses who participate in a redesigned, and crucially, business-led best practice scheme possibly based on the core criteria of the Police’s Diamond scheme which seeks to set a high standard in management practices within licensed premises. The police scheme is not finalised and awaits approval.
13. It is proposed to consult on this issue particularly in respect of any future schemes designed to provide a clear rationale as to why the scheme’s objectives, participation and activities will, or are likely to, result in a reduction of alcohol related crime and disorder. Initial discussions with the trade as regards this issue have been very positive and any future initiatives are intended to address issues such as irresponsible drinks promotions. In principle a reduction for a robust scheme is considered by officers to be appropriate.

Reductions of the levy for small businesses

14. The Council may allow a reduction:-
“in relation to premises, at which the authorisation permits the supply of alcohol for consumption on the premises only, which are a hereditament in respect of which—
 - (i) *the ratepayer is subject to a non-domestic rate calculated in accordance with section 43(4A) of the Local Government Finance Act 1988, and*
 - (ii) *the rateable value is not more than £12,000.”*
15. These are premises that already receive Small Business Rate Relief.
16. The Council proposes **NOT TO GRANT** a reduction for these premises. These premises already receive business rates relief to assist in their viability. However, if they operate in the late night supply period, there is no reason to suggest that they are less likely than similar businesses to contribute to the detrimental effects of the NTE between midnight and 6am. They will in any event be subject only to the lower bands of the LNL, because of their low rateable value.

Discussions with the Police and Crime Commissioner (PCC) and Chief Officer of Police

17. Initial informal discussions have taken place in accordance with paragraph 1.11 of the Government’s Guidance. The response from the PCC is attached at Appendix A and data from the police included in this report. More detailed submissions may be submitted during any formal consultation. Both support the levy principle.

What impact will this proposal have?

18. At a time where public authorities are subject to stringent budget restrictions

and are finding it extremely difficult to continue to support current initiatives as above the levy will provide funds for the police and Council to address the costs of crime anti-social behaviour caused and related matters by the late night economy. The outcome of the consultation will help to inform consideration of the impact. The regular monitoring and review process will also assess the impact. Hampshire's Police and Crime Commissioner has confirmed that the police contribution towards initiatives such as the taxi marshals will no longer be supported financially due to severe budget cuts. This is the same position as all the other public partners who currently contribute. Over the past few years to supplement this the Council has encouraged contributions from the licensing trade to help pay for initiatives which directly benefit them. However for a variety of reasons, not least the recession, such contributions have significantly diminished.

19. It would therefore appear to be fairly clear that currently most of the NTE initiatives that require funding will cease if the levy is not introduced. It is considered that this would have a significant detrimental effect on the city and be a retrograde step after the hard work that has been put in by partners and the trade themselves over the past few years that culminated in the City being granted the Tilley Award in 2011.

How will the levy be spent?

20. Within the Act there are set parameters to what the levy can be spent on and by whom. Once the Council's set up and annual administration costs have been paid for at least 70% of the net sum raised must be passed to the PCC who has full discretion over where the sums are spent. This is naturally a concern to the Council as it is only fair that the full sum raised is only spent on the initiatives and other directly related or similar matters in the City. However, the PCC has confirmed that this is his intention. If the levy is ultimately adopted this will be put on a more formal footing.
21. If the levy is adopted it is recommended that a "Levy Panel" comprising the Council, statutory partners, the PCC and the trade should be put in place to make recommendations to the PCC and Council on how the levy should be spent. The panel will not be able to veto spending but is seen as a very useful way of ensuring the voices of all interested parties are heard. This will form part of the consultation
22. The sum that the Council retains will likewise be committed to the initiatives referred to in recommendation (ii) above.

How will success be measured?

23. Financial success will be shown if the net income produced by the levy after deducting the Council's expenses results in a sum that enables the police and the Council to develop and support initiatives which improve the late night experience for residents and visitors.
24. This will maintain Southampton's safe night time economy and will assist in the target of further reducing the amount of crime, disorder and anti-social behaviour linked to the late night economy. Confidence in Southampton as a safe night out will be improved. This will be measured by crime, anti-social behaviour and confidence statistics.

What is the timetable for implementation?

25. This is the current provisional Timetable:

January 2014	Consultation with Police and Crime Commissioner and Chief Constable
15 th April 2014	Cabinet Report and final design of consultation
25 th April 2014	Statutory Consultation Starts
30 th July 2014	End of Statutory Consultation
Summer 2014	Consideration of the outcome of consultation and finalisation of the proposals
Early September 2014	Report to the Licensing Committee
16 th September 2014	Report to Full Council
Autumn/Winter 2014	Determination of Minor Amendments to Vary Hours
1 st February 2015	Target date for implementation of Start First Levy Year
2017	Review

What are the key risks and how are they being managed?

26. The legal risks have already been identified in sections 38 to 41. They will be further addressed in future reports.
27. The financial risks and resource implications are identified in sections 29 to 36. In addition, if the Council ultimately decides not to introduce the levy, the costs of the process will be found from within existing budgets.
28. There is a risk that there will be an adverse effect on the late night economy within the City, with consequential effects on employment and support businesses (e.g. hotels, taxis, private hire, and takeaways). Given the cost this is thought unlikely and whilst early days has not been found to be the case in Newcastle Upon Tyne being the first City to adopt the levy late last year. The opposite to this is the potential benefit to residents and businesses from the retention of the current initiatives which have led to a reduction in crime and disorder and anti-social behaviour and the ability to reduce police and Council resources needed to address the consequences of the late night economy. It is therefore important the levy spend is properly considered and directed to address identified issues. The consultation will further inform the assessment of this risk and the key will be future monitoring.

RESOURCE IMPLICATIONS

Revenue

29. The amount of the levy is fixed by regulations and depends on the rateable value of the premises.

Rateable Value	Annual Levy
No rateable value to £4,300	£299
£4,301 to £33,000	£768
£33,001 to £87,000	£1,259
£87,001 to £125,000	£1,365
£125,001 and above	£1,493

30. Where premises within Bands D or E primarily or exclusively sell alcohol for consumption on the premises, a multiplier is applied to ensure that larger clubs and bars make a higher contribution.

x 2 £87,001 to £125,000	£2,730
x 3 £125,001 and above	£4,440

Premises with no rateable value fall within Band A

Premises that are in the course of construction fall within Band C

31. If all existing premises authorised to sell or supply alcohol between midnight and 6 am are subject to the levy, the estimate of the sum that the levy will produce is approximately £240,000 per year.

32. This sum will be lower if the levy night supply period is for a lesser time (so affecting fewer premises), if exemptions or reductions are agreed, and if premises choose to make free applications to reduce their authorised hours to avoid the levy. It is estimated the net sum in these cases will be approximately £100,000 per year before any other reductions are taken into account.

33. There will be a resource implication in respect of officer time spent on both the consultation process and ongoing administration. Officers have been diverted to carry out this Council priority which has had a service impact on some Licensing matters. After initial set up the ongoing administration once the levy come into force will hopefully be relatively minimal. In addition any adopted Business led best practice scheme will require officer time to complete assessments and enforcement. This may be linked to and future Best Bar None Awards but will require further work by officers to explore this avenue. The attraction of Best Bar None is some of the funding is provided by the Alcohol Industry towards the running of the award.

34. During the initial period of introduction there is an ability for any premises affected by the levy to seek a free variation to their licence to reduce the hours that alcohol is sold, As an estimate it is possible some 100+ premises may seek to do this but it will be a purely business led decision. This additional workload will have resource implications or cause other matters to receive less priority. The one cost of this, based on the above figure is

estimated to be £8,900 and will need to be offset against the levy income received in year 1. It should be noted that save for the gross levy figure all other figures are estimated and to an extent unquantifiable as businesses will decide what is best for them.

35. The level of estimated gross income per annum from the introduction of a late night levy will be determined by the regulations but will also be affected by the level of exemptions or reductions agreed.
36. The annual costs incurred by the Council in administering the levy will be deducted from the gross income and detailed work is underway to assess the estimated level of these ongoing costs.
37. The potential ongoing financial impact of a late night levy can be summarised as follows:

	Maximum	Minimum
	£	£
Gross income	240,000	100,000
Deduct estimated annual admin fee	15,000	15,000
Net income available for spend priorities	225,000	85,000
Assume PCC 70%	158,000	60,000
Assume SCC 30%	68,000	25,000

The financial implications arising from the introduction of a levy will need to be carefully considered in detail prior to any final decision to proceed. Clarity will also be required on the financial administration arrangements for both the collection and application of the levy income to ensure that any risks to the Council are minimised e.g. if the actual level of income collected in a given financial year is lower than the estimate on which spending decisions have been based and put in place.

Property/Other

38. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

39. Police Reform and Social Responsibility Act 2011.

Other Legal Implications:

- 40. The introduction of the levy is a statutory process which needs to be followed exactly. Failure to do so could result in a legal challenge. Since the levy is a type of taxation, the courts are likely to look at the process in greater detail, were a challenge to be made.
- 41. As well as ensuring that the proper procedure is followed (including proper consultation), the Council must take into account all material considerations and disregard all immaterial considerations before making the final decision. The key material considerations are those set out in the 2011 Act which are referred to above. These are not exhaustive. This issue will be addressed further in the final report to Council.
- 42. The Constitutional position is that the final decision needs to be made by full Council. However, since it relates to a licensing matter, it is recommended full Council should have a report from the Licensing Committee.

POLICY FRAMEWORK IMPLICATIONS

- 43. None. The Statement of Licensing Policy refers at paragraph 3.3 to the Licensing Authority seeking to discharge its responsibilities identified by other Government Strategies, so far as they impact on the objectives of the Licensing Act. The proposal is consistent with this.

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	Draft Late Night Levy Consultation document
2.	Letter of support

Documents In Members' Rooms

1.	None
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Equality Impact Assessment

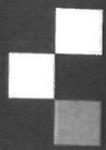
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

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.	<i>Guidance on the Late Night Levy</i> , December 2012	Click here
2.	Southampton City Council – Statement of Licensing Policy	Click here



**POLICE & CRIME
COMMISSIONER**
SERVING HAMPSHIRE & ISLE OF WIGHT

Westgate Chambers, Staple Gardens,
Winchester, Hampshire SO23 8AW
Telephone 01962 871595
E-mail: opcc@hampshire.pnn.police.uk
www.hampshire-pcc.gov.uk

Councillor Simon Letts
Leader
Southampton City Council
Civic Centre
Southampton
SO14 7LY

BY Email

Date: 4 March 2014

Enquires to: Lou Parker-Jones

Direct line: 01962 871595

Our reference:

Your reference:

Dear Councillor Letts,

Proposal for a Night-Time Levy

I would like to thank you for the opportunity to comment upon the 'need' for a night-time levy as part of your deliberations.

Policing the night-time economy places a huge demand upon our limited resources and decreasing budget. Although the constabulary works very closely with the licensing trade and partners to minimise drink-related crime, it is estimated policing the night-time economy from midnight to 6am in Southampton costs £1.6million per year. This of course does not include costs incurred by partners in local authorities, health and even the wider criminal justice system.

As Police and Crime Commissioner I am committed to protecting people and places, and support in principle the night-time levy. Initiatives to raise revenue to be spent on making the city's night time economy a safer place is: good for residents; good for visitors; and, good for businesses.

Of course, the decision to introduce the levy is for the licensing authority to make. I'm sure the views of the night-time economy traders, users, residents and partners will help to shape your decisions. If, following consultation, the Council is minded to pursue this course of action I would like to discuss further how revenue raised will be used to the benefit of the city.

I promise the people of Southampton that I shall devote all income generated to improving the safety of people using the City's night time economy. I would welcome the same reassurance from the Council.

Office of the Police and Crime Commissioner for Hampshire
Westgate Chambers, Staple Gardens, Winchester, Hampshire, SO23 8AW
01962 871 595 / opcc@hampshire.pnn.police.uk / www.hampshire-pcc.gov.uk

Protecting People & Places



POLICE & CRIME COMMISSIONER

SERVING HAMPSHIRE & ISLE OF WIGHT

Please accept my apologies but I will not be able to take up your kind offer to attend and address cabinet prior to its considerations, unfortunately a prior commitment makes it impossible for me to do so. However, I look forward to hearing the outcome of the meeting.

Yours sincerely,

Simon Hayes

Police and Crime Commissioner for Hampshire and Isle of Wight

SOUTHAMPTON CITY COUNCIL LATE NIGHT LEVY (LNL) – CONSULTATION

1. Background

1.1 Southampton is a safe city and strives to continue to be a safe and pleasant place to live, work and visit. The entertainment industry in Southampton is a major contributor to the local economy. It attracts tourists and visitors, makes for vibrant communities and is a major employer. Commercial occupiers of premises have legitimate expectations for an environment that is attractive and sustainable for their businesses.

1.2 The Council wishes to consult on its proposals to introduce a Late Night Levy (LNL) on late night licences within the City (i.e. where the premises licence or club premises certificate authorises the supply of alcohol between one minute past midnight and 6am on one or more days in any year). This will produce resources for the police and the Council to be used in addressing the effects of the NTE between midnight and 6am within the City. It believes that it will be a fair way of helping to meet the costs of providing a safe environment and it will benefit businesses, residents and tourists and address some of the harmful health and social consequences of a significant number of late night licences.

1.3 At the current time, the Council's Cabinet has only decided to consult on the proposals. A final decision will be made later in the year taking into account all the views that have been given.

We want your views.

2. Who are we going to consult?

2.1 We must consult with:

- the Hampshire Police and Crime Commissioner;
- the Chief Constable of Hampshire Constabulary; and
- holders of late night premises licences and club registration certificates who will be affected by the LNL.

2.2 We must also publish details on the Council's website and in a local newspaper.

2.3 We will do more:

We will write to the holders of all authorisations that supply alcohol to give them an opportunity to express their views.

2.4 We also want the views of residents and the public. In addition to the notice on the website and the newspaper notice:

- We will consult through the Council's Consultation web-pages; and
- We will write to organisations that represent residents and tenants.

2.5 We will send details to all councillors.

2.6 We will write to Licensing Solicitors and Professionals that work significantly within the City.

2.7 We will consult other Responsible Authorities.

2.8 We will consult with interested other bodies that operate or represent people who operate with the City.

2.9 We would like your views by **31st July 2014**

3. Some Explanations of Terminology

What is a Late Night Levy (LNL)?

3.1 The Police Reform and Social Responsibility Act 2011 allows the Council to introduce a LNL within the City. If introduced, it means that certain premises authorised to supply alcohol will have to pay an additional annual levy to the Council.

What Premises are affected?

3.2 The LNL will apply to holders of both premises licences and club premises certificates granted by the Council which authorise the supply of alcohol at a time or times during the late night supply period on one or more days in any year.

What is the Late Night Supply Period?

3.3 The Council must fix the late night supply period but it must begin at or after midnight and end at or before 6am (see Section 5).

3.4 The LNL will apply if the licence or certificate authorises the supply of alcohol during the late night supply period, whether or not the premises actually operate during that period. For the LNL to apply, the late night authorisation only has to apply on one day in a year. This includes premises with a condition on their licence that allows alcohol to be served after the decided hour on application to the police, normally referred to as an ACPO TEN whether used or not.

Exemption and Reductions

3.5 The Council can grant certain exemptions (see Section 6) and reductions (see section 7).

3.6 Subject to these exemptions and reductions, the LNL will apply throughout the area of the City. It cannot apply to only part of the City.

Which Late Night Premises are not affected?

3.7 The LNL only applies to premises supplying alcohol. It does not apply to premises that only provide regulated entertainment or late night refreshment, without the supply of alcohol.

3.8 Nor does it apply to premises that supply alcohol during the late night supply period only under the authority of a Temporary Event Notice (however see 3.4 above)

How long does the LNL continue for and can it be varied?

3.9 Once the LNL has been introduced, the LNL will continue until the Council decides that the levy shall cease to apply.

3.10 The Council can also vary the late night supply period, the exemptions and reductions, or change the split of the proceeds between the police and the Council.

3.11 These changes can only take effect at the end/beginning of a levy year. There must be further consultation before changes such as these are made.

Can licensees vary their licences to avoid the LNL?

3.12 If the Council decides to introduce the LNL, holders of premises licences and club registration certificates have a right, before the LNL starts and without payment of any fee, to make an application to vary their authorisation so that the premises will not be subject to the LNL (e.g. by seeking to change the days or hours of operation).

When is the LNL payable and how is it enforced?

3.13 In the case of existing authorisations, the LNL is payable annually when the annual fee is payable. In the case of new authorisations, the first LNL is payable within 14 days after the grant of authorisation and, in subsequent years, at the same time as when the annual fee is payable.

3.14 If the LNL is not paid within 21 days, the Council is required to suspend the premises licence or the club registration certificate until it is paid. It is also recoverable as a debt.

How much is the LNL?

3.15 The amount of the LNL is fixed by the UK Government and depends on the rateable value and use of the premises. The amounts are set out below:

Rateable Value Bands Annual LNL

(based on the existing fee bands)

Band	Rateable value	Levy amount
Band A	Nil to £4,300	£299
Band B	£4,301 to £33,000	£768
Band C	£33,001 to £87,000	£1259
Band D	£87,001 to £125,000	£1365 (see note below)
Band E	£125,001 and above	£1493 (see note below)

Note: Where premises within Bands D or E primarily or exclusively sell alcohol for consumption on the premises, a multiplier is applied to ensure that larger clubs and bars make a higher contribution:

- D. x2 £87,001 to £125,000 £2,730
- E. x3 £125,001 and above £4,440

Premises with no rateable value fall within Band A
Premises that are in the course of construction fall within Band C.

3.16 The liability for the LNL is reduced if the authorisation lapses or if an Early Morning Alcohol Restriction Order comes into force. The Council can also decide to reduce the liability for the LNL if the authorisation is surrendered but not if it is revoked.

What can the LNL be used for?

3.17 The Council is entitled to deduct prescribed expenditure from the amount received in respect of the LNL (see Section 8) to cover the expenses of introducing and administering the levy. It must then pay at least 70% of the net amount to the Hampshire Police and Crime Commissioner and retain the balance and use it for certain prescribed purposes (see Sections 8 and 9).

CONSULTATION QUESTIONS

4. Should a Late Night Levy be introduced in the City?

4.1 As background to the introduction of the LNL powers, the Government has said:-

“As part of the Government’s commitment to overhaul alcohol licensing to tackle alcohol-related crime and disorder and resulting harms in favour of local communities, various measures were introduced in the 2011 Act. These include provision for the levy, which fulfils a commitment in the Coalition agreement to permit local councils to charge more for late night licences to pay for additional policing. The Government does not believe it is fair to expect local communities and taxpayers to bear the full brunt of the costs that the late night economy causes in their area. Therefore, this charge allows licensing authorities to require those businesses that benefit from the existence of a late night economy in their area to contribute to some of the costs that it causes.”

4.2 The Council has had initial discussions with the Hampshire Police and Crime Commissioner and the Chief Officer of Police for Southampton to see whether, subject to consultation, they support in principle the introduction of the LNL within the City. They both supported the initial proposal, subject to further consultation.

4.3 The introduction of a LNL was suggested after public response to Council budgets. This is the start of the consultation process.

Statutory Criteria

4.4 The 2011 Act states that the Council must consider two matters (although these are not necessarily exclusive):-

- The costs of policing and other arrangements for the reduction or prevention of crime and disorder, in connection with the supply of alcohol between 0001 and 0600; and
- Having regard to those costs, the desirability of raising revenue to be applied in accordance with the Act.

4.5 The Council has identified the following costs, the extent of crime and disorder and the benefits attributable to the late-night supply of alcohol. It has been difficult to be precise about the costs because financial systems do not always distinguish between costs on the basis of the time at which they were incurred. The benefits of some expenditure will be of value both during and outside of the late night supply period. In that respect it is necessary to take a broad brush approach.

COSTS ETC.

Cost of policing in connection with late-night supply of alcohol

4.6 Hampshire Police have calculated that it costs £1.6 million per annum to police the NTE (Night Time Economy) area between midnight and 6am within Southampton city centre.

4.7 The costs relate to officers deployed for the whole NTE operation and include an element of custody, investigation and a small element of vehicle/transport costs. These ancillary costs have been adjusted downwards to reflect absorbed costs for other policing functions by those officers in those time periods.

4.8 The core hours between midnight and 6am costs £588,829 alone in officer costs for high visibility patrols in the Southampton NTE alone.

4.9 In addition there will be costs in relation to areas outside of the City Centre but it has not been possible to identify the element associated with the NTE.

4.10 The Home Office has said:

“Alcohol-related crime and disorder causes a large cost to the police. According to the British Crime Survey, 16% of violent crime occurs between midnight and 6am (British Crime Survey, 2010-113). In addition to the direct effects, the police are, for example, required to carry out follow-up activities such as investigations and arranging custody. Furthermore, in 44% of all violent incidents, the victim believed the offender to be under the influence of alcohol. When 38 police authorities were asked about overtime arrangements, 22 said that the NTE was a major cause of their overtime payments.”

[**Source:** Impact Assessment – 9/5/12 – “Dealing with the problem of late night drinking – implementation of secondary legislation.”]

Cost of other arrangements for the reduction or prevention of crime and disorder in connection with the late-night supply of alcohol

4.11 There are 3 visible services provided to support the NTE:

- Taxi Marshals
- Street Pastors
- I.C.E. bus

The Taxi Marshals cost £26,000 per annum

The Street Pastors are funded in a number of ways but have relied on grants from SCC. The grant was £45,750 for 2013/14 and will be £42,548 in

2014/15. However it must be noted Street Pastors operate in areas outside of the NTE as well. Their overall running costs exceed £100,000 per annum. The I.C.E. bus costs circa £33,000 a year.

In addition to this the relevant authorities commit time and resources to

4.12 The Council's Environmental Services incur costs cleaning the streets at the end of the night in preparation for the day time trade.

4.13 A significant amount of Emergency Department attendances are alcohol related, particularly late at night and in the early hours of the weekend. Alcohol Concern estimate that there were 21,699 ED attendances in Southampton for the year 2010/2011.

(The inpatient admissions and A&E attendances data are for 2010/11. Estimates for outpatient attendances are based on benchmarks from the Birmingham Heavy Drinkers Project (1997 to 2004), The General Lifestyle Survey (2009) and the number of high risk drinkers taken from Local Alcohol Profiles (LAPE) (2005) estimates).

Alcohol Concern also suggest that alcohol related healthcare costs every adult in Southampton £62 per year.

Clearly the NTE is not the only contributor to these figures and there is no way of identifying the costs directly attributable to the NTE.

Extent of crime and disorder in connection with the late-night supply of Alcohol

4.14 In order to put the costs into context and explain the need for them, Hampshire Police have provided statistics showing recorded crimes and ASB incidents for the **last 9 months** within Southampton city centre.

4.15 These are those linked to a licensed premise or have occurred in a public place covering the area of the 5 zones the police use to identify the NTE area between 01/04/13 and 31/01/14 and between the hours of **1900** [can we break down to after midnight as this figure squews it?] and **0700** hours.

There are 1440 Violence Against the Person incidents linked to a licensed premise or have occurred in a public place between 01/04/13 and 31/01/14 and between the hours of 1900 and 0700 hours.

There are 1452 Anti Social Behaviour incidents reported between 01/04/13 and 31/01/14 that occurred within the Southampton Central safer neighbourhood area. 648 or 44% occur between midnight and 0600.

Alcohol related

438 (30%) of the 1440 Violence Against the Person crimes are linked as having an offender in drink at the time of the incident. The number of offenders in drink is likely to be higher than recorded, particularly if no offender is identified, so this assessment cannot be made. There is no figure for victims in drink available due to limitations of the recording

Southampton City Centre (Midnight to 6am)

These have been split by day and hour and shown in the following tables;

1. The table below highlights the increased incidents of VAP offences that coincide with peaks in the NTE, i.e. Tuesdays into Wednesdays and weekends.

Night (1900 to 0700)	Number of VAP recorded crimes	VAP between 0001 and 0600	% recorded between 0001 and 0600
Sunday – Monday	154	58	37.66
Monday – Tuesday	143	55	38.46
Tuesday – Wednesday	186	104	55.91
Wednesday - Thursday	101	33	32.67
Thursday – Friday	163	82	52.03
Friday – Saturday	327	205	62.69
Saturday – Sunday	366	235	64.2

2. All ASB Incidents by day and hour (based on time from)

ASB	Reported Hour						Grand Total
	Midnight	1am	2am	3am	4am	5am	
Occurrence Start Day of Week							
Monday	16	10	7	5	5	2	45
Tuesday	13	13	16	6	3	6	57
Wednesday	19	19	10	18	16	8	90
Thursday	14	11	6	7	5	1	44
Friday	23	19	12	10	14	4	82
Saturday	33	33	19	21	23	7	136
Sunday	41	49	36	25	27	16	194
Total	159	154	106	92	93	44	648

4.16 There is also a clear spike in reported Violence Against the Person and ASB on Tuesday evenings into Wednesday, this is attributable to a vibrant student population where venues cater for that market on each Tuesday. There are 3 officers assigned to do VCS high visibility patrols throughout the academic year.

4.17 An important point to also note is that the above figures are unlikely to be a fully accurate reflection of violence within the NTE, several crime types and incidents that occur outside of licensed premises but within the 5 zones will not be included in the analytical review.

4.18 There are also likely to be other crime types and incidents occurring in a public place during this time period that is not related to alcohol consumption or the NTE, but due to data quality it is not possible to exclude all these offences at this time.

4.20 Although these figures are not precise, it is nevertheless clear that the police, Southampton City Council and other partners incur substantial costs in relation to the reduction or prevention of crime and disorder, in connection with the supply of alcohol between midnight and 6am.

4.21 This has to be weighed against the economic benefits that the NTE provides to the City.

Benefits of the NTE in the City

4.22 The NTE in Southampton stretches from Town Quay in the south of the city centre up to London Road in the north, it also has impact in Bevois Valley, St Marys, Oxford Street and West Quay Road. There are over 200 licensed premises licensed to sell alcohol after midnight in the city. These premises generate funds by way of taxes and other charges and provide employment and training opportunities.

4.23 The NTE attracts people from a wide area, including London, Bristol and Reading and this impacts positively on other areas of the city's economy such as hotels, taxis and shopping.

4.24 In addition to the alcohol premises there are a number of fast food and takeaway establishments that are reliant on a vibrant NTE.

Conclusion

4.25 Although these figures are not precise, it is nevertheless clear that the police, Council and partners incur substantial costs in relation to the reduction or prevention of crime and disorder, in connection with the supply of alcohol between midnight and 6am. It is also clear that the NTE provides economic benefits to the City.

Consultation Question 1

(a) Do you agree that the costs of policing and other arrangements for the reduction or prevention of crime and disorder in connection with the late-night supply of alcohol are a fair assessment?

(b) Do you think that any of the costs ought not to be taken into account?

(c) Do you think that there are other costs that should be taken into account?

Consultation Question 2

(a) Do you agree with the assessment of crime and disorder in connection with the late-night supply of alcohol?

(b) Do you think anything has been left out?

(c) Do you think that anything mentioned should not be taken into account?

Consultation Question 3

- (a) Do you agree with the assessment of the benefits of the Night Time Economy in the City?
- (b) Do you think there are any other benefits?
- (c) Do you think that any benefits mentioned are not relevant?

DESIRABILITY

Desirability of raising revenue through the levy Potential Income

4.26 The Council estimates that, if all existing premises that are authorised to supply alcohol between midnight and 6am are subject to the LNL, the potential additional income will be up to £240k.

4.27 This will fall if the late night supply period is fixed for a lesser period, if exemptions or reductions are agreed, and if premises choose to make free applications to reduce their authorised hours so as to avoid the LNL. It is more difficult to be precise about a figure in these circumstances since they depend to an extent on the actions of licence holders; the Council's best estimate is £100k.

4.28 The Council estimates that it will cost £25k to introduce the LNL and administer it in the first year; it estimates that it will cost £15k to administer the LNL in future years.

4.29 While recognising that these figures are estimates, it is clear that the LNL has the potential to raise sufficient revenue to make it viable to introduce a LNL.

Need for the revenue

4.30 The 2014/15 budget report approved by the council in February stated *The Council received its draft funding settlement from the Government for 2014/15 and 2015/16 just before Christmas 2013. Initial analysis of this and the anticipated impact of income levels from Business Rates confirm that the future financial forecast position continues to be extremely challenging. Changes to proposals have been considered in this context with a view to mitigating the greatest impacts whilst considering how best longer term and more sustainable solutions can be delivered.* It is estimated the Council faces the challenge of finding a further £54.7m of savings by 2016/17.

4.31 Since 2010 Hampshire Constabulary has been through a major change programme to achieve £55m savings. Further cuts of £25m are expected for 2015-17.

4.32 With increasing pressures being placed upon the budgets of both Southampton City Council and Hampshire Constabulary funding sources for the services provided need to be addressed. The proposals for the use of the LNL are addressed in section 9. These will help address the crime and disorder issues that exist. These benefits are not only for residents, police, the Council and persons directly affected by crime and anti-social behaviour but also the businesses operating in or benefiting from the NTE and their staff and customers, who also stand to benefit from the LNL through a better funded local police force and local authority services, which should make the NTE between midnight and 6am safer for them.

4.33 The Government has indicated that the LNL charges are designed to reflect an estimate of the number of police hours that may be required as a result of premises opening beyond midnight. It was estimated that, very broadly, one hour of a police officer's time may reasonably be expected to be incurred for every two hours that a large premises opens late (This was not intended to provide an accurate assessment of how much the late night economy costs police forces, but provided a means for setting an appropriate LNL charge based on the principle that police resources are employed as a result of premises opening late). To ensure that the charge was a fair and proportionate burden on business, proportionately smaller charges were set for premises with lower rateable value (and, for larger premises, those not used primarily or exclusively for the sale of alcohol for consumption on the premises).

4.34 On the other hand the NTE does provide significant economic benefits for the City and the Council must also examine any potential detriments that might be caused by the introduction of the LNL.

4.35 The LNL will range from £299 to £4,440 per year. This is the equivalent of between 82p and £12.16 per day. It is unlikely that this will have a detrimental effect on affected businesses or cause them to change their operation. The Government has said that premises are expected to make higher profits than the cost of the LNL and thus not be dissuaded from operating (as distinct from possessing authorisation allowing them to operate). They consider that 25% is a reasonable estimate of the proportion of premises that may seek to avoid the LNL, by changing their authorisation where they do not actually operate during those hours. But they also say that they expect that only a very small proportion of premises will reduce their actual operating hours to avoid the LNL. Newcastle implemented the Late Night Levy on 1st November 2013 and by 1st March 2014 had received 123 applications to vary out of the levy, leaving 245 premises liable to the levy. They add a number of premises are applying for the variation once they receive the payment demand. This means over a third have varied out of the levy period.

4.36 The UK Government sets the amount of the LNL and has not indicated that it intends to increase the amount of the LNL regularly. It has indicated that it proposes to review the whole policy in 2017.

4.37 On this basis, the introduction of the LNL is not expected to significantly affect the NTE in the City..

4.38 In section 7, the Council indicates that it does not intend to grant any reductions to any current business-led best practice schemes, although it would welcome businesses developing such a scheme. On the same basis it does not consider that current schemes and their associated costs are material to the desirability of introducing the LNL.

4.39 Some may argue that the costs of addressing crime and disorder should be financed through general taxation rather than be a burden on operators. Parliament has however created the power to introduce the LNL and require a low but significant contribution to the costs by operators. The principal has been decided by Parliament and the Council does not see any need to question that.

4.40 As has already been indicated, by law the LNL has to apply throughout the City and the Council has only limited power to grant exemptions or reductions. Crime figures show that there are a number of crime and anti-social behaviour hotspots in the city centre. It might be argued that it is therefore unfair that the LNL should also be paid by premises in areas away from the hotspots or areas that do not directly see the services provided to the NTE. The Council has addressed the issue in the city centre by cumulative impact assessments. The Council could also look at Early Morning Restriction Orders (EMROs) but would prefer to work towards addressing the impact of the NTE and encourage responsible management rather than curtailing the NTE and the consequential economic effects. It will also look at statutory reviews in relation to specific premises that cause problems to the licensing objectives.

4.41 There are specific matters which the Council can do within city centre. It has a desire to continue to do this. However, outlying areas are not without issues that call on Police and Council resources. While this may be occasional, the Council does consider that it is fair that they contribute towards the levy, and any unfairness is addressed by the way the levy depends on rateable value and the multipliers for premises exclusively or primarily used for the supply of alcohol for consumption on the premises. The support that will be resourced from LNL funds are intended to make Southampton a safe and pleasant place to live, work and visit, therefore enhancing the reputation of the city. This mitigates any perceived unfairness.

4.42 On balance, in the light of all these issues, the Council considers that it is desirable to raise the revenue by introducing a levy to be applied in accordance with the Act.

4.43 The Council also proposes to review the operation of the levy annually from 2017 and can vary or remove the levy to take effect at the end of any levy year. This will allow the Council to address any detrimental effects that might occur.

Consultation Question 4

(a) Do you have any comments on the potential income that the levy may raise?

Consultation Question 5

(a) Do you agree that there is a need to raise the revenue that a levy may produce?

(b) Are there any other issues that you would like the Council to consider?

Consultation Question 6

(a) Do you agree that it is desirable to raise the revenue through a levy to be used by the police and the Council?

(b) Have you any comments on the considerations expressed in section 4?

(c) Are there any other matters which you think that the Council should take into account in deciding whether it is desirable to introduce a levy?

5. What should be the Late Night Supply Period?

5.1 The Late Night Supply Period must begin at or after midnight and end at or before 6 am. It is the Council's responsibility to fix the actual Late Night Supply Period within those parameters. The LNL is only payable in respect of premises that are authorised to supply alcohol during that period.

5.2 The Council proposes to set the LATE NIGHT SUPPLY PERIOD as a period that **begins at one minute passed midnight and ends at 6am.**

5.3 It is considered that all premises opening during this period will impact on the need for additional resources to address the consequences of the NTE before midnight and 6am and so should contribute to the costs incurred by the police and the Council.

5.4 One minute passed the hour is considered preferable to prevent legal argument determining licences ending on the hour are liable to the levy or not.

5.5 The table below shows the split of terminal hours for premises. This does not take account of premises with conditions allowing alcohol to be served beyond midnight. It can be seen the majority of licences are in the first 2 hours and it is from these premises it can be anticipated the majority of applications to vary out of the levy period is likely to be made. Any move on the time is likely to impact on the revenue to such an extent that it would bring into question the viability of introducing the levy.

Licence finish	Number of	Total amount of levy if applied fully to all
----------------	-----------	--

between	premises	premises
0000 to 0059	57	£55,427
0100 to 0159	73	£88,117
0200 to 0259	46	£52,871
0300 to 0359	20	£29,191
0400 to 0459	7	£8065
0500 to 0559	5	£6,549
TOTALS	208	£240220

Consultation Question 7

(a) Do you agree that the Late Night Supply Period should be a period that begins at one minute passed midnight and ends at 6am? What are your reasons for this?

(b) If you think that the Late Night Supply Period should be for a different period, what should be the hours? What are your reasons for this?

6. What exemptions should be allowed?

6.1 The Council may exempt certain categories of premises from the LNL. These categories are prescribed in regulations and the Council cannot exempt premises that do not fall within a prescribed category. Nor may the Council decide to exempt only certain premises that fall within a prescribed category. All premises that fall within an applied exemption are entitled to be exempt from the LNL. The only decision which the Council may make is whether or not a particular category of exemptions should apply within the City.

6.2 The Regulations are prescriptive in defining the categories and so the wording of the regulations is set out.

Overnight Accommodation

6.3 The Council may exempt:-

Premises which are a hotel or guest house, lodging house or hostel at which the supply of alcohol between midnight and 6am on any day may only be made to a person—

- (i) who is staying at the premises, and*
- (ii) for consumption on the premises.*

6.4 The exemption would not, for instance, apply to a hotel which sold alcohol to the persons not staying at the hotel between midnight and 6am.

6.5 The Council proposes to **EXEMPT** these premises. It is not considered that these premises contribute significantly to the detrimental effects of the NTE between midnight and 6am.

Consultation Question 8

- (a) Do you agree that prescribed premises providing overnight accommodation should be exempt? Please explain your views.

Theatres

6.6 The Council may exempt:-

Premises which are a theatre at which the supply of alcohol between midnight and 6am on any day may only be made to a person for consumption on the premises who is—

- (i) a ticket holder in relation to a relevant production at the premises,*
- (ii) concerned in the performance, organisation or management of the relevant production, or*
- (iii) invited to the premises as a guest to attend an event to which the public do not have access.*

6.7 The Council proposes to **EXEMPT** these premises. It is not considered that these premises contribute significantly to the detrimental effects of the NTE between midnight and 6am.

Consultation Question 9

- (a) Do you agree that prescribed theatres should be exempt? Please explain your views.

Cinemas

6.8 The Council may exempt:-

Premises which are a cinema at which the supply of alcohol between midnight and 6am on any day may only be made to a person for consumption on the premises who is—

- (i) a ticket holder in relation to the exhibition of a film at the premises, or*
- (ii) invited to the premises as a guest to attend an event to which the public do not have access;*

6.9 The Council proposes to **EXEMPT** these premises. It is not considered that these premises contribute significantly to the detrimental effects of the NTE between midnight and 6am.

Consultation Question 10

(a) Do you agree that prescribed cinemas should be exempt? Please explain your views.

Bingo Halls

6.10 The Council may exempt:-

Premises in respect of which—

(i) the provision of facilities for the playing of bingo is authorised by a bingo premises licence granted in accordance with section 163 of the Gambling Act 2005,

(ii) the holder of the bingo premises licence is authorised to provide facilities for the playing of bingo by virtue of a non-remote bingo operating licence granted in accordance with section 74 of the Gambling Act 2005, and

(iii) the playing of bingo is the primary activity carried on at the premises.

6.11 The Council proposes to **EXEMPT** these premises. It is not considered that these premises contribute significantly to the detrimental effects of the NTE between midnight and 6am.

Consultation Question 11

(a) Do you agree that prescribed bingo halls should be exempt? Please explain your views.

Community Amateur Sports Clubs

6.12 The Council may exempt:-

Premises which are a club which is registered as a community amateur sports club by virtue of section 658 of the Corporation Tax Act 2010.

6.13 The Council proposes to **EXEMPT** these premises. It is not considered that these premises contribute significantly to the detrimental effects of the NTE between midnight and 6am. There are currently 8 in the City.

Consultation Question 12

(a) Do you agree that prescribed Community Amateur Sports Clubs should be exempt? Please explain your views.

Community Premises

6.14 The Council may exempt:-

Premises which are community premises in relation to which the premises licence contains the alternative licence condition.

“Community premises” means premises that are or form part of –

(a) a church hall, chapel hall or other similar building, or

(b) a village hall, parish hall, community hall or other similar building.

6.15 Community premises can apply to replace the mandatory conditions regarding designated premises supervisors and the authorisation of sales by personal licence holders by the alternative licence condition that the supply is made by or authorised by the management committee.

6.16 The Council proposes to **EXEMPT** these premises. It is not considered that these premises contribute significantly to the detrimental effects of the NTE between midnight and 6am.

Consultation Question 13

(a) Do you agree that prescribed Community Premises should be exempt? Please explain your views.

Country Village Pubs

6.17 The Council may exempt:-

Premises which are a public house which is a hereditament in respect of which the ratepayer is subject to a non-domestic rate calculated in accordance with section 43(6A) of the Local Government Finance Act 1988.

6.18 These are sole pubs in designated rural settlements with a population of less than 3,000. The premises are entitled to business rate relief to assist in the survival of rural businesses. There are currently no such actual premises within the City. However, if they did exist and were to operate in the late night period, there is no reason to suggest that they are less likely than similar businesses to contribute towards the detrimental effects of the NTE between midnight and 6am.

6.19 The Council proposes **NOT TO EXEMPT** these premises.

Consultation Question 14

(a) Do you agree that prescribed Country Village Pubs should NOT be exempt? Please explain your views.

Business Improvement Districts

6.20 The Council may exempt:-

Premises which are a hereditament in respect of which—

(i) the ratepayer is liable for a BID levy in accordance with section 46 of the Local Government Act 2003, and

(ii) the BID arrangements in relation to which a BID levy is imposed are established for purposes which include relevant purposes.

“relevant purposes” are purposes which result in, or are likely to result in, the reduction or prevention of crime and disorder in connection with the supply of alcohol between midnight and 6am at premises in relation to which a relevant late night authorisation has effect.

6.21 There is no BID in Southampton at present. It is unlikely any future BID will be designed to deal solely with the NTE between midnight and 6am.

6.22 The Council proposes **NOT TO EXEMPT** these premises.

Consultation Question 15

(a) Do you agree that prescribed BID premises should NOT be exempt? Please explain your views.

New Year's Eve/Day

6.23 The Council may exempt:-

Premises which are authorised to supply alcohol for consumption on the premises between midnight and 6am on 1st January in every year (but are not so authorised at those times on any other day in any year).

6.24 These are premises that are authorised to sell alcohol between midnight and 6 am only on New Year's Day.

6.25 The Council proposes to **EXEMPT** these premises. There are few, if any, premises that open only by exception on New Year's Day between midnight and 6am and will generally be community led and are less likely than similar businesses to contribute towards the detrimental effects of the NTE between midnight and 6am.

Consultation Question 16

(a) Do you agree that premises that only operate on New Year's Day between midnight and 6am should be exempt? Please explain your views.

7. What reductions should be allowed?

7.1 The Council may reduce the LNL by 30% for two categories of premises. These categories are prescribed in regulations and the Council cannot reduce the LNL for premises that do not fall within a prescribed category. Nor may the Council decide to reduce the LNL for only certain premises that fall within a prescribed category. All premises that fall within an allowed category are entitled to the same reduction from the LNL. The only decision which the Council may make is whether or not a particular category of reduction should apply within the City.

7.2 Premises are only entitled to one reduction of 30% even though they may fall in more than one category of reduction or in the case of business-led Best Practice Schemes are members of more than one scheme. If premises fall within a category, they are entitled to the full reduction of 30%; the Council has no discretion to award a lower or higher reduction.

7.3 The Regulations are prescriptive in defining the categories and so the wording of the regulations is set out.

Small Business Rate Relief

7.4 The Council may allow a reduction:-

in relation to premises, at which the authorisation permits the supply of alcohol for consumption on the premises only, which are a hereditament in respect of which—

- (i) the ratepayer is subject to a non-domestic rate calculated in accordance with section 43(4A) of the Local Government Finance Act 1988, and*
- (ii) the rateable value is not more than £12,000.*

7.5 These are premises that already receive Small Business Rate Relief.

7.6 The Council proposes **NOT TO GRANT** a reduction for these premises. These premises get business rates relief to assist in their viability. However, if they operate in the late night supply period, there is no reason to suggest that they are less likely than similar businesses to contribute to the detrimental effects of the NTE between midnight and 6am. They will in any event be subject only to the lower bands of the LNL, because of their low rateable value.

Consultation Question 17

(a) Do you agree that prescribed premises that receive Small Business Rate Relief should NOT be entitled to a reduction in the levy? Please explain your views.

Members of Business-Led Best Practice Schemes

7.7 The Council may allow a reduction for:-

... members of ... an arrangement which—

- (a) is established for purposes which include relevant purposes,*
- (b) requires its members to take steps to promote the relevant purposes, and*
- (c) contains provision for the cessation of the membership of a holder ... who has failed to take steps to promote the relevant purposes.*

“relevant purposes” are purposes which result in, or are likely to result in, the reduction or prevention of crime and disorder in connection with the supply of alcohol between midnight and 6am at premises in relation to which a relevant late night authorisation has effect.

7.8 This reduction is to permit licensing authorities to use the LNL to promote and support participation by premises in business-led best practice schemes. The scheme has to comply with benchmarks specified above in regulations.

7.9 The Council proposes **NOT TO GRANT** a reduction for such premises at this time but would welcome the development of such a scheme.

7.10 It is not intended to reduce the LNL for members of existing business led best practice schemes as it is not considered current schemes are of sufficient standing and provide the necessary outcomes to warrant a reduction. However, the Council wishes to consult stakeholders about whether it will be possible to develop such a scheme that provides a clear rationale as to why the scheme's objectives and activities will, or are likely to, result in a reduction of alcohol-related crime and disorder. Initial discussions with the trade as regards this issue have been very positive and any future initiatives will address issues such as irresponsible drinks promotions. If such

a scheme is developed, the Council will consider further the possibility of granting a reduction, either initially or in the future.

Consultation Question 18

(a) Do you agree that at this time members of business-led Best Practice Schemes should NOT be entitled to a reduction? Please explain your views.

(b) Do you agree that such a scheme should be developed? If so, what should be in the details? How can it be developed? How will it be led?

(c) If such a scheme were to be developed, do you agree that members should be entitled to a discount?

8. How should the net revenue from the LNL be split between the police and the Council?

8.1 The Council must pay at least 70% of the net revenue to the Hampshire Police and Crime Commissioner. The Council retains the balance. The Council has the power when designing the scheme to pay a larger proportion to the Hampshire Police and Crime Commissioner. The Council may vary the proportion in future years, subject to prior consultation.

8.2 The Council identifies what it would like to use its share of the proceeds for in section 9.

8.3 The Council already incurs significant costs in addressing the effects of the night time economy (as do the police) (see section 4) and the Council's maximum share will enable it to provide services to support the Night Time Economy. Specifically it will allow the Council to develop the proposals in section 9.

Consultation Question 19

(a) Do you agree that the net revenue from the levy should be split 70:30 between the Hampshire Police and Crime Commissioner and the Council? Please explain your views.

(b) If you think that the Hampshire Police and Crime Commissioner should receive a larger (than 70%) proportion of the net revenue, please state what percentage you propose? [N.B. It is not possible to reduce the proportion to below 70%.] Please explain your views.

9. What should the net revenue from the LNL be used for?

9.1 In line with the standard practice on the allocation of police funds, there are no restrictions on what the Hampshire Police and Crime Commissioner's share can be spent on. The Hampshire Police and Crime Commissioner's share will be subject to the same transparency measures as those that apply in relation to the other aspects of the operation of the Hampshire Police and

Crime Commissioner. The Police and Crime Panel will be able to request most documents of the Hampshire Police and Crime Commissioner in order to hold him to account in the allocation and use of his funds.

9.2 The Home Office recommends that licensing authorities should use its existing partnership with the police to discuss the police's intentions for their share of the levy revenue. They also recommend that the Hampshire Police and Crime Commissioner should consider allocating the funds raised from the LNL back to local commanders to allow the revenue to be spent on tackling alcohol-related crime and disorder in the area in which the LNL was raised. The PCC has already advised that he will do this.

9.3 Regulations prescribe what the Council may use its share for.

9.4 The Council must apply its share:

... having regard, in each case in connection with the supply of alcohol between midnight and 6am, to arrangements for-

- (a) the reduction or prevention of crime and disorder,
- (b) the promotion of public safety,
- (c) the reduction or prevention of public nuisance,
- (d) the cleaning of any highway maintainable at the public expense (other than a trunk road which is a special road) within the City or any land within the City to which the public are entitled or permitted to have access with or without payment and which is open to the air.

9.5 The Council proposes to continue with and develop a range of activities on which to spend its share of the LNL which will be provided to tackle the alcohol related crime and disorder between midnight and 6am, and community safety services connected to the management of the NTE between midnight and 6am, including:

- Night time economy management
- Taxi marshalling
- Street pastors
- I.C.E. bus
- CCTV improvements
- Street cleaning including the possibility of temporary toilets
- Enforcement initiatives
- Personal safety initiatives

9.6 Ideally, in order to use the LNL in the most efficient and cost effective manner, rather than see the levy revenue split between two separate programmes, the Council wishes to reach agreement with the Hampshire Police and Crime Commissioner to develop a single programme delivered in partnership between the Council and the police in line with the regulations. Discussions will take place to attempt to achieve this.

Consultation Question 20

(a) Do you have any comments on the range of activities which the Council would wish to develop using its share of the levy revenue? Is there anything else that you would like to see? Please explain your views.

(b) Would you support developing a single programme delivered in partnership between the Council and the police? What would you like it to cover? Please explain your views.

10. What is the future timetable?

10.1 Bearing in mind the need to allow sufficient time for wide consultation and, if it is decided to introduce a LNL, time for licence holders to make free applications to vary their licences to avoid the LNL, it is considered that the earliest date for implementation will be the **1st February 2015**.

10.2 Therefore the first levy year will run from the 1st February 2015 to 31st January 2016 and subsequent levy years will follow on the corresponding future dates.

10.3 For holders of late night authorisations on the 1st February 2015, the first payment year will run from 1st February 2015 to 31st January 2016. Subsequent payment years will follow on the corresponding future dates. The levy will be payable at the same time as when the annual fee is payable.

10.4 For holders who are granted a late night authorisation on or after 1st February 2015, while the levy years will be the same as for existing holders, the first payment year will be the period of one year beginning on the date of authorisation and subsequent years will follow on the corresponding future dates. The first levy will be payable 14 days after the grant of the authorisation and levies in subsequent payment years will be payable on the date when the annual fee is payable.

10.5 The Council's full anticipated Timetable is set out below:-

15 th April 2014	Cabinet Report and final design of consultation
25 th April 2014	Statutory Consultation Starts
31 st July 2014	End of Statutory Consultation
Summer 2014	Consideration of the outcome of consultation and finalisation of the proposals
Early September 2014	Report to the Licensing Committee
16 th September 2014	Report to Full Council
Autumn/Winter 2014	Determination of Minor Amendments to Vary Hours
1 st February 2015	Target date for implementation of Start First Levy Year
2017	Review

10.6 If there is a need for further consultation, the implementation date may change.

Consultation Question 21

(a) Do you agree that the Council should seek to implement the LNL on 1st February 2015? Please explain your views.

(b) If you think that the LNL should be implemented on a different date, what date do you propose? Please explain your views.

(c) Have you any other comments on the proposed timetable? Please explain your views.

11. What happens next?

11.1 This consultation period ends on **31st July 2014** The Council will then consider the views that have been expressed and come to a view on whether the proposals should proceed, with or without amendments. It will also decide whether there needs to be further consultation. This process will result in the report being considered by the Council's Licensing Committee and full Council (which will be the body responsible for making the final decision).

11.2 If it is decided that the introduction of the LNL should proceed, formal notice must be given to various people, and before implementation, there will be a period to allow holders to make free applications to vary their authorisations so that they will not be subject to the LNL.

12. How can I express my views?

12.1 Complete the questionnaire attached to this Consultation Document

12.2 Send completed questionnaires by one of the following methods:

- E-mail to: licensing.policy@southampton.gov.uk
- Post to : Late Night Levy Consultation, Licensing, Southampton City Council, PO Box 1767, Southampton. SO18 9LA

Further copies are available on the Council's website

<http://www.southampton.gov.uk/business/licensing/alcohol-licences/lnl.aspx>

QUESTIONNAIRE

Please complete and return this questionnaire by **31st July 2014**

BY E-MAIL to: licensing.policy@southampton.gov.uk

BY POST to: Late Night Levy Consultation, Licensing, Southampton City Council, PO Box 1767, Southampton. SO18 9LA

PLEASE INCLUDE ADDITIONAL SHEETS IF THERE IS NOT ENOUGH SPACE

Consultation Question 1 – COSTS

(a) Do you agree that the costs of policing and other arrangements for the reduction or prevention of crime and disorder in connection with the late-night supply of alcohol are a fair assessment?

(b) Do you think that any of the costs ought not to be taken into account?

(c) Do you think that there are other costs that should be taken into account?

(a)

(b)

(c)

Consultation Question 2 – CRIME AND DISORDER

- (a) Do you agree with the assessment of crime and disorder in connection with the late-night supply of alcohol?
- (b) Do you think anything has been left out?
- (c) Do you think that anything mentioned should not be taken into account?

(a)

(b)

(c)

Consultation Question 3 – BENEFITS OF A NTE

(a) Do you agree with the assessment of the benefits of the Night Time Economy in the City?

(b) Do you think there are any other benefits?

(c) Do you think that any benefits mentioned are not relevant?

(a)

(b)

(c)

Consultation Question 4 – INCOME FROM THE LNL

(a) Do you have any comments on the potential income that the levy may raise?

(a)

Consultation Question 5 – NEED TO RAISE REVENUE

(a) Do you agree that there is a need to raise the revenue that a levy may produce?

(b) Are there any other issues that you would like the Council to consider?

(a)

(b)

Consultation Question 6 – DESIRABILITY OF THE LNL

(a) Do you agree that it is desirable to raise the revenue through a levy to be used by the police and the Council?

(b) Have you any comments on the considerations expressed in section 4?

(c) Are there any other matters which you think that the Council should take into account in deciding whether it is desirable to introduce a levy?

(a)

(b)

(c)

Consultation Question 7 – LATE NIGHT SUPPLY PERIOD

(a) Do you agree that the Late Night Supply Period should be a period that begins at one minute passed midnight and ends at 6am? What are your reasons for this?

(b) If you think that the Late Night Supply Period should be for a different period, what should be the hours? What are your reasons for this?

(a)

(b)

Consultation Question 8 – EXEMPTIONS – OVERNIGHT ACCOMMODATION

(a) Do you agree that prescribed premises providing overnight accommodation should be exempt? Please explain your views.

(a)

Consultation Question 9 – EXEMPTIONS – THEATRES

(a) Do you agree that prescribed theatres should be exempt? Please explain your views.

(a)

Consultation Question 10 – EXEMPTIONS – CINEMAS

(a) Do you agree that prescribed cinemas should be exempt? Please explain your views.

(a)

Consultation Question 11 – EXEMPTIONS – BINGO HALLS

(a) Do you agree that prescribed bingo halls should be exempt? Please explain your views.

(a)

**Consultation Question 12 – EXEMPTIONS – COMMUNITY AMATEUR
SPORTS
CLUBS**

(a) Do you agree that prescribed Community Amateur Sports Clubs should be exempt? Please explain your views.

(a)

Consultation Question 13 – EXEMPTIONS – COMMUNITY PREMISES

(a) Do you agree that prescribed Community Premises should be exempt? Please explain your views.

(a)

Consultation Question 14 – EXEMPTIONS – COUNTRY VILLAGE PUBS

(a) Do you agree that prescribed Country Village Pubs should NOT be exempt? Please explain your views.

(a)

Consultation Question 15 – EXEMPTIONS – BUSINESS IMPROVEMENT DISTRICTS

(a) Do you agree that prescribed BID premises should NOT be exempt? Please explain your views.

(a)

Consultation Question 16 – EXEMPTIONS – NEW YEAR'S EVE/DAY

(a) Do you agree that premises that only operate on New Year's Day between midnight and 6am should be exempt? Please explain your views.

(a)

Consultation Question 17 – REDUCTIONS – SMALL BUSINESS RATES RELIEF

(a) Do you agree that prescribed premises that receive Small Business Rate Relief should NOT be entitled to a reduction in the levy? Please explain your views.

(a)

Consultation Question 18 – REDUCTIONS – BUSINESS-LED BEST PRACTICE SCHEMES

- (a) Do you agree that at this time members of Business-Led Best Practice Schemes should NOT be entitled to a reduction? Please explain your views.
- (b) Do you agree that such a scheme should be developed? If so, what should be the details? How can it be developed? How will it be led?
- (c) If such a scheme were to be developed, do you agree that members should be entitled to a discount?

(a)

(b)

(c)

Consultation Question 19 – SPLIT LEVY BETWEEN POLICE & COUNCIL

(a) Do you agree that the net revenue from the levy should be split 70:30 between the Hampshire Police and Crime Commissioner and the Council? Please explain your views.

(b) If you think that the Hampshire Police and Crime Commissioner should receive a larger (than 70%) proportion of the net revenue, please state what percentage you propose? [N.B. It is not possible to reduce the proportion to below 70%.] Please explain your views.

(a)

(b)

Consultation Question 20 – USE OF THE REVENUE

(a) Do you have any comments on the range of activities which the Council would wish to develop using its share of the levy revenue? Is there anything else that you would like to see? Please explain your views.

(b) Would you support developing a single programme delivered in partnership between the Council and the police? What would you like it to cover? Please explain your views.

(a)

(b)

Consultation Question 21 – IMPLEMENTATION DATE & TIMETABLE

- (a) Do you agree that the Council should seek to implement the LNL on 1st February 2015? Please explain your views.
- (b) If you think that the LNL should be implemented on a different date, what date do you propose? Please explain your views.
- (c) Have you any other comments on the proposed timetable? Please explain your views.

(a)

(b)

(c)

PLEASE INCLUDE YOUR PERSONAL DETAILS

MY DETAILS ARE:

MY FULL NAME:

MY ADDRESS:

MY TELEPHONE NUMBER:

MY EMAIL ADDRESS:

A Licence Holder

A Resident

A Representative of a Licence Holder

Likely to be subject*/Not likely to be subject* the LNL

*(*delete as appropriate)*

**A Licensing Solicitor/Professional
An Interested Person
Other**

I AM:

(DELETE as appropriate) (Details of your interest)

HAVE YOU ANY OTHER COMMENTS THAT YOU WISH THE COUNCIL TO CONSIDER?

CONFIDENTIALITY

The Council cannot guarantee that any information that you pass to us can be treated as confidential. The Council is subject to a number of regimes that affect disclosure, including the Local Government (Access to Information) Act 1985, the Data Protection Act 1998, the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. In particular, your response is likely to be classed as a background paper to future committee reports and open to public inspection.

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Agenda Item 10

Appendix 3

Residents Associations

Ashurst Park Residents Association
Bellevue Residents Association
Bitterne Park Residents Association
Blackbushe, Pembrey & Wittering Residents Association
Blackbushe, Pembrey & Wittering Residents Association
Channel Isles and District Tenants and Residents Association
Chapel Community Association
Clovelly Rd RA
East Bassett Residents Association
Flower Roads Residents and Tenants Association
Freemantle Triangle Residents Association
Graham Road Residents Association
Greenlea Tenant and Residents Association
Hampton Park Residents Association
Harefield Tenants and Residents Association
Highfield Residents Association
Holly Hill Residents Association
Hum Hole Project
Itchen Estate Tenants and Residents Association
Janson Road RA
LACE Tenant and Residents Association
Leaside Way Residents Association
Lewis Silkin and Abercrombie Gardens Residents Association
Lumsden Ave Residents Association
Mansbridge Residents Association
Maytree Link Residents Association
Newlands Ave Residents Association
Newtown Residents Association
North East Bassett Residents Association
Northam Tenants and Residents Association
Old Bassett Residents Association
Outer Avenue Residents Association
Pirrie Close & Harland Crescent Residents Association
Portswood Gardens Resident association
Redbridge Residents Association
Riverview Residents Association
Rockstone Lane Residents Association
Ropewalk RA
Southampton Federation of Residents Associations
Stanford Court Tenants and residents Association
Thornbury Avenue & District Residents Association
Tower Gardens Residents Association

Townhill Action Group
Upper Shirley Residents Association
Ventnor Court Residents Association
Waterside Park Residents Association
Wyndham Court Residents Association

Solicitors

Winckworth Sherwood LLP
Paris Smith LLP
Bevan Kidwell LLP
Lockett □ Co
Melrose Pubcare
RM Legal Solicitors LLP
Ewing Hickman □ Clark Solicitors
Greater London Solicitors
CGM Solicitors
Cavan Martin □ Associates Limited
Licensing Solutions
Bernard Chill and Axtell Solicitors
Kuit Steinart Levy LLP
Ewing Hickman & Clark
Poppleston Allen
Thomas & Thomas Partners LLP
Lamport Bassitt Solicitors
Dorset Licencing
DWF Solicitors
Harrison Clark Solicitors
Bells Solicitors
DWF LLP
Footner Solicitors
Licensing Department
Timothy Michael Swain/Peter Howard Madden
Harris Hagan Solicitors
Gosschalks Solicitors
Scott Bailey Solicitors
Page, Gulliford and Gregory Solicitors
Mr. Richard Elborough
BLP
Mrs. Rebecca Farley
Mr. David S Whitehead
Mr. Graham Dove
Mr. Phillip Doherty
Ms. Jo Babbage
Lawcomm Solicitors
Mrs. Amandeep Derry
Mr. Huseyin Huseyin
Ms Nicky Gray

Ms. Claire-Anne Escoffey
Tesco Licensing Team
PBC Licensing
Mr. Bernard Ralph
Ms. Lisa Preston - ALW/LVP/GRE201/2
Eric Robinson Solicitors
Messrs. Horsey Lightly Fynn Solicitors
Mr. Craig Lintott
Mr. David Roberts
Ms. Hannah Loynds
Mrs. Elaine Whittle
Ms Angela Hackett
Mr N. Hannides
Mr. Anthony Addison
Mr. Philip Day
Licensing Department
Ms. Karen Light
Mr. Stephen Joy Idiculla
Mrs. Julia Palmer
Mr. Mark McDermott
Mr. Mark Howell - Ref: Mh/HGHL[2]1
Mrs Letitia Balldock
Mr. Phillip Hayden
Ms Orla McGreevy
Ms. Becca Carolan
Mr. Anthony Hickman
Licensing Manager
Licensing Department
Clarke □ Son -Ref: PBT/Gor/21717/1
Licensing Department
Criterion Asset Management Ltd
CMS Cameron McKenna LLP
Blake Laphorn Linnell
Blake Laphorn - 077658/000040/JOSW/LDRLIC/LK
Ms. Karen Stark
John Gaunt And Partners
Freeth Cartwright LLP
TLT Solicitors
Mr. David Lee
Mr. Robert Jordan
Mr. Richard Baker
Mr. Richard Deighton
Ms. Elaine Rayner
Mr. Ben Thompson
Mr. John Flew
Mrs. Angela Hackett
Flint Bishop LLP

Mr. Samuel Lewis
Licensing Department
Viva-Law Solicitors Ltd
Ms. Faye Given
PR Retail Consultants
Mrs Tracey Mcfarlane
Ms Tilly Burton (GOA.2.15)
Mr. Andrew D. McGrath
Ms. Carol Styler
Mr. Geoff Lake
Ms. Karen Lush
Faucet Inn Ltd
Tenated Trade Director
Mrs. Cheryl Oliver
Ms. Vikki Dawson
JD Wetherspoon Plc
Mr. Christopher Rees-Gay

Late Night Refreshment Houses

Ali's Kebabs
Best Kebab
Bina Tandoori
Burrito Mexicana
Caspian Kebab
Chan's
Charcoal Grill
Chicken Land
Chick O Land Extra
China Garden Chinese Takeaway
Chop Suey House
Dersim Takeaway
Diamond Pizza
Domino's Pizza
Domino's Pizza
Domino's Pizza
Emons
Eses Kebabs
Far East Chinese Takeaway
Grill On The Hill
Happy Wok
Herbies Pizza
Hong Kong House Takeaway
Hong Kong Inn Chinese Takeaway
Istanbul Grill
JJ's Fish And Chips
Jolly Rogers Refreshment Van
Kebab Centre

Kebab Express
Kentucky Fried Chicken
Kentucky Fried Chicken
King House
LA Pizza
Lucky House
Magic Chef
Magic Wok
Magic Wok
Marmaris Kebab And Pizza Place
Maxims
McDonalds
McDonalds
McDonald's Restaurant
McDonald's Restaurant
Metropolis
Mr Kebab
Naz Kebabs
New Jade Palace
New King Chef Chinese Takeaway
New Wongs Garden
Papa John's Pizza
Papa Johns Pizza
Peking Garden
Peking Gourmet
Pizza And Chicken Lounge
Pizza Chicken Hot 4 You
Pizza Chicken Kebab Hot 2 You
Pizza Cottage
Pizza Go Go
Pizza GoGo
Pizza Hot 2 You
Pizza Hut
Pizza Hut
Pizza Hut
Punjab Spice Tandoori Restaurant
Quality Kebab
Raj Of Shirley
Red Planet Pizza
Regents Park Community College
Restaurant, Toujours, Burger King And Costa Coffee
Roosters Piri Piri
Royal Balti And Tandoori
Sals Kebab House
Shah Faisal Indian Take-Away
Sholing Junior School
Southampton Kebab House

South Ocean
Sprinkles
Sprinkles Gelato
Starbucks
Star Fried Chicken
Subway
Subway
Subway
Subway
Super Pizza
Super Wok (Super Chef)
Swaythling Neighbourhood Community Centre
Taste Of China
Ted's Fish And Chips
The Victory
Tony's Grill
Tony's Place
Uni Kebab & Pizza House
Zorbas

Tennants Associations

Aquitania House Tenants & Residents Association
 Maybush Triangle Tenants & Residents Association
 Ventnor Court Residents Association
 St Marys Tenants & Residents Association
 Channel Isles & District Tenants & Residents Association
 Holyrood Estate Residents & Tenants Association
 Greenlea Tenants & Residents Association
 Itchen Estate Tenants & Residents Association
 PRADOS Tenants & Residents Association
 Townhill Action Group
 Castle House Residents Association
 Bishops Crescent Community

Organisations

Crown Prosecution Service
 South Central Ambulance NHS Trust
 Environment Agency
 Hampshire Chamber of Commerce
 National Federation of Self Employed and Small Businesses Ltd
 Association of Licensed Multiple Retailers (ALMR)
 British Institute of Innkeeping
 Campaign for Real Ale
 Equity
 The Portman Group
 The Musicians Union
 Drug Action Team (Southampton)

Federation of Licensed victuallers Association
 Southampton Street Pastors
 Infrastructure Network for Disability Information
 British Hospitality Association
 Broadcasting, Entertainment, Cinematograph and Theatre Union
 Licensing Link Southampton
 Licences Unite
 National Pubwatch
 Southampton City Clinical Commissioning Group
 The British Retail Consortium
 British Beer and Pub Association
 Licensing Matters
 University Hospital Southampton NHS Foundation
 Public Health England
 Southampton and Region Hoteliers Association
 Destination Southampton
 Hampshire Police and crime Commissioner
 Hampshire Police
 University of Southampton
 Southampton Connect

Alcohol Licensed Premises

1865
30 Carlton Place
7Bone Dive
90 Degrees At Carltons
92 St. Mary's Road
ABC Convenience Store
Above Bar Pedestrian Precinct
African Caribbean Centre
Afro Caribbean Food Store
Alcohol After Hours
Aldermoor Convenience Store
Aldi
Aleha Cuisine
Alexandra
Alfresco Convenience Store
Alpine News And Food
Anchor (Test Lane)
Anchor (East Street)
Angel Inn
Another Toy II
Archers Road Social Club
Arrow Convenience (Best One)
Arrow News
A.R Veal Ltd
Asda

Ashleigh R
ASK
Atherley Bowling Club
Atherley Stores
Atlantic Hotel
Aura Bar And Lounge
Avenue Bar
Avenue Campus
Avenue Chinese Takeaway
Avenue Grocers
Avondale
Baizz Club
Baltic Foods
Baltic Promocja Sklep
Banana Wharf
Banga Food, News And Off Licence
Baraka Tandoori Restaurant
Basmati Nepalese And Indian Restaurant
Bassett Lawn Tennis Club
BBC Southampton Club
Beers & Bottles
Bella Italia (Above Bar)
Bella Italia (Hanover Bldgs)
Belle Moor
Bengal Brasserie
Bent Brief
Best In
Best One (Station Road)
Best One (St Mary Street)
Best One (St Mary Road)
BHS
Big Cheese
Bishops News Market
Bittern
Bitterne Balti
Bitterne Charcoal Grill
Bitterne Conservative Club
Bitterne Park Hotel
Bitterne Park Secondary School
Bitterne Park Working Men's Social Club
Bitterne Royal British Legion Club
Bitterne Village - Premier Express
Bitter Virtue
Blacksmiths Arms
Blue Island Restaurant And Takeaway
Bob And Paula's Off Licence
Boiler House

Bombay Lounge
Booze Paradise
BoozeRus
Booze Shack
Bowlers Restaurant Ltd
BP Convenience Store (BP Express)
Brass Monkey
Bricklayers Arms
Bridge
Bridge News
Bright Water Inn
British American Tobacco
Brook
BS Postal Services Ltd
BTC Rowing Club
BTC Sports Club
Buddha Lounge
Buffalo Bills
Buon Gusto Ristorante
Burgess Store
Buzz's Diner
Cafe Alma Lusitana
Cafe Creme
Cafe Parfait
Cafe Rouge
Cafe Valentines
Caffe Momento
Caffexpresso
Cantina Mexican Restaurant
Captains Place
Cargo
Casanova
Castle Inn
CC Express
CC Ocean Village
CC Portswood
Ceno Bar And Restaurant
Chalk Valley Burgers
Chambers
Chapel Arms
Charlie Chans
Chimichanga
China Town Oriental Supermarkets Ltd
China Town Supermarket
Chiquito
Chowdhury's Curry Lounge
Christina Restaurant

Cineworld Cinemas
City Cruise Terminal
City Off Licence
City Wine
Civic Centre
Civic Centre Car Park, Surrounding Area, Guildhall Square Area
Clausentum Masonic Hall
Cloud 9
Cloud Wine - Polygon Wines
Clovely Post Office And Stores
Clowns Wine Bar
Club Rosso
Cobden News
Coco Rio
Connaught Hall
Convenience Store
Co-op (Bassett Green Road)
Co-op (High Street)
Co-op (Tickleford Drive)
Co-op (Foundary Lane)
Co-op (Archery Road)
Co-op (West End Road)
Co-op (South East Road)
Co-op (Manor Farm Road)
Co-op (Wodehouse Road)
Co-op (Thornhill Park Road)
Co-op (Shirley Road)
Co-op (Portsmouth Road)
Co-op (Bridge Road)
Co-op (London Road)
Co-op (BedofrdPlace)
Co-op (Warburton Road)
Co-op (Midanbury)
Co-op (Johns Road)
Co-op Maybush)
Co-op (Millbrook Road West
Co-op (Obelisk Road)
Co-op (Parkville Road)
Co-op (Burgess Raod)
Co-operative (Shirley Road)
Co-operative (Hinkler Road)
Co-operative Food
Coriander Lounge
Costco
County Bowling Club
Cowherds Inn
Coxford Stores

Cricketers Arms
Crown Inn
Crusader
Dale Valley Stores
Dallas Food Stores
David Lloyd Leisure Club
Deacon Road Convenience Store
Debenhams
Dhaka Indian Restaurant
Dhaliwal Late Shopper
Diego's
Diment McDonald Dance Centre
Dock Of The Bay
Dolphin
Dorchester Arms
Drinks 2 U 247
Drummond Arms
Duke Of Wellington
Dungeon Club
Eastern Nights Indian Cuisine
Eastpoint Centre
Eaton Court Hotel
Echo News
Edge
Ed's Easy Diner
Elias Restaurant
Elizabeth House Hotel
Emperor Restaurant
Encore
Englishman
Ennio's
Ernst & Young LLP
Esunway Chinese Restaurant
Familijny
Family Food Store
Fat Fig
Ferryman & Firkin
Festival Of Britain Community Association
Fire House
Fleming Arms
Flying Aubergine Cafe
Food Barn
Food Factory
Food Stop Southampton Delicatessen
Ford Sports And Social Club
Fortune
For Your Eyes Only

Foundry Lane Food Market
Fox And Hounds
Foyes Convenience Store Ltd
Foyes News
Frankie And Benny's
Freemantle
Freemantle Arms
Freemantle Social Club Ltd
Frog And Parrot
Frog & Frigate
Fusion Noodle Bar
Gala Club
Gandhi
Gardener's Arms
Gatehouse
Genting Club Terminus Terrace
Georges
Giddy Bridge
Glen Eyre Hall Bar Club
Goals Soccer Centre
Goblets Wine Bar
Golden Palace
Gordon Arms
Grand Cafe
Grande Wines (Victoria Road)
Grande Wines (West Quay Road)
Grand Harbour Hotel
Grapes Inn
Grazing Goat
Greenwood News
Gregg School
Griffin
Grosvenor Casino Southampton
Grove House Social Club
Grove Tavern
G's Store News Food And Off Licence
Gucio
Guide Dog
Hampers Newsagents
Harbour Lights Picturehouse
Harefield Tenants Sports And Social Club
Hare & Hounds
Harry Ramsden's
Haskins Garden Centre
Hatchers Card Shop
Havenbrae
Heathers Cafe ☐ Wine Bar

Highfield Campus
Highfield Halls Of Residence
Highfield House Hotel
Highfield News
High Firs Stores And Post Office
High Street Cafe
Hinkler
Hinkler Road Convenience Store
Holiday Inn
Hollyoak Stores
Holy Family Social Club Limited
Hop Inn
Hops And Grapes
Hotel Chocolat
H Palace
Humble Plumb
Hunters Lodge Hotel
Ibis Budget Southampton
Ibis Hotel
Ice House
Iceland (Portswood)
Iceland (Shirley)
Iceland (Bitterne)
Ikea Southampton
Il Picchio
Indian Melody
Inferno
Isaacs
Isis
Isobar
Itchen College Sports Centre
Itchen Imperial Rowing Club
Jehangir Indian Restaurant
Jesters
Jewel In The Crown
John Everett Millais Building
John Lewis Department Store
Joiner's Arms
Joshua Tree
Julie's Dance Studio
Junction Inn
Juniper Berry
Junk Club
Jury's Inn Hotel
Kachina
Kali Mirchi Restaurant
Kara Restaurant And Meze Bar

Kelly's Bar
Key & Anchor
King Alfred
King Edward VI School
King George
Kings Arms
Kingsland News
Kingsland Tavern
Kisna
Kohinoor Restaurant
Kubus Shop
Kuti's Brasserie
La Baronia Mexican Restaurant Bar
La Esquina
La Lupa
Lalys
La Margherita
La Regata
La Tavernetta
Leela Wadee Thai Restaurant
Lennons
Lets Rock Southampton
Lidl (High Street)
Lidl (Shirley Road)
Lidl (Antelope Park)
Lime Bar
Little Buddha Chinese Restaurant
Lodge Road News
Londis
Londis News
London Hotel
London Off Licence 2
Lord Palmerston
Louisiana
Love Flowers
Majestic Wine Warehouse
Majestic Wine Warehouse
Malthurst Northam
Malvern Tavern
Mango
Mango 182
Manor Service Station
Manor Wines
Manzil's Food & Wine
Manzil Tandoori Restaurant
Maple Leaf Social Club
Marina Developments Ltd

Marks And Spencer
Martin McColl
Maskers Theatre Company Club
Masonic Hall
Massala
Mayflower Cruise Terminal
Mayflower Park
Mayflower Theatre
McColls (Rownhams Raod)
McColls (Montague Avenue)
McColls (Bedford Place)
Med Bar And Kitchen
Medina Stores
Merchants Restaurant
Mercure Southampton Centre Dolphin Hotel
Mettricks Tea And Coffee House
Mexigo
Mike's Newsagents
Millbrook Rugby Football Club
Millers Pond
Mitre
Moby Dick Restaurant
Mo'jive
Monsieur Hulot
Morfair Supermarket
Morrisons
Morrisons Local
Moscow
Mountbatten
Moya Supermarket
MS. Princess Caroline
MV Ocean Scene
Myth
Namaste Kerala
Nando's Chickenland Limited
Narumon's Thai Cafe
National Oceanography Centre
New Century Bingo
Newsmaster
Newsplus
Nick's News Market
Nick's Restaurant
Nisa Local
Nisa Supermarket
No. 4 Ltd
Northam Social Club
Novotel

Nuffield Theatre
O2 Guildhall Southampton
Oakley Road Stores
Oaktree News And Post Office
Oasis Bar
Obelisk Hotel
Oceana
Ocean Dragon
Ocean Terminal
Odeon
Old Farmhouse
Olive Tree
One Stop (Kendal Ave)
One Stop (North East Road)
One Stop (Winchester Road)
One Stop (Butts Raod)
One Stop (Millbrook Road West)
One Stop (Portswood Raod)
One Stop Stores
Onslow News And Food
Orange Rooms
Osborne Inn
Oxford Brasserie
Panda Chinese Restaurant
Park Hotel
Park Inn
Park News
Park Road Newsagents
Parkside Restaurant
Parkview Retail
Paynes Service Station
Pearl Harbour
Peartree Inn
Pensioners Arms
Pewex
Piazza
Piccolo Mondo
Pig And Whistle
Piggys Coffee Shop Restaurant
Pig In The Wall
Pilgrim House
Pirrie Park Bowling Club
Pitcher & Piano
Pizza Express (Oxford St)
PizzaExpress (West Quay)
Pizza Hut
Platform Tavern

Playhouse Gentlemens Club
Pod Orlem
Pod Orlem Express
Polish Catholic Mission Southampton - Bournemouth Parish
Polish Social Club
Pop World
P.O.S.H. Restaurant
Poveys
Premier (Portswood)
Premier (Athelstan Road)
Premier (Commercial Raod)
Premier (Commercial Express)
Premier Express
Premier Inn
Premier Inn Southampton
Premier Quick Shop
Prezzo
Pride Of India
Prince Of Wales
Prohibition
Puccinis
Pulcinella
QEII Terminal
Quay Fifteen Restaurant
Quayside
Queens Way Service Station
Que Pasa
Rafique Food Centre
RaiLook
Ram's Store
Ranchos Steak House
Red Eagle
Red Falcon
Red Funnel Terminal 1
Red Funnel Terminal 2
Red Jet 3
Red Jet 4
Red Jet 5 (High Speed Craft)
Red Lion (High St)
Red Lion (Bedford pl)
Red Lion (Bitterne)
Red Osprey
Regents Park
Revival
Revolution
Rhino
Richmond

Rileys Limited
Riverside Social Club
Rover
RoXX
Royal India
Royal Oak
Royal Southampton Yacht Club
Royal Wok
Sai Arrow News
Sainsbury's (Redcar St)
Sainsbury's (Burgess Rd)
Sainsbury's (Hill Lane)
Sainsbury's (West End Rd)
Sainsbury's Supermarket
Sainsbury's Supermarkets
Sainsbury's Supermarkets Ltd (Bedford Pl)
Sainsbury's Supermarkets Ltd. (Lordshill)
Sainsburys Supermarkets Ltd (Bitterne)
Saints
Sajapo Greek Tavern
Salisbury Arms
Samba
Sami Swoi Shop Ltd
Sanjha
Santo Lounge Cafe/Bar
Sara's Thai Cuisine
Saulute
Savers (Shirley)
Savers (Bitterne)
Savers Health And Beauty
Scoozi Bar And Restaurant
SeaCity Museum
Seymour's Wine Bar
Shahi Tandoori
Shanghai Garden
Shayona
Shell Hampton Park
Shell UK Oil Products Limited
Shen Yang
Shield And Dagger
Ship Inn (Victoria Road)
Ship Inn (Old Redbridge Road)
Shirley And Millbrook Conservative Club
Shirley Food And Wine
Shirley Hotel
Shirley Post Office
Sholing News

Shooting Star
Sidewalk
Simons At Oxfords Basement
Simons At Oxfords Wine Bar Restaurant
Sir James Matthews Building
Skandia Life
Skandia Point
Slug & Lettuce
SNA Supermarket (Manor Farm Raod)
SNA Supermarket (Midanbury)
Sobar
Sodexo Limited
Solent Students' Union
Soul Cellar
Southampton Amateur Rowing Club
Southampton Central Railway Station
Southampton City Art Gallery
Southampton City College
Southampton Coalporters Amateur Rowing Club
Southampton Football Club Limited
Southampton International Boat Show
Southampton Mela Festival
Southampton Old Bowling Green
Southampton Park Hotel
Southampton Royal British Legion Club Limited
Southampton Sailing Club
Southampton Tenpin
South Western Arms
Spar
Specialist Store
Spike Islander
Spire Hospital Southampton
Sporting View
SS Shieldhall
Stacja PL Restaurant Ltd
Stags Head Bar
Standing Order
St. Annes Catholic School
Star Hotel
Station
St. Denys & Bitterne Park Conservative Club
Steak And Spice
Stephens Dance Centre
Stile Inn
St. Mary's College
St. Mary's News And Food
Stoneham Arms

Sula's Greek Cafe
Sunrise Of Bassett
Supreme Asia Cuisine
Swati News And Foods
Swaythling Working Men's Club
Sweet Market
Talking Heads
T And G News
Tandoori
Tangs
Tani Sklep
Tariq Manzils
Tesco (Thornhill Park Road)
Tesco (High Street)
Tesco (Burgess Road)
Tesco (London Road)
Tesco (Lordswood Road)
Tesco (Tebourba Way)
Tesco (Witts Hill)
Tesco Express (Spring Road)
Tesco Express (St Mary St)
Tesco Express (West End Rd)
Tesco Express (Lodge Rd)
Tesco Express (Wimpson Lane)
Tesco Express (Ocean Village)
Tesco Express (Butts Road)
Tesco Express (Lordswood Road)
Tesco Home Plus
Tesco Stores Limited
Tesco Stores Ltd
Testwood Stores Off Licence
TGI Fridays
The Admiral Sir Lucius Curtis
The Ark
The Art House
The Bedford Arms
The Blue Keys Hotel
The Butcher's Hook Alehouse
The Chicago Rib Shack
The Edge
The Finiki Food Company
The Glass Lady Limited
The Hobbit
The Robin Hood
The Rockstone
The Shop
The Southampton Seafarers Centre

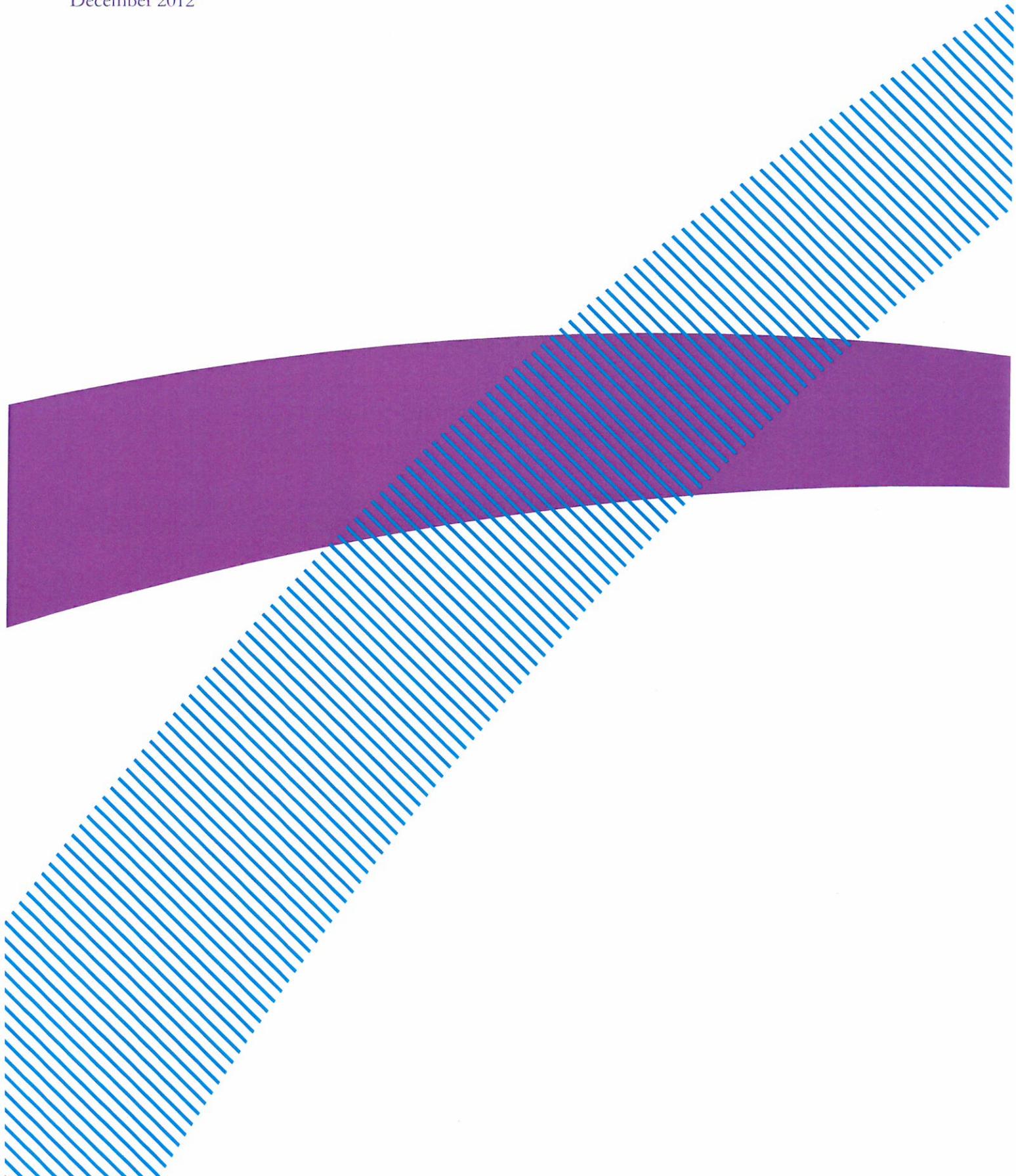
The Southern Co-operative Limited
The Stile
The Strand
The Swan
The Vestry
The Warren Social Club
The Waterfront
Thompson News And Food
Three Diamonds
Tiger Lilly Portswood
Titanic
Tokyo Milan
Tooti's Gelato Bar
Tortilla
Tosca's Ristorante Italiano Restaurant
Trago Lounge
Tudor House And Garden
Tulsi News
Turner Sims Concert Hall
Turtle Bay Restaurants Ltd
Twyford Newsagency
U Joli
Unit
University Of Southampton Students' Union Bar Club
University Refectories
Upper Shirley High
Urban Tiger
U Saver
Valley News
Varsity
Victoria News
Victoria Public House
Victory Newsagents
Vidas Wines
Vine Wine And Convenience
Vom Fass Kiosk
Voodoo Lounge
Wagamama
Waggoners Arms
Waitrose
Waterloo Arms
Welcome (Co-op) (Richmond St)
Welcome Co-op (Blechden Terr)
Wellington Arms
Westgate Hall
White Star Tavern
White Swan

Wild Lime Bar & Kitchen
Wilton News
Wimpson Stores
Windsor Castle
Winston Hotel
Wool House
Woolston Convenience Store
Woolston & District Bowling Club
Woolston Royal British Legion
Woolston Service Station
Woolston Social Club
Woolston Trades And Labour Club
World Shop
Yacht Tavern
Yates Wine Lodge
Yau Brothers □ Co Limited
Y Ding Dong Chinese Restaurant
Yes Deliveries Limited
Yolanda
Yo! Sushi
Yuzu
Zam Zam Restaurant
Zen Japanese Bar And Restaurant



AMENDED GUIDANCE ON THE LATE NIGHT LEVY

December 2012



GUIDANCE ON THE LATE NIGHT LEVY

- 1.1 The late night levy (“the levy”) is a power, conferred on licensing authorities by provision in Chapter 2 of Part 2 of the Police Reform and Social Responsibility Act 2011 (“the 2011 Act”). This enables licensing authorities to charge a levy to persons who are licensed to sell alcohol late at night in the authority’s area, as a means of raising a contribution towards the costs of policing the late-night economy.
- 1.2 The decision to introduce the levy is an option available to all licensing authorities in the whole of their respective areas. The levy will be payable by the holders of any premises licence or club premises certificate (“holders”), in relation to premises in the authority’s area, which authorise the sale or supply of alcohol on any days during a period (the “late night supply period”) beginning at or after midnight and ending at or before 6am.
- 1.3 A licensing authority is the authority which carries out licensing functions under the Licensing Act 2003 (“the 2003 Act”). The main licensing authorities, as defined in the 2003 Act, are:
 - the council of a district in England;
 - the council of a county in England in which there are no district councils;
 - the council of a county or county borough in Wales;
 - the council of a London borough.
- 1.4 It is recommended that the decision to introduce, vary or end the requirement for the levy is made by the full council. Other decisions in relation to the introduction and administration of the levy may be delegated in the manner which the licensing authority considers most appropriate.

INTRODUCTION OF THE LEVY

- 1.5 The decision to introduce the levy is for the licensing authority to make. The licensing authority is expected to consider the need for a levy with the chief officer of police and police and crime commissioner (“PCC”) for the police area in which it is proposed the levy will be introduced.¹ Local residents can use existing channels and forums to put forward views and call for the implementation or not of the levy in their area.
- 1.6 When considering whether to introduce a levy, licensing authorities should note that any financial risk (for example lower than expected revenue) rests at a local level and should be fully considered prior to implementation.
- 1.7 The licensing authority will decide the design of the levy. This includes the late-night supply period, any exemptions or reductions that may apply and the proportion of revenue (after the licensing authority’s costs are deducted) which will be paid to the PCC, with the remainder being retained by the licensing authority to fund other activities as set out in paragraph 1.42.

¹ In this guidance, a reference to a PCC include a reference to the holder of the Mayor’s Office for Policing and Crime. Elections for Police and Crime Commissioners (PCCs) in all police force areas in England and Wales (except in London, where the Mayor of London has taken on the powers of a PCC in relation to the Metropolitan Police) take place on 15th November 2012. Once appointed, PCCs will be expected to have a central role working in partnership with local authorities, enforcement bodies and other local partners to decide on what action is needed to tackle alcohol-related crime and disorder in their areas. However, the Chief Officer of Police will remain the named responsible authority under the 2003 Act.

- 1.8 The levy is a power and some licensing authorities will not consider that it is appropriate to exercise it. The licensing authority may wish to decide whether or not it believes it has a viable proposal to introduce the levy before incurring the costs of the formal consultation process. It is recognised that some licensing authorities may not have a large number of premises which are licensed to sell alcohol during the late night supply period. At this stage, some licensing authorities may decide that the levy will not generate enough revenue to make it a viable option in their area.
- 1.9 The late night supply period must begin at or after midnight and end at or before 6am. The period can be for any length of time within these parameters but must be the same every day. If licensing authorities decide that it would be appropriate that certain types of premises should not pay the levy, they can set the late night supply period to suit the opening times of premises in their local area (for example the supply period could begin at 1am).
- 1.10 The licensing authority must consider the desirability of introducing a levy in relation to the matters described in section 125(3) of the Police Reform and Social Responsibility Act 2011. These matters are the costs of policing and other arrangements for the reduction or prevention of crime and disorder, in connection with the supply of alcohol between midnight and 6am.
- 1.11 The licensing authority should discuss the need for a levy with the relevant PCC and the relevant chief officer of police. The licensing authority will then decide whether to move to the next stage in the process and consult on its proposal to introduce a late night levy. The consultation document will state its intention to introduce a levy, its proposed design (including the late night supply period and proposed exemption and/or reduction categories) and the services that the licensing authority intends to fund with its share of the levy revenue.
- 1.12 The licensing authority will publish the consultation online and in a local newspaper. It will also send written details to the PCC, the relevant chief officer of police and all premises licence and club premises certificate holders whose authorisations permit the supply of alcohol during the period when it is proposed the levy will apply. The consultation is intended to be targeted at those affected by the levy, particularly businesses, the police, residents and other interested parties. The consultation process, including the period, is expected to be proportionate and targeted, so that the type and scale of engagement is relative to the potential impacts of the proposal.
- 1.13 The licensing authority will assess consultation responses and make a final decision about whether to introduce (or vary) the levy and, if so, its design. The decision to introduce the levy, and its design, will then be put to the full council to approve.
- 1.14 If the full council approves the introduction (or variation) of the levy, it is recommended that the licensing authority notifies adjoining authorities. It would be helpful if licensing authorities also notified the Secretary of State for transparency purposes, via the Home Office.

IMPLEMENTATION OF THE LEVY

- 1.15 The licensing authority must notify the relevant chief officer of police, the PCC and all holders of a licence or certificate in relation to premises which permit the supply of alcohol within the late night supply period (“relevant late night authorisation”) of the start date for the levy, the late night supply period, any exemptions and reductions, and how the revenue will be shared between the police force and licensing authority. Holders of relevant late-night authorisations should also be notified of the date before which any applications for a minor variation must be made to the authority, as set out in paragraph 1.16. We recommend that licensing authorities set the start date of the levy no less than three months after those notifications have been sent.
- 1.16 Holders with a relevant late-night authorisation may make a free variation to their licence to reduce their licensed hours to avoid operating in the late-night supply period. It is recommended that licensing authorities may wish to allow holders no less than two months to make such applications. The cost of processing free variations will be a deductible expense from the levy receipts in Year zero. Year zero is the first year in which the levy is introduced by the licensing authority.
- 1.17 The licensing authority must publish on their website an estimate of the costs it will deduct from the levy revenue each year. The licensing authority will determine the manner in which any statement is published.
- 1.18 The levy will apply indefinitely until the licensing authority decides that the levy will cease to apply in its area. Licensing authorities may wish to review the requirements for the levy at appropriate intervals. A decision that the levy should cease to apply can only be made at the end of a levy year. Licensing authorities may wish to notify holders of a relevant late night authorisation of any such decision.

DESIGN OF THE LEVY

- 1.19 The levy must apply to the whole of the licensing authority’s area. It will apply to all holders (on and off-trade) of relevant late night authorisations situated in the licensing authority’s area. Any such holder will be liable to pay the levy, regardless of whether the holder’s premises are actually operating during the period. For example, a holder in relation to a supermarket with a 24 hour licence will be required to pay the levy regardless of its actual opening hours.
- 1.20 As set out in paragraph 1.9, the late night supply period must begin at or after midnight and end at or before 6am. The licensing authority can decide the times within the late-night supply period at which the levy will apply (which must be the same every day). The late-night supply period cannot apply on different days or times.
- 1.21 The levy will apply to boats, which are licensed at the place where they are usually moored or berthed. It will also apply to mobile bars, which are required to be licensed at the place where they are parked and carry on the licensable activity.
- 1.22 The levy will not apply to Temporary Event Notices (TENs).

EXEMPTIONS FROM THE LEVY

- 1.23 Licensing authorities may consider that there are some types of premises in relation to which the holder should not make a contribution towards the cost of policing the night-time economy through the levy. This is a local decision – the licensing authority should make its decision based on its knowledge of the night-time economy in the area, including information gathered through the consultation process.
- 1.24 Licensing authorities are not able to choose a category of premises for an exemption from the levy, if it is not prescribed in regulations. Likewise, licensing authorities are not able to exempt specific premises from the requirement to pay the levy.
- 1.25 Licensing authorities can decide, when considering the levy design, if any of the following permitted categories of premises should be exempt from the requirement to pay the levy. These exemption categories are specified in the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012.
- 1.26 **Premises with overnight accommodation:** This exemption is not applicable to any premises which serve alcohol to members of the public who are not staying overnight at the premises, such as a hotel bar which can be accessed by the general public.
- 1.27 **Theatres and cinemas:** Premises in this category must ensure that, during the late night supply period, the sale of alcohol is only made for consumption on the premises to ticket holders, participants in the production or invited guests to a private event at the premises. Licensing authorities should be satisfied that premises which are eligible for this exemption are bona-fide theatres or cinemas, and that the sale of alcohol is not the primary purpose of their businesses. The definition of a “cinema” or a “theatre” should be readily understood by its plain, ordinary meaning.
- 1.28 **Bingo halls:** Premises in this category must be licensed and regulated under the Gambling Act 2005.
- 1.29 **Community Amateur Sports Clubs (“CASCs”):** Premises in this category must have relief from business rates by virtue of being a CASC (Section 658 of the Corporation Tax Act 2010).
- 1.30 **Community premises:** Premises in this category must have successfully applied for the removal of the mandatory designated premises supervisor (“DPS”) requirement and demonstrated that they operate responsibly.
- 1.31 **Country village pubs:** In England, premises in this category must be the sole pub situated within a designated rural settlement with a population of less than 3,000. The definition of a rural settlement appears in the qualifications for rural rate relief in Part III of the Local Government Finance Act 1988.
- 1.32 **New Year’s Eve:** Licensing authorities can offer an exemption from the levy for holders in relation to premises which are only have a relevant late-night authorisation by virtue of their being permitted to supply alcohol for consumption on the premises on 1st January in every year.

1.33 **Business Improvement Districts (“BIDs”)**: Licensing authorities can offer an exemption from the levy for premises which participate in BIDs that operate in the night-time economy and have a satisfactory crime and disorder focus. Licensing authorities have the discretion to determine whether the BIDs in their area are eligible.

REDUCTIONS FROM THE LEVY

1.34 Licensing authorities may wish to use the late night levy to promote and support participation by premises in other business-led best practice schemes. Licensing authorities can decide, when considering the levy design, if holders whose premises participate in such schemes should benefit from a reduction to the amount they are required to pay under the levy.

1.35 Eligible premises will receive a 30 per cent reduction from the levy. There will be no cumulative discounts available for holders in relation to premises that are eligible for more than one reduction category. Licensing authorities can offer a reduction to best practice schemes that meet the following benchmarks specified in the Late Night Levy (Expenses, Exemptions and Reductions) Regulations 2012:

- a clear rationale as to why the scheme’s objectives and activities will, or are likely to, result in a reduction of alcohol-related crime and disorder;
- a requirement for active participation in the scheme by members; and
- a mechanism to identify and remove in a timely manner those members who do not participate appropriately.

1.36 Licensing authorities have discretion as to how best practice schemes can demonstrate that they meet these benchmarks. We expect licensing authorities to use their existing partnerships with best practice schemes, and understanding of a scheme’s operation in their area, to identify eligible schemes in their areas. Licensing officials could visit representatives from best practice schemes in their area, or request written details of the scheme’s objectives, if they decide to consider this reduction category.

1.37 Licensing authorities can also offer a reduction to holders in relation to on-trade premises that are in receipt of Small Business Rate Relief (as specified in Part III of the Local Government Finance Act 1988) and have a rateable value of £12,000 or less. This reduction is only available to holders in relation to premises that supply alcohol for consumption on the premises. The relevant billing authority may have information on which premises in the licensing authority area are in receipt of Small Business Rate Relief.

1.38 If the licensing authority decides to introduce or remove categories of exemption and/or reduction after Year zero, they will need to follow the same procedure for consultation as set out in 1.11-1.13 though the consultation should only refer to the new proposal. If a licensing authority chooses to remove categories of exemption and/or reduction after Year zero, they should consider that the opportunity for businesses to make a free variation to their licence is only available when the levy is initially introduced.

LEVY REVENUE

1.39 The net levy revenue must be split between the licensing authority and the relevant PCC. The licensing authority must pay at least 70 per cent of the net levy revenue to the police. The licensing authority can choose to amend the portion of the net levy revenue that will be given to the PCC in future levy years. This decision must be subject to consultation in the same way as a decision to introduce the levy.

1.40 There are no restrictions on what the PCC's portion of the levy revenue can be spent on, in line with standard practice on the allocation of police funds. The PCC's proportion will be subject to the same transparency measures as those that apply in relation to other aspects of the operation of the PCC. The Police and Crime panel will be able to request any documents of the PCC in order to hold them to account in the allocation and use of their funds.²

1.41 We recommend that the licensing authority should use its existing partnership with the police to discuss the police intentions for their share of the levy revenue. We also recommend that the PCC should consider allocating the funds raised from the levy back to local commanders to allow the revenue to be spent on tackling alcohol-related crime and disorder in the area in which the levy was raised.

1.42 The licensing authority will be able to retain up to 30 per cent of the net levy revenue to fund services it provides to tackle late night alcohol-related crime and disorder and services connected to the management of the night-time economy. Specifically, these activities must have regard to the connection with the supply of alcohol during the late night supply period and related to arrangements for:

- the reduction of crime and disorder;
- the promotion of public safety;
- the reduction or prevention of public nuisance; or
- the cleaning of any relevant highway or relevant land in the local authority area.

1.43 A licensing authority can deduct the costs it incurs in connection with the introduction or variation, administration, collection and enforcement of the levy, prior to the levy revenue being apportioned between the police and licensing authority. Regulations have prescribed descriptions of expenses which may be deducted. As set out in paragraph 1.6, any financial risk relating to the levy revenue, such as lower than expected revenue or higher than expected costs, rests at a local level.

1.44 These deductible costs may include (but are not necessarily limited to) the following:

- the preparation and publication of the consultation document, including publishing it online and sending details to the PCC, the relevant chief officer of police and all premises licence and club premises certificate holders whose authorisations permit the supply of alcohol after midnight on any day;
- the collection of levy payments;
- the enforcement of levy payments; and
- the cost of processing applications for a variation in relation to the introduction of the levy.

1.45 There will be no specific restrictions on the amount of the expenses which licensing authorities can claim in expenses, however licensing authorities will have to account for their expenses following existing procedures. The Government may specify a cap on the amount of expenses in further regulations if considered necessary.

² This excludes documents that are operationally sensitive or those that would compromise national security.

LEVY CHARGE AND COLLECTION PROCESS

1.46 The amount of the levy will be prescribed nationally. The annual charges for the levy will be:

Rateable Value Bands (based on the existing fee bands)	A No rateable value to £4,300	B £4,301 to £33,000	C £33,001 to £87,000	D £87,001 to £125,000	E £125,001 and above	D x 2 Multiplier applies to premises in category D that primarily or exclusively sell alcohol	E x 3 Multiplier applies to premises in category E that primarily or exclusively sell alcohol
Levy Charges	£299	£768	£1,259	£1,365	£1,493	£2,730	£4,440

1.47 The levy charges are based on the current licence fee system under the 2003 Act, with holders being placed in bands based on their premises rateable value. A multiplier is applied to premises in Band D and E that primarily or exclusively sell alcohol for consumption on the premises to ensure that larger clubs and bars make a higher contribution towards the levy. Regulations include provision for premises that do not have a rateable value (Band A) or premises that are in the course of construction (Band C).

1.48 The levy will be collected at the same time as the annual licence fee (except in relation to holders premises who obtain a relevant late night authorisation during a levy year). The holder will, therefore, be required to pay the levy on an annual basis. For holders whose licences exist at the time that the first levy year begins, the payment year will be the same as the levy year³. These holders will make their first levy payment when they pay their annual fee. For holders who are granted a licence in the first or subsequent levy years, the payment year runs from the date of the grant of the licence and for each year thereafter. Their first payment will be made 14 days after the grant of the licence, and thereafter when they pay their annual fee.

1.49 In the following circumstances, licensing authorities should adjust a holder's liability to the levy:

- a licence lapses under section 27 of the 2003 Act (that is if the holder of the licence dies, becomes mentally incapable, becomes insolvent, if the partnership holding the license is dissolved or if it is a club, ceases to be a recognised club);
- an EMRO is made which prohibits premises from serving alcohol at any time when the levy applies; or
- the amount of the levy reduction is the amount found by applying the formula: $R = (L/365) \times N$ (see footnote⁴).

³ The payment year is the period by reference to which a licence holder's liability to the levy is determined. The levy year is the period during which the levy applies.

⁴ R is the levy reduction, L is the amount of the late night levy payable by the holder of the relevant late night authorisation and N is the number of days in the payment year beginning on the day following the date on which the relevant event occurred.

- 1.50 Licensing authorities have discretion to adjust a holder's liability if the licence is surrendered (for instance, because the licence holder ceases to trade). The circumstance for surrendering a licence will vary considerably from case to case; for instance, a licensing authority might choose to exercise this discretion for a long-term illness, but not when a licence holder surrendered a licence in anticipation of it being revoked. Holders whose licences are revoked for contravening the licensing objectives would not be eligible for a reduction.
- 1.51 Any payment of the levy which is owed to the licensing authority can be recovered as a debt due to the authority. Non-payment of the levy can result in suspension of a premises licence or suspension of club premises certificate.



Home Office



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DECISION-MAKER:	COUNCIL		
SUBJECT:	ELECTORAL CYCLE		
DATE OF DECISION:	17 SEPTEMBER 2014		
REPORT OF:	DIRECTOR OF CORPORATE SERVICES		
<u>CONTACT DETAILS</u>			
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	E-mail:	Mark.heath@southampton.gov.uk	
Director	Name:	Mark Heath	Tel: 023 8083 2371
	E-mail:	Mark.heath@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
N/A

BRIEF SUMMARY

The Council has the choice of moving from elections by thirds to whole Council elections. If the Council wishes to change its election cycle, it must consult. This report therefore looks at the consultation arrangements that should be undertaken prior to the Council deciding which options should be approved.

RECOMMENDATIONS:

- (i) That the Director of Corporate Services be authorised to consult on the principal of changing the Council's electoral cycle from elections by thirds to whole-Council elections every four years;
- (ii) That the consultation process set out in this report be approved;
- (iii) That a Special meeting of the Council be convened before the 19th November 2014 meeting in order for Council to consider the results of the consultation and determine proposals for any change in its electoral governance arrangements; and
- (iv) That a cross-party working group be established to consider the results of the consultation and make a recommendation to be considered by Full Council.

REASONS FOR REPORT RECOMMENDATIONS

1. The Council needs to consult on the proposal for changing the electoral cycle from elections by thirds to whole-Council elections before making a decision.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. The Local Government and Public Involvement in Health Act received Royal Assent in December 2007. The Council is required to follow the process prescribed within the Act. The option not to consult is, therefore, not available.

DETAIL (Including consultation carried out)

Electoral Arrangements

3. The Council has undertaken elections by thirds since 1980. However, legislative change introduced under the Local Government and Public Involvement in Health Act 2007 enables the Council to resolve to change its electoral cycle and move to whole-council elections which would take place every four years.
4. Reasons to change to whole-Council elections:
 - A clear mandate from the electorate once every four years would enable the Council to adopt a more strategic, long-term approach to policy and decision-making and focus less on yearly election campaigning;
 - The results from whole-Council elections are simpler and more easily understood by the electorate. This may increase turn-out at local elections;
 - There would be a clearer opportunity for the electorate to change the political composition of the council once every four years;
 - Holding whole-Council elections once every four years rather than smaller elections every three years out of four would cost less and would be less disruptive for public buildings used as polling stations, for example, schools.
5. Reasons to keep elections by thirds:
 - Elections in three years out of every four provide more frequent opportunity for electors to vote and to influence the political make-up of the Council. This may, therefore, provide more immediate political accountability and provide a more up-to-date reflection of the views of local people.
 - Electing by thirds means there is more continuity of councillors without any chance of them all being replaced in a single election.
 - Voting for one councillor at a time under “elections by thirds” is well understood by voters in Southampton. Voting for more than one councillor at the same time under “whole council elections” could cause confusion.
 - An election by thirds provides a regular influx of newly elected councillors who can bring new ideas and fresh approaches to the Council.
 - Elections by thirds is the system that electors in the City are used to and the withdrawal of the opportunity to vote more frequently may disengage some of the City’s electors if they only vote once every four years, as opposed to elections by thirds.

The Electoral Commission

6. The Electoral Commission undertook a review of electoral cycles in 2003 in a report entitled *The Cycle of Local Government Elections in England*.
7. The Electoral Commission, having taken into account the evidence and arguments presented during the consultation process concluded that a pattern of whole-Council elections for all local authorities in England would provide a clear, equitable and easy to understand electoral process that would best serve the interests of local government electors. The Electoral Commission, therefore, recommended that each local authority should hold whole-Council elections, with all councillors elected simultaneously, once every four years. However, this is currently a matter for local choice.

Methodology for Consultation

8. If an authority wishes to move from thirds to whole- Council elections, it must consult. Councils undertaking such consultation must:
 - Consult such persons as the Council thinks appropriate on the proposed change;
 - Have regard to the outcome of the consultation before making its decision;
 - Convene a special meeting of the Council;
 - Pass a resolution to change by a two thirds majority of those voting;
 - Publish an explanatory document on the decision and make this available for public inspection; and
 - Give notice to the Electoral Commission on any changes to the electoral arrangements.
9. It is, therefore, recommended that the Council undertakes a consultation exercise which includes an opportunity for the public and other stakeholders, to express their views on the options available.
10. It is proposed that this consultation is primarily undertaken by way of an on-line questionnaire. The proposed arrangements are set out in the Appendix. An equality impact assessment of this approach has been undertaken.
11. The on-line questionnaire would include:
 - Information on the current electoral governance arrangements;
 - Information on the proposed changes together with an explanation of the impact of change;
 - Arguments for and against the changes;
 - The choice of 'tick' boxes for the respondent to indicate their preferred options;
 - A question to indicate if they are completing the questionnaire in the capacity of a local resident, local business or as a representative of a group or organisation;
 - Basic demographic information such as gender and age;
 - Deadline for completion.

12. Questionnaires would also be available at Council venues such as leisure centres, reception areas and libraries.
13. Links to an on-line questionnaire would be sent to the business community via the Chamber of Commerce, to community groups and tenants' and residents' groups through the Council's existing communications networks. Similarly, links would also be sent to other stakeholders such as the MP's, MEP's, and Southampton Universities.
14. Feedback would be provided at the end of the consultation via the Council's website, and by using the Council's existing communication networks for other community and interest groups.
15. It is also proposed that information is sought from councils who have changed their electoral cycle to whole-council elections.
16. An analysis of the results from the consultation would be included in a report submitted to the Special Council meeting to be held prior to the November Council meeting.

Programme of forthcoming elections

17. The current electoral cycle is as follows:
 - European Parliamentary elections – every five years
 - UK Parliamentary elections – every five years
 - Police and Crime Commissioner elections – every four years
 - Southampton City Council elections – every three out of four years
18. In addition, the Localism Act 2011 allows for local referenda to be held and there is always the possibility of national referenda.
19. The current electoral timetable is as follows:

2015	Southampton City Council Elections & UK Parliamentary General Election
2016	Southampton City Council Elections & Police and Crime Commissioner Elections
2017	None
2018	Southampton City Council Elections
2019	Southampton City Council Elections & European Parliamentary Elections
2020	Southampton City Council Elections & UK Parliamentary Elections
20. If in November Council resolves to move to whole-council elections, it is a decision for the Councillors at that Special Meeting as to when they wish to implement this.

RESOURCE IMPLICATIONS

Capital/Revenue

21. There are no capital resource implications.

- 22. There are minimal revenue resource implications. Additional revenue costs of carrying out this activity will be met from within existing budgets.
- 23. In terms of the costs of elections, these are generally met by the body or bodies whose representatives have been elected. For example, the UK Government (through the Consolidated Fund) pays for European Elections and UK Parliamentary elections. Southampton City Council pays for the cost of local elections to the City Council. Where elections are combined, for example, a local election and a General Election, the costs are shared (although not equally) between central Government and the Council.
- 24. The cost of a whole City Council election is around £170,000. A move to whole Council elections would see two fewer City Council elections being held over a four year period. The cost of any election that would otherwise be combined would be met, for example in the case of the Police and Crime Commissioner elections, by the Home Office (central Government).
- 25. There would, therefore, be savings to the Council from moving to a whole Council electoral cycle once every four years. The precise size of the saving would depend upon whether any elections were combined, and also the formulation of the Fees and Charges Order for any elections paid for by central Government as that varies from election to election.

Property/Other

- 26. None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

- 27. Local Government and Public Involvement in Health Act 2007 (as amended).

Other Legal Implications:

- 28. None.

POLICY FRAMEWORK IMPLICATIONS

- 29. None.

KEY DECISION? ~~Yes~~/No

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	Proposed consultation arrangements.
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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.	Yes/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	
----	------	--

Have your say on local elections

Appendix 1

Consultation Overview

Southampton City Council will soon be deciding whether to move to a four year elections cycle as opposed to annual elections. These proposals have implications for everyone who lives and/or works in the city. The Council will be making a final decision about which options to adopt in November 2014.

What are the current arrangements?

Southampton City Council has 48 councillors representing 16 wards across the city (three councillors per ward). The Council currently holds elections by thirds. Councillors are elected on a four year term of office and one of the three seats in each ward is then up for re-election in 3 of the 4 years of the cycle. There are no city council elections in the fourth year. The Council then elects a Leader and s/he then chooses a small team of councillors usually from among his or her political group to form a cabinet who make decisions about Council policies and services.

What is the alternative the Council is consulting on?

The Council is consulting on a proposal to change its election cycle to whole Council elections. The election of all 48 councillors would take place in one election and then every fourth year after that.

Benefits of a move to a four-year cycle include:

- Political stability, enabling longer term visioning and planning.
- Less cost to the taxpayer
- Less confusion as electors in Southampton would be voting for all councillors at the same time.
- Ability for electors to completely change the political leadership of the Council and therefore its direction at one time.

Benefits of the current system include:

- With only one-third of seats contested each year it ensures experienced councillors remain regardless of the outcome.
- One councillor is elected for each ward at a time, allowing the electorate to focus on the aptitude of particular candidates.
- It is easier for independent and smaller party candidates to stand and be represented when less seats are contested.
- Changes in the political direction of the Council are more likely to happen over a period of time, rather than there being sudden dramatic shifts, contributing to continuity.

We need to know what you think

No decisions will be made without taking into consideration a range of views and opinions. These arrangements are fundamental to local democracy and it is therefore essential that local people and communities are consulted. Please let us have your views by completing the following questionnaire.

Questionnaire

ELECTIONS (Electoral Cycle)

1. Do you think that Southampton City Council's electoral cycle should involve:

PLEASE TICK ✓ ONE BOX ONLY

(a) Electing one third of city councillors for three years out of four.	<input type="checkbox"/>
---	--------------------------

(b) Electing all city councillors at the same time every four years.	<input type="checkbox"/>
--	--------------------------

Please use this space if you would like to explain the reason for your answer.
--

2. What is your postcode

ABOUT YOURSELF

You do not need to complete this section, but answering the following questions will help us to see if there are differences between the views of different residents. All the information you give will be kept completely confidential.

3. What is your age?

Under 18	<input type="checkbox"/>
18 -24	<input type="checkbox"/>

25 – 34	<input type="checkbox"/>
35 – 44	<input type="checkbox"/>

45 – 54	<input type="checkbox"/>
55 – 64	<input type="checkbox"/>

65 – 74	<input type="checkbox"/>
Over 75	<input type="checkbox"/>

Thank you for your time

The results of the consultation will be made available on the Council's website. In addition, if you would like to receive feedback on the decisions made, please give your name, postal or email address in the space below, but you do not need to give us your details for your views to be taken into account.

Name:

Postal or email address:

DECISION-MAKER:	CABINET COUNCIL		
SUBJECT:	CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS		
DATE OF DECISION:	16 SEPTEMBER 2014 17 SEPTEMBER 2014		
REPORT OF:	CABINET MEMBER FOR RESOURCES AND LEISURE		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY			
NONE			

BRIEF SUMMARY

The purpose of this report is to set out further savings in advance of the budget setting for 2015/16 and to outline the main issues that need to be addressed in considering the Cabinet's recommendations to Council on 17 September 2014.

This follows the report to Cabinet on 15 July 2014 opening consultation on a further £1.3M of savings proposals in 2014/15 and £7.7M of savings proposals for 2015/16.

This report recommends approval for £1.3M of savings for 2014/15 and £6.8M for 2015/16 following the consultation period.

Further proposals may be brought forward to Cabinet and Council if appropriate throughout the course of the year in order to continue to effect change at the earliest opportunity and ensure timely delivery in keeping with the principles of sound financial management.

RECOMMENDATIONS:

Cabinet recommends Full Council to:

- (i) Note the results of the Consultation process outlined in Appendix 1.
- (ii) Note the Equality Impact Assessment process that was followed as outlined in paragraphs 6 to 8.
- (iii) Approve the efficiencies and service reductions as set out in Appendix 2.
- (iv) Note the high level forecast for the General Fund for 2014/15 to 2015/16 as detailed in paragraphs 22 to 24.
- (v) Note the position in relation to City Catering as set out in paragraph 18.

- (vi) Delegate authority to the Chief Financial Officer to action all budget changes arising from the approved efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- (vii) Delegate authority to the Chief Financial Officer, in consultation with the Executive Director of Corporate Services, to do anything necessary to give effect to the recommendations in this report.

COUNCIL

It is recommended that Council:

- (i) Note the results of the Consultation process outlined in Appendix 1.
- (ii) Notes the Equality Impact Assessment process that was followed as outlined in paragraphs 6 to 8.
- (iii) Approves the efficiencies, income and service reductions as set out in Appendix 2.
- (iv) Notes the high level forecast for the General Fund for 2013/14 to 2015/16 as detailed in paragraphs 22 to 24.
- (v) Note the position in relation to City Catering as set out in paragraph 18.
- (vi) Delegates authority to the Chief Financial Officer to action all budget changes arising from the approved efficiencies, income and service reductions and incorporate any other approved amendments into the General Fund estimates.
- (vii) Delegates authority to the Chief Financial Officer, in consultation with the Executive Director of Corporate Services, to do anything necessary to give effect to the recommendations in this report.

REASONS FOR REPORT RECOMMENDATIONS

1. The recommendations have been put forward to ensure that proposals are advanced as early as possible as part of the budget process for 2015/16.
2. The current medium term financial forecast highlights the challenges facing the Authority. This combined with the potential impact of reductions in future funding levels for Local Government make it imperative that proposals for 2015/16 onwards are developed and savings achieved as early as possible.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. The option to not consider changes to existing revenue and capital budgets is not compatible with the need to ensure effective and robust financial planning given the financial challenges facing the Authority. There are almost limitless options that can be applied to budget changes in the year most of which are driven by political priorities. In formulating the final options to present in this paper the Executive have taken into account the relevant impact of all options that were under consideration and as a result some have not been progressed.

CONSULTATION

4. The draft proposals in the report presented to Cabinet on 15 July 2014 were published on 7 July 2014 in order to help facilitate widespread consultation with a range of stakeholders, councillors, residents, affected organisations, the business community, staff and Trade Unions who were all invited to submit comments on the detailed proposals. More detail is provided in Appendix 1 on the methods used to consult with staff, residents and other stakeholders.

STAFF CONSULTATION

5. The draft budget proposals were published on 7 July 2014 and this signalled the start of an extensive and ongoing consultation process with staff and Trade Unions. More detail is provided in Appendix 1 on the methods used to consult with staff and Trade Unions.

EQUALITY IMPACT ASSESSMENT

6. The Equality Duty is a duty on public bodies which came into force on 5 April 2011 and requires the Council to show that it has 'had regard' to the impact of its decisions on its equality duties and the need to advance equality of opportunity between people who have protected characteristics and those who do not.
7. While the Equality Duty does not impose a legal requirement to conduct an Equality Impact Assessment (EIA), it does require public bodies to show how they considered the Equality Duty and that they have been consciously thinking about the aims of the Equality Duty as part of the process of decision-making. To comply with these requirements as well as the Community Safety legislation, the Council has used its existing Impact Assessment framework so that it can ensure the use of a consistent, council wide mechanism to evidence how decision making took into account equality and safety considerations.
8. Individual EIAs have been completed by Directors and Senior Managers for those proposals contained in Appendix 2 that they identified require such an assessment, as they could have an adverse impact on a particular group or individuals. The individual EIAs have been updated by Directors following consideration of relevant consultation feedback. EIA's have been completed for the following proposals and are available on request.

EFFICIENCIES, INCOME AND SERVICE REDUCTIONS

9. The scale of the financial challenge facing the Council combined with the potential impact of an ongoing difficult economic position make it imperative that proposals for 2015/16 onwards are developed and savings achieved as early as possible.
10. The report to Cabinet 15 July 2014 set out draft proposals for consultation and Appendix 2 sets out the Executive's recommendations for efficiencies, income and service reductions in detail.
11. Where possible these will be implemented as soon as practicable in the current financial year, leading to savings of £1.3M in 2014/15 which can be added to balances and utilised to make a one off contribution to reduce the gap in 2015/16.
12. For the majority of the proposals contained in Appendix 2, however, the intention

is to take steps during 2014/15 to implement the saving so that they become effective from 1 April 2015 leading to savings of £6.8M in 2015/16, £6.6M in 2016/17, and £6.7M in 2017/18.

13. There are a number of potential savings proposals (referred to in paragraph 14 and 15 below) which were included in the July budget report which are not being brought forward at this stage for approval to implement. This is because the proposals are either pending awaiting the outcome of the conclusion of statutory consultation periods or require further clarification on the legality and or/or benefit of the proposed saving.
14. The two savings proposals effecting Provider Services are not included in this report because the consultation is not due to end until 23 October 2014. The proposals are the potential closure of internal Day Provision including the potential closure of Kentish Road and possible re-provision through Shared Lives Respite, and a proposal on the potential closure of Woodside Residential Home. Following the conclusion of the consultation processes, it is anticipated that these savings proposals will be represented in the November 2014 budget position. In total this would give additional savings of £0.9m in 2015/16, £1.8m in 2016/17 and £1.85m in 2017/18.
15. Following further advice from both Legal Services and the Department of Health the proposal to increase income from charging clients who are subject to Appointeeship is not being taken forward at this stage.

Business Support

16. It should be noted that the employee consultation on Business Support has been extended and will now run until the 29th October. However, whilst ensuring that due regard will be given to the feedback from the consultation, the Executive is committed to reducing the overall cost of business support by £800k from 2015/16. On that basis, approval is being sought at this stage to proceed with implementation of the revised business support arrangements following the end of the consultation to deliver the saving of £800k.

Library Service

17. No specific proposals are brought forward in this report for the Library Service. The intention remains that formal consultation will commence with both service users and affected staff in the Autumn.

City Catering

18. Whilst there are no financial implications at this stage, and whilst no financial implications may occur, Full Council is asked to note that if Cabinet agree to City Catering becoming a Charitable Mutual Company at its meeting on the 16th September 2014, that the Council will act as Guarantor on any potential future pension liabilities which could occur should the new company cease to operate.

STAFFING IMPLICATIONS

19. It is inevitable that when the Council is faced with such a significant funding shortfall, that the savings proposals put forward by the Council will have an impact on staff cost and staff numbers.
20. Being aware of this fact, the Council has continued to have in place a carefully planned approach to recruitment, ensuring that vacant posts have only been

recruited to where absolutely necessary.

21. Based on the savings proposals contained in this budget report 80.8 FTE posts are affected of which 36.6 are currently vacant and 44.2 are in post and are at risk of redundancy.

BUDGET DEVELOPMENT FOR 2015/16 AND FUTURE YEARS

22. The report to Cabinet on 16 July highlighted the challenges facing the Authority and identified an updated roll forward gap for 2015/16 of £31M rising to £75M in 2017/18, before taking into account any further revenue developments, pressures or savings.
23. The savings proposals for 2014/15 and future years will be taken into account in the development of the budget for 2015/16 but early decision making will enable implementation to be progressed in advance of the February 2015 budget meeting.
24. The overall impact of the savings proposals, as set out in paragraphs 9 to 18 (and detailed in Appendix 2), is summarised below:

	<u>2015/16</u> <u>£000's</u>	<u>2016/17</u> <u>£000's</u>	<u>2017/18</u> <u>£000's</u>
Cumulative Gap from February Budget Resolution	30,958.2	54,740.2	
Plus Estimated Gap 2017/18			75,197.5
Less Reduction in Pressure - Taxi Cab Cameras (Licensing Committee Decision)	(64.0)	(64.0)	(64.0)
Required Savings - Updated Position	30,894.2	54,676.2	75,133.5
Less Savings Proposals 2014/15	(1,322.5)		
Less Savings Proposals 2015/16	(6,750.5)	(6,556.5)	(6,656.5)
Contribution from Balances - MRP	(4,527.0)		
Remaining Gap	18,294.2	48,119.7	68,477.0

RESOURCE IMPLICATIONS

Capital/Revenue

25. The resource implications are set out in the report

Property/Other

26. None

LEGAL IMPLICATIONS

CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS CONSULTATION FEEDBACK AND ANALYSIS

INTRODUCTION

1. Southampton City Council's Cabinet published their proposals for the first tranche of revenue budget savings for 2015/16 and adjustments to the revenue budget to 2014/15 for public consultation on 15 July 2014. In 2015/16 the Council will again face a significant decrease in the funding from central government. Costs are increasing and demand is rising for many of our services. The challenge faced by the Council is to achieve an overall reduction of around £75 million in the next three years.
2. The Council has difficult decisions to make which will impact on the city and has made a commitment to engage and consult before, during and after decisions are made. This appendix provides details of the consultation on the proposals. However, this report does not cover the proposals relating to adult social care – H&ASC 1-3. These are subject to a separate consultation which is due to finish on 23 October 2014. A report on these changes will be discussed by full Council in November.

THE CABINET'S APPROACH

3. In this difficult financial climate the Cabinet want to protect front line services as much as possible, become fit for the future and deliver a balanced budget. In doing so, the Cabinet recognise that they have to take tough decisions about council services and future spending. They are determined to protect vital services and minimise the impact on residents, businesses, service users and employees by doing things differently. As in previous years the Cabinet's approach to these budget proposals was to ensure that we are:
 - Protecting frontline services, priority areas and vulnerable people
 - Increasing our income and attracting investment
 - Being as efficient as possible
 - Focusing service reductions on services which are lower priority where possible
 - Deleting vacancies and protecting jobs
 - Transforming the way we work to provide better outcomes and services at lower cost
4. The majority of proposals, with the exception of those relating to adult social care, which were subject to separate comprehensive consultation, were internally focused. In addition to the comprehensive staff consultation that is underway, there was also an on-line public consultation. As part of the council's decision making processes there was a discussion at Overview and Scrutiny Management Committee (see annexe 1).

CONSULTATION PRINCIPLES

5. Despite having limited resources to undertake consultation, every effort was made to ensure it was:
 - **Inclusive:** so that all sections of the city's local communities had the opportunity to express their views
 - **Informative:** so that people had adequate information about the proposals, what different options mean, and a balanced and fair explanation of the potential impacts, particularly the equality and safety impacts

- **Understandable:** by ensuring that the language we used to communicate is simple and clear and that efforts are made to reach all stakeholders, for example people who are non-English speakers or disabled people
- **Appropriate:** by targeting people who are more likely to be affected and using a more tailored approach to get their feedback, complemented by a general approach to all residents and staff.
- **Meaningful:** by ensuring decision makers had the full consultation feedback information so that they can make informed decisions.
- **Reported:** by letting consultees know what we did with their feedback.

CONSULTATION METHODOLOGY

6. In keeping with the approach to make information on budget decisions accessible, in addition to the budget tables, covering paper and equalities impact assessments summary sheets were also produced with more detail of each of the proposals. A set of separate detailed documents were also produced for the consultation on the adult social care proposals.
7. Given that the Council cannot afford to continue to do everything that it currently does, the consultation process was designed for Cabinet and senior managers to hear views about:
 - The Council’s approach to delivering savings.
 - Suggestions for making savings and generating income that we have not yet considered.
 - Potential impacts, and action we could take to reduce impacts that we have not already identified or explored.
8. The consultation on proposals ran for 5.5 weeks from 15 July – 22 August 2014. This was undertaken to give staff, residents and stakeholders an opportunity to comment on the proposals, identify any potential impacts and provide alternative suggestions.
9. The consultation documents were available on-line and promoted in various ways including using the Council’s website, Stay Connected (the council’s email alert system) and the local media.
10. Comprehensive staff consultation was undertaken by service managers, overseen by Human Resources. Guidance for internal staff consultation on specific budget proposals was provided.
11. A full list of consultation activities is outlined in the table below:

Table 1

Consultees	Methods
Members	Various
Scrutiny	Overview and Scrutiny Management Committee
Staff and unions	Ongoing and co-ordinated dialogue with Trade Unions the budget proposals
	Meetings with individual teams and members of staff to consult them on proposals that affect them
Residents and all stakeholders	Proposals available on the Council’s website

CONSULTATION RESULTS

12. As stated above given that the majority of these proposals were related to the internal working of the Council and most of the feedback received was via the staff consultation. Full details of the staff consultation can be found in Annexe 2.

13. However 5 responses were received via the general consultation. These sought confirmation of the effects of the reduction in pest control funding and provided alternative suggestions in relation to kennels, street lighting, business rates and transport.

HOW THE CONSULTATION FEEDBACK WAS USED

14. The Cabinet have considered the feedback provided. As a result of staff consultation changes were made to the number of staff affected by the business support proposals. The consultation process for the Business Support Project allowed for managers to submit Cases for Change to take roles out of scope where they felt they had been captured wrongly. This has led to a reduction in the number of staff potentially at risk, however the required level of savings will still be achieved. This is because although the numbers of staff in scope have been reduced, the numbers of staff in the proposed new structure have also been reduced, bringing down the cost of the new structure.

CONCLUSION

15. The consultation process and feedback has enabled helpful suggestions to be put forward, and the level of feeling on specific proposals to be better understood. Although due to the nature of the proposal the response from the public was limited, staff consultation has been extensive and has helped to refine the proposals in some areas.

ANNEX 1 - FEEDBACK FROM SCRUTINY

The Overview and Scrutiny Management Committee (OSMC) discussed the proposed changes to the General Fund Revenue and Capital Budget at their meeting on 10th July 2014. The Cabinet Member for Resources and Leisure was invited to attend the meeting. The only recommendation made by the Committee at the meeting relating to the budget proposals was as follows:

- That, where available, background papers for each budget line is circulated to the Committee - The information requested by the OSMC was subsequently circulated to the Committee on 15th July 2014.

In addition, a joint meeting of the OSMC and the Health Overview and Scrutiny Panel (HOSP) has been scheduled for 11th September 2014 to discuss the Adult Social Care proposals outlined in the 15 July 2014 Cabinet reports and the consultation process. The Cabinet Member for Health and Adult Social Care has been invited to attend the meeting to outline the proposals and to consider the views of the elected members. It is anticipated that the OSMC and HOSP will have a further joint meeting on this item, at which the Cabinet Member will be invited, prior to the recommendations going to Cabinet in November 2014.

ANNEX 2: DETAILS OF STAFF CONSULTATION

16. The Council takes its obligations under section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992 to provide our employees and their union representatives with information on budget proposals very seriously. In order for the Council to meet its obligations as a good employer and also in order to start the process of discharging its obligations under s.188 of the Trade Union and Labour Relations (Consolidation) Act 1992, a detailed staff and union consultation document launched the statutory consultation process for the budget proposals published 6th July 2014, for implementation in year and during 2015/16.
17. 11 individual consultation documents (which included those relating to adult social care) with an overarching s188 cover notice included a range of information relating to the budget proposals with implications for employees. Detailed guidance on consultation was issued to managers and updated regularly. It is important to the Council, that all employees and union representatives take the opportunity available in a minimum 45 days consultation period to discuss the proposals, including offering a wide range of alternative options to achieve the same budgetary reduction.
18. The Council also takes its responsibilities under the Equality Act 2010 very seriously and therefore employees were advised to speak to their manager, HR Pay or their trade union representative at the earliest opportunity if they consider themselves disabled under the Act and required any reasonable adjustments to the consultation and/or the selection process
19. Employees and union representatives were made aware that during the consultation period further information would be given or updated. This reflected the fact that, by the very nature of consultation, not all of the proposals will be fully formed at the point of consultation and it is important that every opportunity is given to contributing to shaping the final proposals.
20. Views and comments from affected employees and trade union representatives were invited throughout the consultation process through a series of team and individual meetings.
21. A detailed consultation timeline was applied thus –

Indicative date	Activity	Responsibility
7 th July 2014	Collective consultation commences with trade union representatives	Corporate consultation team and trade unions
7 th July 2014	Collective consultation commences with employees affected by proposals	Directors, Heads of Service and managers
15 th July 2014	Individual and service specific consultation meetings begin exploring: voluntary solutions restructure proposals	Directors, Heads of Service and managers

	selection methods selection criteria All meetings to have a written record	
	Employees within specific services or functions that are proposed for deletion identified as 'at risk'	Directors, Heads of Service and managers
29 th August 2014	End of statutory 45 day minimum consultation (with the exception of business support which has been extended – see below)	
16 th September 2014	Cabinet meet to recommend final budget proposals	Executive
17 th September 2014	Budget set and decisions communicated to workforce	Cabinet/Council
	Selection process commences where a reduction in post arises from a restructure or reduction in a 'pool' of similar posts. Employees are selected for redundancy will be placed on the Redeployment register for a period of 4 months.	Directors, Heads of Service and managers
	Dismissal meetings. Employees given 4 months notice for CR (in line with period on redeployment register) and contractual notice for VR.	Directors, Heads of Service and managers

22. Meetings with unions have occurred at a Council-wide level with trade union representatives and at a directorate and service-level with affected staff during a 45 day consultation period.

Place Consultation

23. Kennels: The consultation has concluded with no further changes to the original proposals.
24. Emergency Planning: The consultation has concluded with no further changes to the original proposals.

Corporate Services Consultation

25. Finance: The consultation has concluded with no further changes to the original proposals.

26. Legal & Customer Relations: The consultation has concluded. The management team is still in the process of responding to points made during the consultation, but it is not anticipated that there will be any further changes to the original proposals.
27. Revenue and Benefits Client: The consultation has concluded with no further changes expected to the proposals.
28. Property Services: The consultation has concluded with no further changes to the original proposals
29. Partnership Team: A consultation period of a minimum 45 days commenced September 2013 on the centralisation of the client teams and a restructure. Consultation was extended several times due to the ongoing corporate level consultation on the amended Organisational Change Policies and Procedures which were intended to apply to the implementation of this proposal. Representations made during this extended consultation period were responded to and as a result no changes were made to the proposals, which have since been implemented.

Business Support

30. The formal consultation period for Business Support commenced at the same time as the other proposals already outlined. However, following feedback from managers, staff and trade unions, it was agreed that more detailed information needed to be provided to those affected by the proposals. This is being addressed and a more detailed set of proposals will be communicated to staff on 15 September 2014 thereby commencing a further period of formal staff consultation which is expected to run until 29 October 2014. The project remains on target to achieve the required level of savings.

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APPENDIX 2

SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio</u>	<u>2014/15</u> <u>£000's</u>	<u>2015/16</u> <u>£000's</u>	<u>2016/17</u> <u>£000's</u>	<u>2017/18</u> <u>£000's</u>
Children's Services*	0.0	0.0	0.0	0.0
Communities	0.0	0.0	0.0	0.0
Environment & Transport	0.0	(2,350.0)	(2,150.0)	(1,950.0)
Health & Adult Social Care	(300.0)	(1,200.0)	(1,200.0)	(1,200.0)
Housing & Sustainability	0.0	(55.0)	(55.0)	(55.0)
Leader's Portfolio	(75.5)	(166.5)	(172.5)	(172.5)
Resources & Leisure	(947.0)	(2,179.0)	(2,179.0)	(2,479.0)
Sub-Total	(1,322.5)	(5,950.5)	(5,756.5)	(5,856.5)
Business Support savings	0	(800.0)	(800.0)	(800.0)
Total Savings	(1,322.5)	(6,750.5)	(6,556.5)	(6,656.5)

IMPACT OF PROPOSALS ON STAFFING

<u>Portfolio</u>	<u>FTE in</u> <u>Post</u>	<u>FTE</u> <u>Vacant</u>	<u>FTE Total</u>
Children's Services*			0.00
Communities			0.00
Environment & Transport	5.50	0.20	5.70
Health & Adult Social Care	0.00	0.00	0.00
Housing & Sustainability	0.00	0.00	0.00
Leader's Portfolio	2.00	3.20	5.20
Resources & Leisure	10.50	4.86	15.36
Sub-Total	18.00	8.26	26.26
Business Support savings	26.20	28.30	54.50
Total Savings	44.20	36.56	80.76

**Children's Services now consists of Education & Change and Children's Safeguarding.*

APPENDIX 2A SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio Ref</u>	<u>Service Activity</u>	<u>Description of Item</u>	<u>2014/15 £000's</u>	<u>2015/16 £000's</u>	<u>2016/17 £000's</u>	<u>2017/18 £000's</u>	<u>Net Reduction in Posts</u>	
							<u>FTE In Post</u>	<u>FTE Vacant</u>
<u>Environment & Transport</u>								
E&T 1	E&T Contracts Management	Highways: Remove revenue contribution to capital.		(2,200.0)	(2,000.0)	(1,800.0)		
E&T 2	Regulatory Services	Animal Welfare & Kennels: Close kennels, retain Animal Welfare Officer to undertake statutory duties and buy private kennel space, as required.		(40.0)	(40.0)	(40.0)	5.00	
E&T 3	Regulatory Services	Emergency Planning: Restructure to include public health emergency planning function.		(20.0)	(20.0)	(20.0)	0.50	0.20
E&T 4	Regulatory Services	Increase income - Bereavement Services and Registration Services.		(60.0)	(60.0)	(60.0)		
E&T 5	Regulatory Services	Pest Control: Increase income to cover cost.		(30.0)	(30.0)	(30.0)		
Sub-Total			0.0	(2,350.0)	(2,150.0)	(1,950.0)	5.50	0.20
<u>Health & Adult Social Care</u>								
H&ASC 1	Adult Disability Care Services	Integrated Commissioning Unit (ICU) savings: Reducing permanent admissions to Nursing and Residential Care.	(300.0)	(1,200.0)	(1,200.0)	(1,200.0)	0.00	0.00
Sub-Total			(300.0)	(1,200.0)	(1,200.0)	(1,200.0)	0.00	0.00
<u>Housing & Sustainability</u>								
HS 1	Sustainability	Increase income from Laser if Energy Group takes on bill management components of the Laser contract.		(55.0)	(55.0)	(55.0)		
Sub-Total			0.0	(55.0)	(55.0)	(55.0)	0.00	0.00

APPENDIX 2A SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio Ref</u>	<u>Service Activity</u>	<u>Description of Item</u>	<u>2014/15 £000's</u>	<u>2015/16 £000's</u>	<u>2016/17 £000's</u>	<u>2017/18 £000's</u>	<u>Net Reduction in Posts</u>	
							<u>FTE In Post</u>	<u>FTE Vacant</u>
<u>Leader's Portfolio</u>								
LEAD 1	Democratic Representation & Management	Employers pension contributions for Members reduced due to changes to the pension provision for Members.	(11.0)	(24.0)	(30.0)	(30.0)		
LEAD 2	Democratic Representation & Management	Reduction in number of Cabinet Members from 8 full time Members to 7.	(10.5)	(12.5)	(12.5)	(12.5)		
LEAD 3	Legal Services & Customer Relations	Redirection & restructure of resources within Legal Services.	(49.0)	(117.0)	(117.0)	(117.0)	2.00	2.50
LEAD 4	Legal Services & Customer Relations	Redirection of resources within Customer Relations.	(5.0)	(13.0)	(13.0)	(13.0)	0.00	0.70
Sub-Total			(75.5)	(166.5)	(172.5)	(172.5)	2.00	3.20
<u>Resources & Leisure</u>								
R&L 1	Finance Service	Review of Accounting Provisions: Implementation of Accounting Policy change to Minimum Revenue Provision (MRP).	(600.0)	(600.0)	(600.0)	(600.0)		
R&L 2	Finance Service	Redirection of resources and reduction in current service provision.	(100.0)	(250.0)	(250.0)	(250.0)	5.00	0.86
R&L 3	Local Taxation & Benefits Services	Reduction in Client Team.	(10.0)	(38.0)	(38.0)	(38.0)	1.50	
R&L 4	Local Taxation & Benefits Services	Reduction in Capita Print costs.	(11.0)	(11.0)	(11.0)	(11.0)		
R&L 5	Partnership	Savings achieved from partnership contracts.		(1,000.0)	(1,000.0)	(1,300.0)		
R&L 6	Partnership	Savings achieved from rationalisation of team following centralisation.	(113.0)	(113.0)	(113.0)	(113.0)	2.00	1.00
R&L 7	Property Services	Savings arising from the rationalisation of central office accommodation (Accommodation Strategy) including the vacation of buildings.	(64.0)	(64.0)	(64.0)	(64.0)		
R&L 8	Property Services	Removal of vacancies for a Town Sergeant and a cleaner.	(19.0)	(33.0)	(33.0)	(33.0)		2.00
R&L 9	Property Services	Civic Centre Security Review: Changes to arrangements made in night security service for the Civic Centre.	(30.0)	(30.0)	(30.0)	(30.0)	2.00	1.00
R&L 10	Leisure & Heritage	Full Cost Recovery on Education Team.		(40.0)	(40.0)	(40.0)		

APPENDIX 2A SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio</u> <u>Ref</u>	<u>Service Activity</u>	<u>Description of Item</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>Net Reduction</u>	
			<u>£000's</u>	<u>£000's</u>	<u>£000's</u>	<u>£000's</u>	<u>FTE</u>	<u>FTE</u>
							<u>In Post</u>	<u>Vacant</u>
		Sub-Total	(947.0)	(2,179.0)	(2,179.0)	(2,479.0)	10.50	4.86

APPENDIX 2A SUMMARY OF EFFICIENCIES AND SERVICE REDUCTIONS

<u>Portfolio Ref</u>	<u>Service Activity</u>	<u>Description of Item</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>Net Reduction in Posts</u>	
			<u>£000's</u>	<u>£000's</u>	<u>£000's</u>	<u>£000's</u>	<u>FTE In Post</u>	<u>FTE Vacant</u>
	<u>Cross Portfolio</u>							
ALL 1		Business Support: Introduction of 'hub and spoke' model across Council.		(800.0)	(800.0)	(800.0)	30.70	28.30
		Sub-Total	0.0	(800.0)	(800.0)	(800.0)	30.70	28.30
		Total	(1,322.5)	(6,750.5)	(6,556.5)	(6,656.5)	48.70	36.56

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DECISION-MAKER:	COUNCIL		
SUBJECT:	HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2014/15 – 2018/19		
DATE OF DECISION:	17 SEPTEMBER 2014		
REPORT OF:	CABINET MEMBER FOR HOUSING AND SUSTAINABILITY		
<u>CONTACT DETAILS</u>			
AUTHORS:	Name:	Alan Denford Nick Cross	Tel: 023 8083 3159 023 8083 2241
	E-mail:	Alan.Denford@southampton.gov.uk Nick.Cross@southampton.gov.uk	
Director	Name:	Alison Elliott	Tel: 023 8083 2602
	E-mail:	Alison.Elliott@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None			

BRIEF SUMMARY

Southampton City Council is committed to shaping its capital programme to meet tenants' aspirations and to provide the best possible social housing for the community.

This report updates the Housing Revenue Account (HRA) Capital Programme that was approved in February 2014 and then amended in July 2014 to reflect the actual level of spend in 2013/14. The size of the HRA Capital Programme largely depends on the forecast level of available resources.

The detailed spending plans reflect the priorities set out in the HRA Business Plan and have been discussed with tenants' representatives.

RECOMMENDATIONS:

- (i) To approve the revised Housing Revenue Account (HRA) Capital Programme set out in Appendix 1.
- (ii) To approve the use of resources to fund the HRA Capital Programme as shown in Appendix 3.

REASONS FOR REPORT RECOMMENDATIONS

1. The update of the HRA Capital Programme is undertaken twice a year in accordance with the Council's policy.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. The proposals in this report follow the principles established in the budget report approved by Council in February 2014, which were consistent with the views of tenant representatives. The update of the HRA Capital Programme must be undertaken within the resource constraints imposed upon it and alternative options are not therefore supported.

DETAIL (Including consultation carried out)

Background

3. This report compares the overall size and phasing of the HRA Capital Programme that was approved at Council in February 2014 with that now being presented to Council. It also draws attention to any changes in resources that impact on spending plans. The full programme is attached at Appendix 1.

Consultation

4. The HRA Capital Programme is based on the priorities in the HRA Business Plan. The capital programme element of the Business Plan has been discussed with tenant representatives and was agreed with residents at the Winter Conference in January 2014. This update report will be taken to the Tenants Resource Group for information.

Overall position

5. The report to Council in February 2014 noted that there was a balanced programme, with expenditure plans matching with forecast resources. There was no material change to this position when the outturn for 2013/14 was presented to Council in July.

Changes to spending plans

6. The programme presented to Council in February 2014 has been revised taking into account the latest cost and phasing of schemes and the forecast change in resources described later in the report.
7. The proposed September update totals £229,583,000. This can be compared to the previous February update total of £226,830,000 resulting in an increase of £2,753,000 which represents a percentage variance of 1.0 %. The largest item amongst the changes relates to the proposed allocation to the Thornhill District Energy scheme. This amendment is due to alterations triggered by changes to the Energy Companies' Obligation.
8. The proposed HRA programme is shown in detail at Appendix 1. The changes in the overall programme are summarised by year in the table in Appendix 2. The main changes in total scheme spending and the significant changes in spending between years are also set out in Appendix 2.

Capital Resources

9. The resources which are available to fund the HRA Capital Programme comprise:
 - Unsupported Borrowing
 - Usable Capital Receipts
 - Grants and Contributions from third parties
 - Direct Revenue Financing (DRF)/Depreciation provision

10. Appendix 3 contains an explanation of these terms and a forecast of the resources available. The combined DRF and depreciation contribution to the funding of capital expenditure was increased in 2013/14. This use of additional revenue funding, along with slippage in capital expenditure, meant that no borrowing was required last year.

11. As was reported to Council in the July 2014 HRA outturn report, the funding changes in 2013/14 were mainly due to timing issues. The HRA business plan assumes that part of the annual revenue income will be used to fund capital expenditure. The level of this revenue funding was increased in 2013/14, which means that there are more capital receipts available to fund the future HRA Programme. In overall terms, there is no material change in the resources needed to fund the Programme.

RESOURCE IMPLICATIONS

Capital/Revenue

12. Contained in the detail of the report.

Property/Other

13. The proposals within this report are consistent with the Council's strategy for maintaining its housing stock.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

14. The provision, maintenance and improvement of social housing by local authorities is authorised by various Housing Acts and other legislation.

Other Legal Implications:

15. None.

POLICY FRAMEWORK IMPLICATIONS

16. The HRA Capital Programme forms part of the Council's overall Budget and is therefore a key part of the Council's Budget and Policy Framework

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	HRA Capital Programme 2014/15 to 2018/19.
2.	Key Variances & Issues – September 2014 programme update
3.	Forecast of HRA capital resources and explanation of terms.

Documents In Members' Rooms

1.	None.
2.	

Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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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.	
2.		

SEPTEMBER CAPITAL UPDATE 2014

Appendix 1

Cost Centre	Share Point Ref.	Project Description	Project Status	Manager	Prior Years Actual	Current Year Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19 & Later Years	Total Budget
					£000's	£000's	£000's	£000's	£000's	£000's	£000's

HRA06 - Estate Regeneration

H6360	1257	Cumbrian Way	Approved	Windebank, Jane	1,225	18	0	0	0	0	1,243
H6370	1258	Exford Parade	Approved	Windebank, Jane	3,143	82	31	32	7	0	3,295
H6380	1259	Laxton Close	Approved	Windebank, Jane	870	90	0	0	0	0	960
H6390	1260	Meggesson Avenue	Approved	Windebank, Jane	437	24	0	0	0	0	461
H6490	1514	Estate Regeneration City Wide Framework	Approved	Stanley Conway, Sheree	143	207	150	0	0	0	500
H6530	1613	Weston Shopping Parade Redevelopment	Approved	Friedman-Brown, Danielle	2,214	162	75	0	0	0	2,451
H6560	1817	Estate Regeneration Framework Townhill Park	Approved	Jones, Sue	356	40	160	0	0	0	556
H6570	1930	Townhill Park: Site Assembly	Approved	Jones, Sue	1,642	1,250	2,758	1,200	0	0	6,850
H6580	1930	Townhill Park Leasehold Purchases - Phase 1 to 3	Approved	Jones, Sue	0	0	0	0	0	0	0
H6590	2084	Townhill Park: Design & Contract P1, 2 & 3	Approved	Jones, Sue	129	1,902	56	13	200	400	2,700
H6600	2066	Townhill Park - Remainder	Unapproved	Jones, Sue	0	0	0	0	550	1,700	2,250
H653A	2064	Weston Shopping Parade Housing and Comm Facilities	Approved	Friedman-Brown, Danielle	426	309	590	0	0	0	1,325
H6510	1599	Estate Wide	Unapproved	Stanley Conway, Sheree	0	0	3,243	3,000	2,000	1,875	10,118
Total for Estate Regeneration					10,585	4,084	7,063	4,245	2,757	3,975	32,709

HRA07 - New Build

H6700	0	Erskine Court Rebuild	Approved	Windebank, Jane	191	2,719	5,739	1,151	0	0	9,800
H6710	0	Wimpson Lane	Unapproved	Stanley Conway, Sheree	0	60	940	0	0	0	1,000
H6410	1265	LA New Build - Borrowdale Road	Approved	Gunner, Keith	721	10	0	0	0	0	731
H6420	1266	LA New Build - Flamborough Close	Approved	Gunner, Keith	453	12	0	0	0	0	465
H6430	1267	LA New Build - Chiltern Green	Approved	Gunner, Keith	398	11	0	0	0	0	409
H6440	1268	LA New Build - Grately Close	Approved	Gunner, Keith	1,017	15	0	0	0	0	1,032
H6450	1269	LA New Build - Orpen Road	Approved	Gunner, Keith	778	31	0	0	0	0	809
H6460	1270	LA New Build - Keynsham Close	Approved	Gunner, Keith	772	23	0	0	0	0	795
H6470	1403	L.A. New Build - Leaside Way	Approved	Gunner, Keith	528	13	0	0	0	0	541
H6480	1404	L.A. New Build - Cumbrian Way	Approved	Gunner, Keith	2,145	51	0	0	0	0	2,196
Total for New Build					7,003	2,945	6,679	1,151	0	0	17,778

Cost Centre	Share Point Ref.	Project Description	Project Status	Manager	Prior Years Actual	Current Year Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19 & Later Years	Total Budget
					£000's	£000's	£000's	£000's	£000's	£000's	£000's

HRA08 - Safe Wind & Weather Tight

H1119	1955	CODEMAN Replacement	Approved	Bellamy, Matt	72	58	0	0	0	0	130
H0250	1226	Mobile Working	Approved	Wallace, Jon	230	231	0	0	0	0	461
H0252	0	Mobile Working Extension & Phase 2	Unapproved	Wallace, Jon	0	110	0	0	0	0	110
H0255	0	HRA Business Case Resources	Unapproved	Cross, Nick	0	441	0	0	0	0	441
H1116	1469	Windows	Approved	Meredith, Keith	2,154	999	926	0	0	0	4,079
H116A	0	Windows - Future Years	Unapproved	Meredith, Keith	0	0	0	967	1,001	1,036	3,004
H1111	1842	Electrical Riser Upgrades	Approved	Meredith, Keith	1,225	596	0	0	0	0	1,821
H1112	1843	Roof Finish - Flat	Approved	Ransley, Stephen	1,525	1,200	1,249	478	0	0	4,452
H112B	0	Roof Finish Flat - Future Years	Unapproved	Ransley, Stephen	0	0	0	828	1,389	1,437	3,654
H1113	1844	Structural Works.	Approved	Meredith, Keith	1,178	468	588	0	0	0	2,234
H1250	0	Structural Works - Future Years	Unapproved	Meredith, Keith	0	0	0	903	967	693	2,563
H1121	1845	Roof Finish-Pitched/Structure/Gutter/Downpipes etc	Approved	Miller, Geoffrey	276	453	318	318	221	0	1,586
H121A	0	Roof Finish-Pitched/Structure/Gutter/Downpipes - Future Years	Unapproved	Miller, Geoffrey	0	0	0	0	2,124	2,452	4,576
H1122	1846	Wall Structure & Finish	Approved	Miller, Geoffrey	146	466	203	203	1,242	0	2,260
H122A	0	Wall Structure & Finish - Future Years	Unapproved	Miller, Geoffrey	0	0	0	0	1,971	3,472	5,443
H1123	1847	Chimney	Approved	Miller, Geoffrey	7	12	68	68	114	0	269
H123A	0	Chimneys - Future Years	Unapproved	Miller, Geoffrey	0	0	0	0	106	244	350
H1124	1848	External Doors - Flats	Approved	Meredith, Keith	4	123	117	0	0	0	244
H1150	1850	External Doors - Houses	Approved	Meredith, Keith	35	252	51	0	0	0	338
H150A	0	External Doors - Houses & Flats	Unapproved	Meredith, Keith	0	0	211	606	1,252	1,295	3,364
H1170	1851	Supported Housing 2 Storey Walkway Repairs	Approved	Tomblin, Neville	0	0	0	0	0	0	0
H1171	1861	Supported Housing 2 Storey Walkway Repairs 12/13	Approved	Tomblin, Neville	1,160	2,555	2,733	0	0	0	6,448
H1172	0	Supported Housing 2 Storey Walkway Repairs	Unapproved	Tomblin, Neville	0	0	0	2,873	0	0	2,873
H4170	1855	CESP - International Way Energy Savings Initiative	Approved	Howard, Paul	3,917	83	0	0	0	0	4,000
H1185	0	Contingent Major Repairs Allowance	Unapproved	Miller, Geoffrey	0	0	0	399	747	773	1,919
H1175	0	Golden Grove Balconies	Approved	Miller, Geoffrey	0	181	0	0	0	0	181
H125A	0	Garage Maintenance - Approved	Approved	Miller, Geoffrey	0	26	27	0	0	0	53
H1125	1849	Garage Maintenance	Unapproved	Miller, Geoffrey	0	0	0	28	29	30	87
Total for Safe Wind & Weather Tight					11,929	8,254	6,491	7,671	11,163	11,432	56,940

Cost Centre	Share Point Ref.	Project Description	Project Status	Manager	Prior Years Actual	Current Year Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19 & Later Years	Total Budget
					£000's	£000's	£000's	£000's	£000's	£000's	£000's

HRA09 - Modern Facilities

H1145	2063	Homeless Temporary Accommodation	Approved	Ransley, Stephen	299	696	0	0	0	0	995
H114A	1474	Programme Management Fees Current	Approved	Miller, Geoffrey	1,434	481	541	0	0	0	2,456
H1140	1840	Programme Management Fees	Unapproved	Miller, Geoffrey	0	0	0	560	580	600	1,740
H1180	1477	Bathroom and Kitchen Refurbishment	Approved	Ransley, Stephen	0	0	9,654	0	0	0	9,654
H1181	0	Housing Refurbishment - Future Years	Unapproved	Ransley, Stephen	0	0	0	8,699	2,502	2,588	13,789
H1114	1836	Disabled Adaptations	Approved	Ransley, Stephen	0	0	1,143	0	0	0	1,143
H1195	0	Disabled Adaptations - Future Years	Unapproved	Ransley, Stephen	0	0	0	1,223	1,092	1,132	3,447
H1127	1837	Central Heating Gas Boilers	Approved	Ransley, Stephen	3,109	1,106	1,646	1,025	0	0	6,886
H127A	0	Central Heating Gas Boilers - Future Years	Unapproved	Ransley, Stephen	0	0	0	23	2,455	2,541	5,019
H1128	1838	Central Heating Distrib System Inc Elec Store Htrs	Approved	Meredith, Keith	376	486	603	603	728	715	3,511
H128A	0	Central Heating Distrib System Inc Elec Store Htrs	Unapproved	Meredith, Keith	0	0	0	0	625	648	1,273
H1129	1839	Supported Schemes Adapted Bathroom Programme	Approved	Ransley, Stephen	853	389	414	74	0	0	1,730
H129A	0	Supported Schemes Adapted Bathroom Programme	Unapproved	Ransley, Stephen	0	0	0	365	0	0	365
H118A	1864	Housing Refurbishment 12/13 – West – Drew Smith	Approved	Ransley, Stephen	5,816	3,500	0	0	0	0	9,316
H119A	1865	Housing Refurbishment 12/13 – East – Mitie Property Services	Approved	Ransley, Stephen	5,121	3,500	0	0	0	0	8,621
H3461	1881	Supported Kitchen 13/14	Approved	Ransley, Stephen	3,763	2,022	0	0	0	0	5,785
H0530	1888	Disabled Adaptations 14/15	Approved	Ransley, Stephen	2,163	1,139	0	0	0	0	3,302
H3482	1889	Decent Homes Voids Current	Approved	Ransley, Stephen	503	197	0	0	0	0	700
H120A	1934	Housing Refurbishment - Deferred Properties	Approved	Ransley, Stephen	100	70	0	0	0	0	170
H1555	0	Refurbishment Blakeney Road	Unapproved	Tomblin, Neville	0	50	0	0	0	0	50
H1120	1472	Electrical System	Approved	Miller, Geoffrey	360	0	60	0	0	0	420
H112A	0	Electrical Systems - Future Years	Unapproved	Miller, Geoffrey	0	0	0	134	764	791	1,689
H4591	1476	Studio Conversions	Approved	Wheeler, Mark	154	32	0	0	0	0	186
H0281	0	HHSRS - Approved	Approved	Bellamy, Matt	0	31	32	0	0	0	63
H0280	0	HHSRS Contingency	Unapproved	Bellamy, Matt	0	0	0	33	53	54	140
Total for Modern Facilities					24,051	13,699	14,093	12,739	8,799	9,069	82,450

Cost Centre	Share Point Ref.	Project Description	Project Status	Manager	Prior Years Actual	Current Year Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19 & Later Years	Total Budget
					£000's	£000's	£000's	£000's	£000's	£000's	£000's

HRA10 - Well Maintained Communal Facilities

H6331	2079	Estate Parking Improvements	Approved	Cooper, Aidan	31	398	0	0	0	0	429
H1144	0	Lift Refurbishment - Manston Court	Approved	Simpkins, Jim	0	165	165	0	0	0	330
H144A	2173	External Lift Shaft - Manston Court	Approved	Tomblin, Neville	0	545	0	0	0	0	545
H113A	0	Lift Refurbishment - Canberra Towers	Approved	Simpkins, Jim	3	522	525	0	0	0	1,050
H1147	0	Lift Refurbishment - South Front	Approved	Simpkins, Jim	0	0	165	0	0	0	165
H1148	0	Lift Refurbishment - Rozel Court	Approved	Simpkins, Jim	92	73	0	0	0	0	165
H1149	0	Lift Refurbishment - Sarnia Court	Approved	Simpkins, Jim	0	170	0	0	0	0	170
H1155	2174	Lift Refurbishment - New Build - Rozel Court	Unapproved	Tomblin, Neville	0	545	0	0	0	0	545
H1146	0	Lift Refurbishment - Future Years	Unapproved	Simpkins, Jim	0	0	0	675	1,420	1,917	4,012
H1130	1473	Lift Refurbishment - Ventnor Court	Approved	Simpkins, Jim	289	0	0	0	0	0	289
H4540	1223	Lift Refurbishment - Itchen View Estate	Approved	Simpkins, Jim	1,671	0	0	0	0	0	1,671
H4520	1215	Electronic Concierge	Approved	Miller, Geoffrey	4,188	11	0	0	0	0	4,199
H476B	1233	Supported Communal Improvements - Graylings 11/12	Approved	Miller, Geoffrey	1,855	17	0	0	0	0	1,872
H4700	1236	Supported Communal Improvements - Manston Court	Approved	Miller, Geoffrey	1,181	13	0	0	0	0	1,194
H6263	1239	Kingsland	Approved	Cooper, Aidan	132	5	0	0	0	0	137
H6310	1256	DN: Millbrook Towers Improvements	Approved	Cooper, Aidan	473	150	0	0	0	0	623
H632B	1271	DN: Holyrood Improvements	Approved	Davies, Rebecca	1,584	124	0	0	0	0	1,708
H1110	1463	Communal Areas Works	Approved	Miller, Geoffrey	673	684	715	0	0	0	2,072
H111Z	0	Communal Area Works - Future Projects	Unapproved	Miller, Geoffrey	0	0	0	704	728	754	2,186
H1115	1468	Door Entry System Replacement Programme	Approved	Wheeler, Mark	114	470	481	0	0	0	1,065
H476R	2086	Bassett Green Community Facilities Refurbishment	Approved	Tomblin, Neville	10	240	0	0	0	0	250
H476S	2093	Milner Cour Electric Scooter Storage	Approved	Wheeler, Mark	7	153	0	0	0	0	160
H111F	0	Floor Coverings to Communal Corridors	Approved	Miller, Geoffrey	54	446	0	0	0	0	500
H4801	0	Supported Housing Area Programme (SHAP)	Unapproved	Miller, Geoffrey	0	0	0	884	570	591	2,045
H4802	0	SHAP - Current Programme	Approved	Miller, Geoffrey	0	0	553	0	0	0	553
H111S	0	SCI: Rozel Court Block 2 Communal Works	Approved	Tomblin, Neville	0	280	0	0	0	0	280
H111R	2087	SCI: Rozel Court Block 1 Communal Works	Approved	Tomblin, Neville	0	150	0	0	0	0	150
H111M	0	SCI: Bellamy Court Communal Works	Approved	Tomblin, Neville	0	100	300	0	0	0	400
H111D	0	Small Blocks Communal Works	Approved	Tomblin, Neville	0	142	0	0	0	0	142
H111J	0	SCI: James Street Communal Works	Approved	Tomblin, Neville	0	150	0	0	0	0	150
H113B	2016	Lift Refurbishment - James Street Enabling Works	Approved	Tomblin, Neville	76	0	0	0	0	0	76
H113C	2017	Lift Refurbishment - James Street (incl Scooter Storage)	Approved	Tomblin, Neville	19	660	0	0	0	0	679
H6271	1494	DN: Northam Improvements	Approved	Davies, Rebecca	415	76	0	0	0	0	491
H6314	1496	DN: Millbrook Block Improvements	Approved	Cooper, Aidan	296	350	0	0	0	0	646
H6266	1503	DN: Harefield/Townhill Park	Approved	Cheetham, Amanda	68	338	302	0	0	0	708
H6315	1707	DN: Shirley	Approved	Cooper, Aidan	634	1,527	60	0	0	0	2,221
H6326	2077	DN: Church Street	Approved	Davies, Rebecca	6	158	0	0	0	0	164
H6319	1710	DN: Estate Improvement Programme 13/14	Approved	Cooper, Aidan	419	200	0	0	0	0	619
H1133	1835	Roads/Paths/Hard Standing	Approved	Cooper, Aidan	32	345	197	0	0	0	574
H111C	0.00	Ventnor Court - Central Core Communal (incl Scooter Storage)	Approved	Tomblin, Neville	170	390	0	0	0	0	560
H6324	1893	DN: Leaside Way Improvements	Approved	Davies, Rebecca	474	66	0	0	0	0	540
H6327	1953	DN: Beechfield Court	Approved	Cooper, Aidan	17	33	0	0	0	0	50
H6328	1954	DN: Wyndham Court	Approved	Cooper, Aidan	11	0	0	0	0	0	11
H111B	2068	Weston Court - Communal Area Works	Approved	Wheeler, Mark	76	700	1,199	0	0	0	1,975

Cost Centre	Share Point Ref.	Project Description	Project Status	Manager	Prior Years Actual	Current Year Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19 & Later Years	Total Budget
					£000's	£000's	£000's	£000's	£000's	£000's	£000's
H0330	1505	DN: Future Decent Neighbourhood Schemes	Unapproved	Cooper, Aidan	0	105	665	1,289	1,335	0	3,394
H1131	1833	Concierge Walkup Block Roll Out	Unapproved	Miller, Geoffrey	8	0	0	0	0	0	8
H132A	0	Fire Doors (Communal) - Approved	Approved	Miller, Geoffrey	0	68	0	0	0	0	68
H1132	1834	Fire doors (communal)	Unapproved	Miller, Geoffrey	0	0	70	126	408	424	1,028
Total for Well Maintained Communal Facilities					15,078	10,569	5,397	3,678	4,461	3,686	42,869

HRA11 - Warm & Energy Efficient

H1117	1826	Loft Insulation + Pipe Lagging	Approved	Meredith, Keith	43	1	26	26	77	0	173
H117A	0	Loft Insulation + Pipe Lagging	Unapproved	Meredith, Keith	0	0	0	0	53	145	198
H1118	1827	International Way Independent Meters	Approved	Miller, Geoffrey	356	1	0	0	0	0	357
H1165	0	Landlord Meter Conversions - Future Years	Approved	Meredith, Keith	0	0	189	194	0	0	383
H1135	1829	External Wall Insulation - Kingsland Estate	Approved	Howard, Paul	342	680	0	0	0	0	1,022
H1138	1832	Utility Supplies (Communal - Gas, Electric, Water etc.)	Approved	Meredith, Keith	1,422	505	237	0	0	0	2,164
H138A	0	Utility Supplies (Communal - Gas, Electric, Water etc.)	Unapproved	Meredith, Keith	0	0	26	261	0	0	287
H1134	1828	Cavity Wall Insulation	Unapproved	Miller, Geoffrey	18	0	0	53	53	0	124
H1355	0	Thornhill District Energy Scheme (TDES)	Approved	Meredith, Keith	0	600	7,435	0	0	0	8,035
H1300	0	Introduce Renewable Energy Sources	Approved	Miller, Geoffrey	100	0	0	0	0	0	100
H1301	0	Renewable Energy Sources Future Years	Unapproved	Miller, Geoffrey	0	0	311	322	890	921	2,444
H1143	1830	External Cladding (PRC Houses) - Current	Approved	Meredith, Keith	238	374	0	0	0	0	612
H1700	0	Energy Efficiency Works	Approved	Meredith, Keith	47	4,692	4,639	0	0	0	9,378
H1136	1830	External Cladding (PRC Houses)	Unapproved	Meredith, Keith	0	0	0	2,122	2,197	2,273	6,592
H1500	0	External Cladding (Flats)	Unapproved	Meredith, Keith	0	0	0	1,296	1,341	1,388	4,025
H1137	1831	External Cladding (Tower Blocks)	Unapproved	Meredith, Keith	0	0	0	1,568	0	0	1,568
Total for Warm & Energy Efficient					2,566	6,853	12,863	5,842	4,611	4,727	37,462
GRAND TOTAL					71,212	46,404	52,586	35,326	31,791	32,889	270,208

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HOUSING REVENUE ACCOUNT

KEY VARIANCES & ISSUES – SEPTEMBER 2014 PROGRAMME UPDATE

The proposed September programme update totals **£229,583,000**. This can be compared to the previous February update total of **£226,830,000** resulting in an increase of **£2,753,000**, which represents a percentage variance of **1.0%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 and Later Years £000	Total £000
Proposed	30,587	46,404	52,586	35,326	31,791	32,889	229,583
Previous	37,029	53,399	37,018	34,926	31,875	32,583	226,830
Variance	(6,442)	(6,995)	15,568	400	(84)	306	2,753

Slippage and re-phasing that impacted on 2013/14 was reported to Council on the 16 July 2014 as part of the Housing Revenue Account Revenue and Capital Outturn report. The explanations below therefore do not replicate this information and instead highlight only new items which need to be brought to the attention of Full Council.

PROGRAMME CHANGES:

HRA 1 – Thornhill District Energy Scheme (Total budget change £2,498,000 increase)

Gold Scheme – £8,035,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

The structure of the scheme has changed which has required an increase in budget

The structure of the scheme has changed as a result of more detailed information being available. The work carried out recently by Mitie has shown the build costs of the plant were originally underestimated and, due to changes made to the calculation of the grant, it is likely the Council will receive less funding than was originally included in the costings. The financial modelling work that has been completed to date shows a positive contribution to the HRA surplus over a 30 year period. Work continues on evaluating the scheme and the final revised scheme will be subject of a further report to Council in November.

HRA 2 – HRA Business Case Resources (Total budget change £441,000 increase)

Silver Scheme – £441,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There has been an addition to the programme for the provision of the Capital element for Business Transformation.

A new line has been added to the programme to allow for the HRA contribution to the overall Council transformation programme.

HRA 3 – Housing Refurbishment – East – Mitie (Total budget change £162,000 increase)

Gold Scheme – £8,621,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There has been additional funding for this project to cover additional costs for Capita Fees.

Following a lengthy negotiation with Capita over fees relating to the Housing refurbishment projects, agreement was finally reached which resulted in additional costs to this project.

HRA 4 – Mobile Working Extension and Phase 2 (Total budget change £110,000 increase)

Silver Scheme – £110,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There has been an addition to the programme for the extension and phase 2 elements of the Mobile Working project.

The implementation of Mobile Working has been reprogrammed, including phase 2 of the project, to allow for sufficient time to test the new system and fully train the staff. This will minimise the risk of problems in services to customers resulting from adverse issues once it is launched. As a result additional project management costs have been incurred.

HRA 5 – Homeless Temporary Accommodation (Total budget change £275,000 decrease)

Gold Scheme – £995,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

The budget has been reduced as a Council owned property is to be used for this scheme.

The original budget included the cost of purchasing a property. Selbourne House has now been transferred to the HRA from the General Fund to be used for this scheme. There will be a subsequent transfer of debt from the General Fund to the HRA, which will have the same impact on the HRA Business Plan, as if the property had been bought from a third party.

HRA 6 – Concierge Walk Up Block Roll Out (Total budget change £265,000 decrease)

Silver Scheme – £8,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There has been a cost saving on this scheme.

When this scheme was originally approved, it was anticipated that a number of Walk-Up blocks across the city would benefit from a Concierge service. However, in consultation with residents, we will now be only upgrading door entry systems under that specific budget.

HRA 7 – Fire Doors (Communal) (Total budget change £231,000 decrease)

Silver Scheme – £1,095,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There has been a cost saving on this scheme.

The number of fire doors needing replacement is less than originally estimated.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

HRA 8 – Thornhill District Energy Scheme (Slippage of £4,937,000 between 14/15 and 15/16)

Gold Scheme – £8,035,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Changes to structure of scheme.

Due to the changes to the structure of the scheme (as outlined above), triggered by changes to the Energy Companies' Obligation, the work will now be carried out over two years rather than needing to be completed by April 2015.

HRA 9 – Bathroom and Kitchen Refurbishment (Slippage of £1,557,000 between 14/15 and 15/16)

Gold Scheme – £9,654,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Programme of work smoothed.

This multi-year programme of work has been smoothed to provide a more even year on year flow of work to the contractors which provides better overall value to the Council.

HRA 10 – Townhill Park – Site Assembly (Slippage of £1,358,000 between 14/15 and 15/16)

Gold Scheme – £6,850,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There have been fewer early leaseholder purchases and revised demolition programming.

The budget provides for Phase 2 & 3 leasehold properties to be purchased early where there is an opportunity to do this to help enable longer term vacant possession of blocks. As this is opportunity led, the actual numbers and costs are hard to predict and the final number becoming available is less than was allowed for. The demolition programme has been further considered and, subject to Council approval, is now phased over two years with 50% to be completed in 2014/15 and 50% in 2015/16.

HRA 11 – Weston Court – Communal Area Works (Slippage of £1,199,000 between 14/15 and 15/16)

Gold Scheme – £1,975,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There have been delays in this programme of works due to design issues.

Following the initial design and specification works for this project, further examination has now taken place which has identified the need for some alterations before work begins. The overall scheme is still due to be delivered on time and within budget.

HRA 12 – Wimpson Lane Rebuild (Slippage of £940,000 between 14/15 and 15/16)

Gold Scheme – £1,000,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

The redevelopment of this scheme is not programmed to start this financial year

The scheme is subject to further design work and value engineering before Cabinet approval to redevelop can be sought. It is not anticipated that any significant capital spend will be required this year as planning permission will still need to be sought and decanting completed in the event of cabinet approval being given.

HRA 13 – Estate Regeneration Framework – Townhill Park (Slippage of £160,000 between 14/15 and 15/16)

Gold Scheme – £556,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

There have been changes to the programme of works.

Due to changes to the programme, this expenditure is not required yet, but will be used for additional professional fees as the development commences.

HRA 14 – Structural Works (Re-phasing of £200,000 between 15/16 and 14/15)

Gold Scheme – £2,234,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

The budget for this scheme will be brought forward from 2015/16.

During recent structural services of properties across the city, it was discovered that a number of these properties would benefit from remedial works sooner than planned. This would help to minimise risks associated with the overall structural position of the buildings.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends.

There are no corporate PROJECT ISSUES for the Portfolio.

Note

PROGRAMME CHANGES = Significant (material and/or political) corporate programme scheme variances (additions/increases/decreases).

MAJOR ITEMS OF SLIPPAGE/RE-PHASING = Significant (material and/or political) corporate programme scheme variances (slippage/re-phasing).

CORPORATE FINANCIAL & PROJECT ISSUES = Significant (material and/or political) corporate financial or project issues that need consideration by Cabinet at a corporate level. This would generally be where the Budget/Quality/Time RAG status is **Red** (or **Amber** for Gold projects).

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Agenda Item 13

Appendix 3

APPENDIX 3

FORECAST OF HRA CAPITAL RESOURCES AND EXPLANATION OF TERMS

Resource	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 & Later Years	Total
	£000	£000	£000	£000	£000	£000	£000
Unsupported Borrowing	0	16,003	21,217	3,124	0	0	40,344
Useable Capital Receipts	5,701	2,361	1,481	3,738	4,345	3,111	20,737
Grants and Contributions	139	1,350	2,650	0	0	0	4,139
Direct Revenue Financing	6,486	8,759	8,920	9,751	8,338	10,189	52,443
Depreciation	18,261	17,931	18,317	18,711	19,108	19,592	111,920
Total	30,587	46,404	52,585	35,324	31,791	32,892	229,583

Unsupported Borrowing

The unsupported borrowing required is within the debt cap for the HRA and is calculated based on the balanced capital programme developed as part of the HRA business planning process. No borrowing was required in 2013/14 due to slippage in capital expenditure and the availability of other resources.

Useable Capital Receipts

This is the proportion of capital receipts that arise from the sale of HRA assets that the Council can retain. The rules governing the use of non right-to-buy receipts allow the council to retain 100% of all receipts provided they are used for affordable housing or regeneration. The use of capital receipts was reduced in 2013/14, due to slippage in capital expenditure and the availability of other resources.

Grants and Contributions from third parties

A significant grant of £2.7M has been awarded from the Homes & Communities Agency (HCA) towards the cost of the Erskine Court scheme. Contributions are also received from third parties in respect of capital expenditure incurred by the Council, e.g. payments from leaseholders in respect of any major works that have been carried out to their homes.

Direct Revenue Financing (DRF) / Depreciation

The contribution from the HRA revenue account to fund the capital programme is known as DRF. In addition, a depreciation calculation is undertaken to create a further revenue provision to pay for relevant items of capital expenditure. The combined DRF and depreciation contribution to the funding of capital expenditure was increased in 2013/14.

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DECISION-MAKER:	COUNCIL		
SUBJECT:	THE GENERAL FUND CAPITAL PROGRAMME 2013/14 TO 2016/17		
DATE OF DECISION:	17 SEPTEMBER 2014		
REPORT OF:	CABINET MEMBER FOR RESOURCES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Stephen Fitzgerald	Tel: 023 8083 4897
	E-mail:	Stephen.Fitzgerald@southampton.gov.uk	
Chief Financial Officer	Name:	Andrew Lowe	Tel: 023 8083 2049
	E-mail:	Andrew.Lowe@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
N/A			

BRIEF SUMMARY

The purpose of this report is to inform Council of any major changes in the overall General Fund Capital Programme since it was last reported on 12 February 2014. This report also outlines the way in which the revised programme has been funded, reflecting the changes in availability and usage of capital resources.

The net result of the changes in this report is that the current overall programme has increased by £11.5M. Never the less, the capital programme is fully funded based on the latest forecast of available resources although the forecast can be subject to change; most notably with regard to the value and timing of anticipated capital receipts.

RECOMMENDATIONS:

It is recommended that Council:

- i) Approve the revised General Fund Capital Programme, which totals £144.0M (as detailed in paragraph 4) and the associated use of resources.
- ii) Note the changes to the programme as summarised in Appendix 2 and described in detail in Appendix 3.
- iii) Note the portfolio programme changes, slippage and re-phasing and financial and project issues as described in detail in Appendix 3.
- iv) Add a sum of £250,000 to the Environment & Transport capital programme in 2015/16 for the North of Station Quarter Phase 2 scheme to be funded from the LTP Capital Grant funding 2015/16.
- v) Add a sum of £350,000 to the Environment & Transport capital programme (subject to the approval from Network Rail) in 2014/15 for the North of Station Quarter Phase 2 scheme to be funded by external contribution from Network Rail's National Station Improvement Programme.
- vi) Add a sum of £4,185,000 to the Environment & Transport capital programme (subject to the approval from the Solent LEP) in 2015/16 for

the North of Station Quarter Phase 2 scheme to be funded from Solent LEP Local Growth Deal grant.

- vii) Approve spending of £5,225,000 in total on the North of Station Quarter Phase 2 scheme, phased £790,000 in 2014/15 and £4,435,000 in 2015/16 [other funding of £440,000 is already included in the capital programme].
- viii) Note that the revised General Fund Capital Programme is based on prudent assumptions of future Government Grants to be received, due to the uncertainty surrounding the Comprehensive Spending Review for 2015/16 and future years.
- ix) Note that the balance of additional temporary borrowing taken out in 2010/11 and 2011/12 due to cash flow issues, now totalling £3.65M, is expected to be repaid by the end of 2015/16 when anticipated capital receipts are finally forecast to be received.
- x) Note that the Council is shortly to consider a revised disposal strategy which, whilst enabling the current capital programme to remain fully funded, would significantly reduce the ability to fund additional capital schemes from Council Resources.
- xi) Note the financial and project issues which are set out in paragraphs 29 to 33 and detailed in Appendix 3 for each Portfolio.

REASONS FOR REPORT RECOMMENDATIONS

1. The update of the Capital Programme is undertaken twice a year in accordance with Council Policy and is required to enable schemes in the programme to proceed and to approve additions and changes to the programme.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. The update of the Capital Programme is undertaken within the resource constraints imposed on it. No new schemes can be added unless specific additional resources are identified. Alternative options for new capital spending are considered as part of the budget setting process.

DETAIL (Including consultation carried out)

CONSULTATION

3. The General Fund Capital Programme update summarises additions to the capital programme since February 2014. Each addition to the capital programme has been subject to the relevant consultation process which now reflects the key role played by Capital Boards and of the Councils project management system Sharepoint. The content of this report has been subject to consultation with Finance Officers from each portfolio.

THE FORWARD CAPITAL PROGRAMME

4. The following table shows a comparison of the total planned expenditure for each year with the sums previously approved. The Latest Programme figures include additions to the programme which are subject to approval of the specific recommendations:

	2013/14	2014/15	2015/16	2016/17	Later Years	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Latest Programme	46,844	62,555	29,028	4,362	1,213	144,002
Feb 2014 Programme	55,151	56,491	20,308	568	0	132,518
Variance	(8,307)	6,064	8,720	3,794	1,213	11,484

5. The above table shows that the General Fund Capital Programme has increased by £11.5M. With the exception of changes requiring approval detailed in the recommendations within this report, all other changes have been previously approved by Council, Cabinet or made under delegated authority. Details of each portfolio's programme are shown in Appendix 1.
6. The change in individual portfolios' capital programmes is shown in the following table and a summary of the major variations, together with the source of funding and the priorities to which they contribute, is detailed in Appendix 2:

	Latest Programme	Previous Programme	Total Change
	£000's	£000's	£000's
Children's Services	35,328	31,517	3,811
Environment & Transport A	49,620	43,793	5,827
Environment & Transport B (City Services)	3,621	3,306	315
Health & Adult Social Care	1,927	1,627	300
Housing & Sustainability	13,995	14,193	(198)
Leader's	28,271	28,144	127
Resources & Leisure (Resources)	7,209	6,007	1,202
Resources & Leisure (Leisure)	4,031	3,931	100
Total GF Capital Programme	144,002	132,518	11,484

7. Further detail of the changes to each portfolio capital programme is contained in Appendix 3 which sets out both additions and slippage and re-phasing for schemes. Slippage and re-phasing that impacted on 2013/14 was reported to Council on 16 July 2014 as part of the General Fund Capital Outturn report. The explanations set out in Appendix 3 do not replicate this information and instead highlight only new items which need to be brought to the attention of Full Council.

CAPITAL RESOURCES

8. The resources which can be used to fund the capital programme are as follows:
- Unsupported Borrowing
 - Capital Receipts from the sale of HRA assets
 - Capital Receipts from the sale of General Fund assets
 - Contributions from third parties
 - Central Government Grants
 - Grants from other bodies
 - Direct Revenue Financing (DRF) raised from Council Tax payers or balances
9. Capital Receipts from the sale of Right to Buy (RTB) properties are passed to the General Fund capital programme to support the Housing Association schemes within the Housing Portfolio.

CHANGES IN AVAILABLE RESOURCES

10. The additional spending within the Capital programme must be met from additional sources of finance. The resource changes that have taken place since February 2014 are detailed in Appendix 4 and summarised in the table below:

	£000's
Unsupported Borrowing	871
Capital Receipts	(564)
Contributions	1,106
Capital Grants	8,299
Direct Revenue Financing from Balances	183
Direct Revenue Financing from Portfolios	1,589
Total Change in Available Resources	11,484

11. The largest increase in available resources relates to Government capital grants. This is largely for expenditure on schemes within the Environment & Transport Capital Programme and the Children's' Services Capital Programme.
12. It should be noted that the programme takes into account the outcome of the Comprehensive Spending Review and its potential impact for 2015/16 and future years. This affects areas such as the roads programme within the Environment & Transport capital programme which is heavily reliant on grant funding from government each year. More detail is available in paragraph 24.

OVERALL USE OF RESOURCES

13. The following table shows capital expenditure by portfolio and the use of resources to finance the General Fund Capital Programme:

	2013/14	2014/15	2015/16	2016/17	Later Years	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Children's Services	17,926	10,527	5,642	483	750	35,328
Env & Transport (E&T)	17,036	27,404	5,180	0	0	49,620
Env & Transport (City Services)	2,623	971	27	0	0	3,621
Health & Adult Social Care	892	1,035	0	0	0	1,927
Housing & Sustainability	1,836	9,083	2,776	300	0	13,995
Leader's	4,174	6,674	14,106	3,217	100	28,271
Resources & Leisure (Res)	1,739	4,001	872	312	285	7,209
Resources & Leisure (Leis)	618	2,860	425	50	78	4,031
Total GF Capital Programme	46,844	62,555	29,028	4,362	1,213	144,002

Unsupported Borrowing	3,376	1,347	545	0	0	5,268
Capital Receipts	5,784	9,324	4,370	350	3	19,831
Contributions	2,827	11,677	3,242	161	75	17,982
Capital Grants	29,894	34,198	19,728	3,183	750	87,753
DRF from Balances	536	2,497	32	113	0	3,178
DRF from Portfolios	4,427	3,512	1,111	555	385	9,990
Total Financing	46,844	62,555	29,028	4,362	1,213	144,002

14. The table above shows that following the latest update, the capital programme continues to be fully funded based on the latest forecast of available resources although the forecast can be subject to change as it was in February 2014.
15. Funding for the capital programme is heavily reliant on capital receipts from the sale of Council properties. These receipts have always had a degree of uncertainty regarding their amount and timing, but the changes in the economic climate have increased the Council's risk in this area.

16. This was recognised in 2008 and in the event therefore that there was a temporary deficit in the funding of the capital programme due to delays in receiving capital receipts, delegated authority was given by Council to the Chief Financial Officer, following consultation with the Cabinet Member for Resources, to undertake additional borrowing in order to provide cover for any delays in the timing of capital receipts.
17. Due to anticipated delays in the receipt of funding from the sale of capital assets an additional £9.2M had to be borrowed to fund the programme in 2011/12 and £2.8M in 2010/11, which was in line with delegated powers approved in September 2008. Repayments of £2.56M during 2012/13 and £5.75 In 2013/14 left the outstanding balance at £3.65M. The additional revenue costs associated with undertaking this prudential borrowing have been built into future budget forecasts.
18. Despite the ongoing economic difficulties, which have reduced and delayed capital receipts from the sales of land and property, the Council's capital programme is fully funded and based on the latest forecast of capital receipts the outstanding balance of temporary borrowing undertaken to date of £3.65M will be repaid by the end of 2015/16. The figures shown in the table above do not reflect this planned repayment and only relate to the financing of the current programme rather than adjustments anticipated to the financing of prior years.
19. The funding and cashflow position of the overall capital programme is susceptible to changes in the estimated value of future capital receipts and their timing. This has arisen due to the approval of schemes based on future estimates of receipts and the fact that the reserve of receipts has been depleted. This situation was exacerbated by the recession but is a risk which needs to be considered in the future approach adopted for capital additions. It is intended to move to a position where schemes are only approved when receipts are received or certain and when a sufficient reserve of receipts has been built up to protect against volatility in the timing and level of uncertain future receipts.
20. The forecast of capital receipts includes a risk factor calculated by Valuation Services that reduces some receipt values to take account of the uncertainty inherent in these estimated values. This should mitigate the impact of any individual changes in receipts and also ensure that an appropriately realistic forecast is presented. Capital receipts are actively monitored throughout the year and this will continue.
21. A revised disposal programme is shortly to be considered by the Council. This revised strategy will see less properties being sold which would have the combined effect of securing existing revenue income streams but also reducing future capital receipts from disposals. Whilst the revised strategy would enable the capital programme as outlined in this report to remain fully funded, it would significantly reduce the ability to fund additional capital schemes from Council Resources.

CHANGES TO THE PROGRAMME

22. Given the lack of spare resources in the programme and the lack of available capital resources over the past three to four years, additions to the programme are only considered in very exceptional circumstances.

23. A number of changes to the overall programme have been approved at Capital Boards and via separate reports and a series of recommendations are included in this report to approve a number of additions to the programme.
24. Recommendations are included to add sums totalling £4,785,000 to the Environment & Transport capital programme for the North of Station Quarter Phase 2 scheme. This capital project will deliver a complete transformation to the public realm on the north side of Southampton Central Station with the aim of enhancing a key gateway into the city and supporting the wider objectives of the Station Quarter VIP development area. The public realm improvements proposed will complement the Phase 1 works currently under construction and include the use of high quality durable surface materials, new tree planting and landscaping, high quality lighting, footway widening to improve the links between the station and the city centre, new cycle links, enhanced taxi rank provision, consolidating the bus stops into one interchange area and new public art features. New public spaces will be created to promote local events such as the farmers market and will supporting existing businesses, including local shops and cafes/ restaurants.

NEW SPENDING PRIORITIES PUT FORWARD BY CABINET

25. Due to the current lack of additional funding, no new initiatives, other than those outlined above as consistent with previous policy decisions are being proposed.

FINANCIAL & PROJECT ISSUES

26. In the past, there have been issues with regard to delivery of schemes in the light of which a review of project management within the Council was undertaken and a project management system, (Sharepoint), developed and implemented. Following a period to establish the efficient and effective use of Sharepoint across the Council this report includes an assessment of all facets affecting the delivery of the Capital Programme.
27. Within Sharepoint, projects are allocated a RAG status based on the following broad criteria:
 - **RED – Significant Concern** - Low level of confidence that the project can be delivered to the originally agreed Time, Cost and / or Quality specified at Gateway 3 (project initiation). Any significant risks or issues should be noted under 'Highlighted Risks and Issues' on the Highlight Report and a Red RAG status selected where the Project Manager believes that the risk and/or issue may lead to significant slippage or impact cost and / or quality.
 - **AMBER – Some Concern** - Medium level of confidence that the project can be delivered to the originally agreed Time, Cost and / or Quality specified at Gateway 3. Any medium risks or issues should be noted under 'Highlighted Risks and Issues' on the Highlight Report and an Amber RAG status selected where the Project Manager believes that the risk and/or issue may lead to some slippage or impact cost and / or quality.

- **GREEN – On Track** - High level of confidence that the project can be delivered to the originally agreed Time, Cost and / or Quality specified at Gateway 3. Any minor risks or issues can be noted under ‘Highlighted Risks and Issues’ on the Highlight Report. The RAG status would remain ‘Green’ unless the risk and/or issue is likely to lead to some or significant slippage or impact cost and / or quality.
28. Appendix 3 contains detail about financial and project issues within each Portfolio Capital Programme which need to be brought to the attention of Council.
29. There are two schemes where there are corporate financial issues that have been highlighted and these are shown in the tables below:

Key Adverse Financial Variances

Portfolio	Scheme	Adverse Forecast £000's	Appendix 3 See Reference
Leader's	SNAC	1,600	LD 6
Resources & Leisure	Sea City phase 2	358	LS 5

Key Favourable Financial Variances

There are no key favourable financial variances.

30. There are no schemes where corporate project issues are being highlighted.

RESOURCE IMPLICATIONS

Capital

31. As set out in the report details.

Revenue

32. This report principally deals with capital. However, the revenue implications arising from borrowing to support the capital programme are considered as part of the annual revenue budget setting meetings. In addition any revenue consequences arising from new capital schemes are considered as part of the approval process for each individual scheme.

Property

33. There are no specific property implications arising from this report other than the schemes already referred to within the main body of the report.

Other

34. None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

35. The General Fund Capital Programme update is prepared in accordance with the Local Government Acts 1972 – 2003.

Other Legal Implications:

36. None directly, but in preparing this report, the Council has had regard to the Human Rights Act 1998, the Equality Act 2010, the duty to achieve best value and statutory guidance issued associated with that, and other associated legislation.

POLICY FRAMEWORK IMPLICATIONS

37. The update of the Capital Programme forms part of the overall Budget Strategy of the Council.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	General Fund Capital Programme – Scheme Details
2.	Major Variations Since the February 2014 Capital Update
3.	Key Issues – September 2014 Programme Update
4.	Major Changes in Capital Resources Since the February 2014 Update

Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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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.	The General Fund Capital Programme 2012/13 to 2015/16 as approved by Council on the 13 February 2013.	
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CHILDRENS SERVICES

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
E0ACA	Academies.	57	554	0	0	0	611	Gill, Oliver
E0BPS	Bitterne Park 6th Form Parent	30	306	0	0	0	336	Hards, Richard
E0CSL	CS & L General Other	933	1,501	10	0	0	2,444	Gill, Oliver
E0EYP	Early Years Expansion Programme.	141	500	259	0	0	900	Gill, Oliver
E0ICT	ICT	234	29	0	0	0	263	Taylor, Nicholas
E0OLD	Completed Schemes	383	12	0	0	0	395	Gill, Oliver
E0PR2	Primary Review Phase 2.	8,870	2,198	3,787	216	750	15,821	Floyd, Colin
E0PR3	School Expansion Programme – Phase 3	0	195	285	20	0	500	Gill, Oliver
E0PRN	Primary Rebuild - Newlands	173	227	0	0	0	400	Hards, Richard
E0PRW	Primary Review.	16	801	40	0	0	857	Floyd, Colin
E0SAF	Safeguarding	405	122	0	0	0	527	Gill, Oliver
E0SCM	School Capital Maintenance.	3,755	3,082	1,261	247	0	8,345	Gill, Oliver
E0SSM	Secondary School Maintenance	2,905	560	0	0	0	3,465	Hards, Richard
E0UFM	Universal Infant Free School Meals	0	441	0	0	0	441	Gill, Oliver
E0YPS	Young People & Skills	24	-1	0	0	0	23	Read, Maureen
		17,926	10,527	5,642	483	750	35,328	
Total Programme		17,926	10,527	5,642	483	750	35,328	

ENVIRONMENT & TRANSPORT (Environment & Transport)

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
<u>Accessibility</u>								
C7171	Accessibility	181	261	0	0	0	442	Walker, Paul
<u>Active Travel</u>								
C7131	Cycling	1,180	1,443	0	0	0	2,623	Walker, Paul
<u>Bridges</u>								
C7770	B2P Bridge Scheme	474	3,221	495	0	0	4,190	Harvey, John
C7911	Bridges	212	9	0	0	0	221	Harvey, John
<u>Environment & Sustainability</u>								
C2300		80	52	0	0	0	132	
C2400	Planning	1	96	0	0	0	97	Nichols, Paul
C2410	Mobile Working	0	48	0	0	0	48	Ferris, Neil
<u>General Environment</u>								
C2100	Purchase of vehicles	775	0	0	0	0	775	Bone, David
C2690	Relocation of Town Depot	25	7	0	0	0	32	Cooper, Malcolm
C2730	Itchen Bridge Toll Automation Project	124	129	0	0	0	253	Bell, Simon
C2740	Crematorium Major Works	232	42	0	0	0	274	Wells, Philip
<u>Highways Other</u>								
C7191	LTP - Other Highways	91	242	0	0	0	333	Beatty
C8200	Highways Drainage (C8200)	174	134	0	0	0	308	Beatty
<u>Improved Safety</u>								
C7151	Improved Safety	146	312	0	0	0	458	Walker, Paul
<u>Network Management</u>								
C7181	ITS	224	1,151	0	0	0	1,375	Walker, Paul
<u>No block</u>								
C8110	Unclassified Roads - Carriageway Resurfacing	0	1,300	0	0	0	1,300	Beatty

APPENDIX 1

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Parking								
C9471	MSCP 10 Year Maint. Programme	78	157	0	0	0	235	Sahota, Jaswinder
Public Realm								
C8900	City Centre Improvements	266	324	0	0	0	590	Walker, Paul
C8911	Platform for Prosperity	4,899	5,966	217	0	0	11,082	Walker, Paul
C8922	Centenary Quay.	90	1,238	0	0	0	1,328	Walker, Paul
C8933	North of Station	865	1,424	0	0	0	2,289	Walker, Paul
Public Transport								
C7141	Public Transport	1,474	3,079	0	0	0	4,553	Walker, Paul
Roads								
C7921	Various Principal	1,079	1,546	0	0	0	2,625	Armstrong, David
C7922	Redbridge Roundabout Scheme	1,228	0	0	0	0	1,228	Beatty
C8000	Classified Roads	731	1,201	33	0	0	1,965	Armstrong, David
C8100	Unclassified Roads	1,616	1,579	0	0	0	3,195	Armstrong, David
C8400	Road Improvements	18	183	0	0	0	201	Beatty
C9120	Highways Improvements (Developer)	553	607	0	0	0	1,160	Beatty
C9200	Highways Maintenance Risk Fund C9200	0	18	0	0	0	18	Armstrong, David
Street Furniture								
C8800	St Furniture	20	68	0	0	0	88	Beatty
Street Lighting								
C8300	St Lighting	7	0	0	0	0	7	Adams, Michael
Travel Planning								
C7161	Travel to School	201	173	0	0	0	374	Walker, Paul
		17,044	26,010	745	0	0	43,799	

Unapproved Schemes**Accessibility**

C7171	Accessibility	0	300	0	0	0	300	Walker, Paul
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Active Travel

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
C7131	Cycling	0	37	0	0	0	37	Walker, Paul
<u>Network Management</u>								
C7181	ITS	0	20	0	0	0	20	Walker, Paul
<u>Public Realm</u>								
C8933	North of Station	0	790	4,435	0	0	5,225	Walker, Paul
<u>Public Transport</u>								
C7141	Public Transport	3	187	0	0	0	190	Walker, Paul
<u>Roads</u>								
C9200	Highways Maintenance Risk Fund C9200	-11	60	0	0	0	49	Armstrong, David
		-8	1,394	4,435	0	0	5,821	
Total Programme		17,036	27,404	5,180	0	0	49,620	

ENVIRONMENT & TRANSPORT (City Services)

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
C2921	Weekly Collection Support Scheme	0	88	0	0	0	88	Thomas, Michael
C292A	WCSS – Purchase of Vehicles	1,345	0	0	0	0	1,345	Thomas, Michael
C292B	WCSS – Purchase of Containers	617	0	0	0	0	617	Thomas, Michael
C292C	WCSS – Phase 3	25	0	0	0	0	25	Thomas, Michael
E3001	Houndwell Park Play Area	161	5	0	0	0	166	Saward, Helen
E3006	Albany Road Play Area	-1	0	0	0	0	-1	Hill, Tony
E3007	Freemantle Common Play Area	0	13	0	0	0	13	Hill, Tony
E3009	Portswood RG Play Area	27	0	0	0	0	27	Hill, Tony
E3011	Deep Dene Play Area	0	25	0	0	0	25	Hill, Tony
E3012	Leaside Way Play Area	27	0	0	0	0	27	Hill, Tony
E3013	The Common Play Area	0	18	0	0	0	18	Hill, Tony
E3014	Bugle Street Play Area	38	0	0	0	0	38	Hill, Tony
E3015	Golden Grove Play Area	58	0	0	0	0	58	Hill, Tony
E3016	Bentley Green Play Area	46	0	0	0	0	46	Hill, Tony
E3017	Lawn Road Play Area	60	0	0	0	0	60	Hill, Tony
E3019	Butts Road Play Area	30	0	0	0	0	30	Hill, Tony
E3020	Sullivan Road Play Area	30	2	0	0	0	32	Hill, Tony
E3021	Arnheim Road Play Area	0	14	0	0	0	14	Hill, Tony
E3022	Octavia Road Play Area 2014-15	0	40	0	0	0	40	Hill, Tony
E3023	Portswood Rec Play Area 2014-15	0	12	0	0	0	12	Hill, Tony
E3024	Shirley Ponds Play Area	0	49	0	0	0	49	Hill, Tony
J426H	Peartree Green	0	5	0	0	0	5	Brown, Clifford
J426L	Southampton Common	2	14	0	0	0	16	Yeats, Nicholas
J427H	Freemantle Lake Park Improvments Yr 2009-11	8	6	0	0	0	14	Brown, Clifford
J4310	Deep Dene Improvements	2	12	0	0	0	14	Brown, Clifford
J4320	Portswood Rec Improvements - Phase 3	12	0	0	0	0	12	Brown, Clifford
J4340	Hinkler Green Green Flag Improvements Yr 2010/11	4	4	0	0	0	8	Brown, Clifford
J4360	Central Parks Green Flag Improvements Yr 2010/11	47	0	0	0	0	47	Brown, Clifford
J4370	Park Code for Green Space	1	22	0	0	0	23	Yeats, Nicholas
J4380	Bassett Wood Greenway Improvements	0	3	0	0	0	3	Brown, Clifford
J4410	Mayflower Park Basket Ball Court Renovation	0	0	27	0	0	27	Brown, Clifford
J4430	Weston Shore Improvements Phase 2	3	55	0	0	0	58	Brown, Clifford
J4440	Sports Centre Water Supply Upgrade	0	30	0	0	0	30	Brown, Clifford
J4450	Riverside Park Pitch & Putt Irrigation System Upgrade	0	50	0	0	0	50	Brown, Clifford

APPENDIX 1

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
J4460	Cedar Lodge Open Space	0	17	0	0	0	17	Brown, Clifford
J4470	Freshfield Road Open Space	0	2	0	0	0	2	Brown, Clifford
J4480	Green Park	0	5	0	0	0	5	Brown, Clifford
J4490	Hum Hole	0	8	0	0	0	8	Brown, Clifford
J4500	Lordsdale Greenway	0	14	0	0	0	14	Brown, Clifford
J4510	Mansbridge Open Space	10	2	0	0	0	12	Brown, Clifford
J4520	Riverside Park	0	41	0	0	0	41	Brown, Clifford
J4530	St James Church Yard	2	0	0	0	0	2	Brown, Clifford
J4540	Sullivan Recreation Ground	0	4	0	0	0	4	Brown, Clifford
J4550	Veracity Recreation Ground	1	2	0	0	0	3	Brown, Clifford
J4560	Westwood Greenway	0	3	0	0	0	3	Brown, Clifford
J8100	Mobile Working for P & C Frontline	0	7	0	0	0	7	Horton, John
J814B	St James Park - Implementation	36	31	0	0	0	67	Saward, Helen
J8190	Daisy Dip Improvements	7	0	0	0	0	7	Brown, Clifford
J8200	Redbridge Wharf	8	1	0	0	0	9	Horton, John
J8240	Parks Safety Improvements Yrs 2009-11	0	2	0	0	0	2	Horton, John
J8250	Bitterne Manor/Clausentum Wood Improvements Yrs 2010-13	5	2	0	0	0	7	Brown, Clifford
J8260	Community Led Local Improvement Initiatives	12	13	0	0	0	25	Saward, Helen
J8280	Purchase of Compact Sweepers	0	350	0	0	0	350	Horton, John
		2,623	971	27	0	0	3,621	
Total Programme		2,623	971	27	0	0	3,621	

HEALTH & ADULT SOCIAL CARE

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
R9265	SDS Modernisation Woolston Comm Centre	64	86	0	0	0	150	Woodward, Jane
R9330	National Care Standards and H&S Work	245	262	0	0	0	507	Woodward, Jane
R9340	Replacement of Appliances and Equipment	66	55	0	0	0	121	Woodward, Jane
R9500	IT Infrastructure Grant	-5	0	0	0	0	-5	Limbert, Karl
R9700	Common Assessment Framework	95	287	0	0	0	382	Yasin, Saqib
R9720	Residential Homes fabric furnishing CQC	83	42	0	0	0	125	Woodward, Jane
R9730	Sembal House Refurbishment	344	3	0	0	0	347	Woodward, Jane
R9750	Paris 5.1 Upgrade	0	300	0	0	0	300	Yasin, Saqib
		892	1,035	0	0	0	1,927	
Total Programme		892	1,035	0	0	0	1,927	

HOUSING & SUSTAINABILITY

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
C242A	National Flood Forum	27	25	0	0	0	52	Maguire, Bernadine
C242B	Understanding Flood Risk	36	4	0	0	0	40	Maguire, Bernadine
C242C	Awareness Raising/Developing Community Resilience	5	13	0	0	0	18	Maguire, Bernadine
C242D	Property Level Surveys	4	8	0	0	0	12	Maguire, Bernadine
C242E	Implementation of Property Level Measures	6	287	0	0	0	293	Maguire, Bernadine
C242F	Understanding The Risk Reduction Measures	0	20	0	0	0	20	Maguire, Bernadine
C242G	Project Management	8	29	0	0	0	37	Maguire, Bernadine
C2520	Salix Energy Efficiency Measures	0	50	0	0	0	50	Taylor, Jason
C257D	Holcroft House Salix Works	33	0	0	0	0	33	Taylor, Jason
C257F	Civic Centre IT server room	0	50	0	0	0	50	Taylor, Jason
C257G	Lighting Upgrades Salix Works	0	63	0	0	0	63	Taylor, Jason
C257I	Insulation Salix Works	7	48	0	0	0	55	Taylor, Jason
C257J	Car Parks Salix Works	52	0	0	0	0	52	Taylor, Jason
C257L	Civic Centre Salix Works	27	0	0	0	0	27	Taylor, Jason
C257N	Salix Scc Office Buildings	0	18	0	0	0	18	Taylor, Jason
G4330	Support for Vulnerable DFG Customers	21	21	21	0	0	63	Hawkins, Janet
G4490	Insulation and Fuel Poverty Initiatives	31	62	0	0	0	93	Hawkins, Janet
G4620	Handyperson Service	40	40	0	0	0	80	Hawkins, Janet
G4630	Woolston Group Repair Scheme	66	0	0	0	0	66	Hawkins, Janet
G4640	Disabled Facilities Grants Approved in 2012/13	416	0	0	0	0	416	Hawkins, Janet
G4650	Disabled Facilities Grants approved in 2013/14	901	299	0	0	0	1,200	Hawkins, Janet
G4660	Disabled Facilities Grants support costs 2013/14	140	0	0	0	0	140	Hawkins, Janet
G6550	Estate Regeneration Cumbrian Way	16	88	0	0	0	104	Windebank, Jane
G6580	Estate Parking Improvements	0	200	100	0	0	300	Cooper, Aidan
G6590	Thornhill District Energy Scheme.	0	6,712	0	0	0	6,712	Rowland, Colin
		1,836	8,037	121	0	0	9,994	
Unapproved Schemes								
G4310	Green Projects	0	0	377	0	0	377	Hawkins, Janet
G4590	Disabled Facilities Grants - Future Years	0	0	900	300	0	1,200	Hawkins, Janet
G4610	Disabled Facilities Grants Support Costs – Future Years	0	0	146	0	0	146	Hawkins, Janet
G4670	Disabled Facilities Grants approved in 2014/15	0	900	300	0	0	1,200	Hawkins, Janet
G4680	Disabled Facilities Grants Support Costs 2014/15	0	146	0	0	0	146	Hawkins, Janet
G6430	Support for Estate Regeneration	0	0	932	0	0	932	Stanley conroy, Sherree

APPENDIX 1

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
		0	1,046	2,655	300	0	4,001	
Total Programme		1,836	9,083	2,776	300	0	13,995	

LEADER'S

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
M0CQR	Cultural Quarter Parent	3,915	4,074	10,310	159	0	18,458	Low, Jill
M0HOC	Heart of the City Parent	18	2,209	3,467	2,845	0	8,539	Bennett, Wendy
M0HQP	Hollyrood and Queens Park Parent	3	12	5	0	0	20	Dobson, Alastair
M0IRF	Itchen Riverfront Parent	3	74	42	0	0	119	Dobson, Alastair
M0OTH	Other Areas Parent	1	78	0	0	0	79	Bennett, Wendy
M0RPW	Royal Pier Waterfront Parent	200	147	100	100	100	647	Meredith, Emma
M0SQR	Station Quarter Parent	34	80	182	113	0	409	Dobson, Alastair
		4,174	6,674	14,106	3,217	100	28,271	
Total Programme		4,174	6,674	14,106	3,217	100	28,271	

RESOURCES & LEISURE (Resources)

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
M9710	Accommodation Strategy Action Programme (ASAP)	1,253	1,376	0	0	0	2,629	Verner, Andrew
P5020	Art Gallery - Roof Repairs and AHU Replacement	18	0	545	0	0	563	Hodge, Richard
P5050	2011 Mobile Working	33	9	0	0	0	42	Dawtry, Sean
P5070	Town Depot Demolition	8	0	0	0	0	8	Elliott, Andrew
P5080	Oaklands School Site - Demolition	390	90	0	0	0	480	Elliott, Andrew
P5090	Works to Enable Marland House Vacation	37	68	0	0	0	105	Fox, Annabel
P5100	Desktop Refresh Programme	0	270	327	312	285	1,194	Foley, Kevin
P5110	Civic Centre Clock Tower Repairs	0	351	0	0	0	351	Hodge, Richard
P5120	Works to Enable Accommodation Strategy	0	1,837	0	0	0	1,837	Fox, Annabel
		1,739	4,001	872	312	285	7,209	
Total Programme		1,739	4,001	872	312	285	7,209	

RESOURCES & LEISURE (Leisure)

Scheme No.	Description	Actual 2013/14 £000	Estimate 2014/15 £000	Estimate 2015/16 £000	Estimate 2016/17 £000	Estimate Later Yrs £000	Total £000	Project Manager
Approved Schemes								
L1000	Oaklands Swimming Pool Feasibility	303	1,362	5	0	0	1,670	Dyer-Slade, Tina
L1440	Tudor House Museum Phase 1	0	5	0	0	0	5	Matthews, Daniel
L674E	Sports Centre Athletics Track	14	3	0	0	0	17	Greene, Nigel
L6790	Sections 106 Playing Field Improvement	35	80	0	0	0	115	Dyer-Slade, Tina
L6791	Lordshill Playing Field Drainage	3	20	162	0	0	185	Saward, Helen
L7000	Guildhall Refurbishment	64	200	200	50	78	592	Greene, Nigel
L810U	Art in Public Places – Millbrook and Weston	2	0	17	0	0	19	Harris, Michael
L8230	Potential TIC Relocation	0	30	20	0	0	50	Greene, Nigel
L8260	Tudor House Museum Phase 2 Implementation	8	63	0	0	0	71	Matthews, Daniel
L8285	SeaCity Phase 2	128	165	0	0	0	293	Dyer-Slade, Tina
L8286	SeaCity Public Realm Improvements	0	43	0	0	0	43	Dyer-Slade, Tina
L8370	Woolston Library	61	889	21	0	0	971	Baldwin, David
		618	2,860	425	50	78	4,031	
Total Programme		618	2,860	425	50	78	4,031	

MAJOR VARIATIONS SINCE THE FEBRUARY 2014 CAPITAL UPDATE

Portfolio	Scheme	£000's	Funding Source (*)	Council Priority
Increases to the Programme				
Environment & Transport	North of Station	5,225	GG/Cont	Making the city more attractive and sustainable
Environment & Transport	Purchase of Vehicles	775	CR	Making the city more attractive and sustainable
Children's Services	Primary Schools Expansions	1,195	GG/CR	Raising ambitions and improving outcomes for children
Children's Services	Schools Repairs and Maintenance	1,247	GG	Raising ambitions and improving outcomes for children
Resources & Leisure	Desktop Refresh	1,194	DRF	Making the city more attractive and sustainable
Various	Other various net increase	1,848	Various	Various
		11,484		
Decreases to the Programme				
No material decreases		0		
		0		
Total		11,484		

*** Funding Source**

Cont	Contributions
CR	Council Resources
GG	Government Grants
DRF	Direct Revenue Financing

and young people
and young people

KEY ISSUES – SEPTEMBER 2014 PROGRAMME UPDATE

CHILDREN’S SERVICES PORTFOLIO

The proposed September programme update totals **£35,328,000**. This can be compared to the previous February update total of **£31,517,000** resulting in an increase of **£3,811,000**, which represents a percentage variance of **12.1%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/16 £000	Later £000	Total £000
Proposed	17,926	10,527	5,642	483	750	35,328
Previous	21,584	5,169	4,764	0	0	31,517
Variance	-3,658	5,358	878	483	750	3,811

PROGRAMME CHANGES:

CSH 1 – School Capital Maintenance (Total budget change £1,709,000 increase)

Gold Scheme – £11,925,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Additions to the school capital maintenance programme for 2014/15.

Council added £1,709,000 on the 4th June 2014 to the school capital maintenance scheme. There is presently a backlog maintenance schedule of £37.6M at maintained schools in Southampton. The capital allocation will deal with just over half of Priority 1 issues identified in maintained schools’ condition surveys.

CSH 2 – School expansion programme phase 3 (Total budget change £500,000 increase)

Gold Scheme – £500,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Expansion of places provision for the 2015/16 year only, via “bulge” classes at five primary and one special schools.

Council added £500,000 on the 4th June 2014 to the School Expansion programme phase three. Current pupil forecasting data indicates that the 2015/16 Year R intake will

represent a peak year for demand that will exceed the capacity already built into the system under Primary Review: Phase 2.

CSH 3 – Universal Infant Free School Meals (UIFSM) (Total budget change £441,000 increase)

Gold Scheme – £441,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Introduction of free school meals to all infant-age pupils from September 2014.

Council added £441,000 on the 4th June 2014 to the Universal Infant Free School Meals (UIFSM) scheme. The Children and Families Act places a legal duty on schools in England to offer a free school meal to all infant-age pupils (i.e. those in reception, year 1 and year 2) from September 2014. The project covers the additional equipment and storage that is needed in each of the affected schools' kitchens in order to deliver the increased volume of meals that will be needed under UIFSM plus essential investment in terms of bringing their dining capacity up to the requisite level.

CSH 4 – Newlands Primary Rebuild Project (Total budget change £400,000 increase)

Gold Scheme – £7,921,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Additional costs of extension of time claim.

Council added £400,000 on the 4th June 2014 for an extension of time claim, arising from the discovery of a buried electricity main under the old school building.

CSH 5 – Primary Review phase 2 (Total budget change £359,000 increase)

Gold Scheme – £27,210,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Expansion of St. John's Primary & Nursery and Wordsworth Primary.

Council added £359,000 on the 4th June 2014 to the Primary Review Phase 2 scheme. The additional costs were partly associated with works to expand St. John's Primary & Nursery and the emergence of significant abnormalities, primarily due to the listed nature of the building and the nature of the site. Specifically, the cost uplift is attributable to the need to install a secondary staircase; adaptation of the drainage design; archaeological requirements; and additional balustrading.

Additional cost was also associated with a significant amount of site works at Wordsworth Primary, together with the provision of encasement to the secondary staircase, on the recommendation of SCC Health & Safety.

CSH 6 – 315 Coxford Road refurbishment (Total budget change £152,000 increase)

Gold Scheme – £399,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Additional health and safety works required.

Council added £152,000 on the 16th July 2014 for works to refurbish office accommodation which overspent due to the requirement for additional health & safety works, including the installation of fire stopping between walls, and the clearing and cleaning of asbestos. In addition service delivery changes to future proof the building and support the transformation of Children's services were required along with some DDA adjustments.

CSH 7 – Academies (Total budget change £231,000 decrease)

Gold Scheme – £34,166,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Offsite works required to facilitate the development of the two new academies in the city.

Council removed £231,000 on the 4th June 2014 from the Academies scheme. The initial budget was provided on the basis of high-level estimates of the potential works that would be required as part of the planning process. In the event, the Project Team was able to devise and negotiate more cost effective solutions than had originally been envisaged, resulting in the reduction in the budget.

CSH 8 – Schools Devolved Capital (Total budget change £478,000 increase)

Bronze Scheme – £13,979,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Addition of School Devolved Formula capital allocation 2014/15

The increase represents the allocation of capital grant from the Education Funding Agency to maintained schools in 2014/15.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

CHS 9 – Primary Review Phase 2 (Slippage of £214,000 from 13/14 to 14/15, rephasing of £500,000 from 14/15 to 15/16, slippage of £1,126,000 from 15/16 to 16/17 and later years)

Gold Scheme – £27,210,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Rescheduling of several school expansion projects

The major items of slippage include unforeseen issues with utility connections at Bevois Town Primary resulted in a delay to project completion until the Easter half term. The Fairisle Junior scheme has been postponed due to a lack of applications for child places delaying the need for expansion. In addition, the Tanners Brook Junior project has been accelerated to allow for reorganisation of the site, following the merger of the infant and junior schools into a primary school.

CHS 10 – Academies Programme (Slippage of £832,000 from 13/14 to 14/15)

Gold Scheme – £34,116,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Release of retentions later than anticipated.

The spend profile for this scheme originally anticipated that the retentions on the contract would be released in 2013/14. Reprofiling of the scheme, coupled with subsequent delays in achieving full rectification of the defects has resulted in this slipping to 2014/15.

CHS 11 – Primary Review (Slippage of £765,000 from 13/14 to 14/15)

Gold Scheme – £4,391,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Expansion of St Mary's Primary School

The expansion of St Mary's Primary school has been delivered in several phases. The project was slipped from the 2013/14 to the 2014/15 financial year, as it was determined that the works entailed could only feasibly be undertaken over a summer holiday period. All works should be delivered within the 2014/15 financial year.

CHS 12 – Schools Devolved Capital (Slippage of £576,000 from 13/14 to 14/15)

Bronze Scheme – £13,979,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

School Devolved Formula Capital grant expenditure

Schools are allocated an amount of Devolved Formula Grant each year by the Department for Education. They can roll forward any unspent grant for up to three years. The slippage figure reflects the amount of unspent grant rolled forward to 2014/15.

CHS 13 – School Capital Maintenance (Slippage of £478,000 from 13/14 to 14/15 and rephasing of £222,000 from 15/16 to 14/15)

Gold Scheme – £11,925,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **RED**

Budget RAG Status **GREEN**

Rescheduling of overall programme

The Renewable Heat Incentive project at Millbrook has been delivered within the overarching budget, leaving a remaining budget of £150,000 for further schemes. A feasibility report has been written and a further proposal is being developed, which should mean the spending of this funding in 2015/16. The health and safety project has been accelerated to catch up with the backlog of required works in 2014/15.

CHS 14 – Early Years Expansion Programme (Slippage of £350,000 from 13/14 to 15/16)

Bronze Scheme – £900,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

The expansion of nursery places for two year olds is progressing slower than anticipated.

The programme to expand the number of two year old nursery places across the city has been altered slightly, to account for the need for in depth consultation with landowners, as well as the undertaking of additional survey work. One of the main projects within this programme will not be pursued due to archaeological issues. An alternative venue/s will be sought to replace it resulting in greater spend in 2015/16.

CHS 14 – Bitterne Park 6th Form (Slippage of £306,000 from 13/14 to 14/15)

Gold Scheme – £6,108,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status GREEN**Budget RAG Status RED****Dispute on final account.**

The contractor has submitted a final account which included a claim for extension of time which if accepted in full would have resulted in an over spend of approximately £1M. This is still being disputed. Until such time as a resolution is determined (either via adjudication or court proceedings), this matter will remain outstanding and the remaining funds will have to be retained. Under the Memorandum of Understanding agreed with Bitterne Park School, the responsibility for any over spend rests with the school.

CHS 16 – Secondary School Capital Maintenance (Slippage of £231,000 between 13/14 and 14/15)**Silver Scheme – £4,152,000 Scheme Budget****Overall RAG Status GREEN****Schedule RAG Status GREEN****Budget RAG Status GREEN****Reprofiling of works at Chamberlayne School**

The window replacement and boiler control rectification works at Chamberlayne have been delayed, due to the need to obtain more competitive quotes for these elements of the work package. The procurement of this work is now complete and the work package has commenced, with all works scheduled to be completed by the end of the 2014/15 financial year.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends.

There are no corporate PROJECT ISSUES for the Portfolio.

ENVIRONMENT AND TRANSPORT PORTFOLIO - ENVIRONMENT & TRANSPORT

The proposed September programme update totals **£49,620,000**. This can be compared to the previous February update total of **£43,793,000** resulting in an increase of **£5,827,000**, which represents a percentage variance of **13.3%**.

The changes to the programme are shown in the following summarised table:

	2013/14	2014/15	2015/16	2016/17	Later	Total
	£000	£000	£000	£000	£000	£000

Proposed	17,036	27,404	5,180	0	0	49,620
Previous	18,919	24,247	627	0	0	43,793
Variance	(1,883)	3,157	4,553	0	0	5,827

Slippage and re-phasing that impacted on 2013/14 was reported to Council on 16th July 2014 as part of the General Fund Capital Outturn report. The explanations below therefore do not replicate this information and instead highlight only new items which need to be brought to the attention of Full Council.

PROGRAMME CHANGES:

E&T 1 – Purchase of Vehicles (Total budget change £775,000 increase)

Not a Sharepoint Scheme - £775,000 Scheme Budget

Overall RAG Status **N/A**

Schedule RAG Status **N/A**

Budget RAG Status **N/A**

The purchase of vehicles was financed by Council Resources.

There was an increase in the 2013/14 Capital Programme for the purchase of Fleet Transport vehicles, funded by Council resources. This change was approved, in accordance with Financial Procedure Rules, by the Chief Financial Officer under delegated authority.

E&T 2 – Roads Programme Scheme (Total budget change £1,437,000 increase)

Silver Scheme – £11,741,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

Investment has been added for the Roads Programme in 2014/15.

There is additional funding for the Roads Programme as follows:

- 1) On the 15th July 2014 Cabinet approved an adjustment to the capital programme to provide £1,300,000 in 2014/15 to improve the condition of the unclassified roads network in Southampton. The new scheme 'Unclassified Roads – Carriageway Resurfacing' is funded from the following sources:-
 - a) Grant of £233,000 for Highways Maintenance from the Department for Transport Pothole Fund 2014/15.
 - b) Local Transport Plan grant for Highways Maintenance of £425,000 available from scheme under spends in 2013/14.
 - c) Local Transport Plan grant for Integrated Transport of £295,000 available from the deletion of the 'Improved Safety 2014/15 – Engineering' project.
Direct Revenue Financing available from the Highways Strategic Partnership Third Party Income surplus for 2013/14 (£126,000) and a one-off contribution from the On

Street Car Parking Surplus Account (£221,000) following a favourable outturn position in 2013/14 mainly due to staff savings.

- 2) Additional funding for the Highways Improvement (Developers) scheme of Section 106 site specific developers contributions of £592,000:-
 - a) Cabinet on the 18th March 2014 approved the addition of £620,000 for the Highways Improvements (Developers) scheme to be funded from Site Specific Section 106 contributions.
 - b) The Chief Officer, in consultation with CFO and Cabinet Member, on the 29th May 2014 approved the addition of £30,000.
 - c) Projects being developed, as part of a wider scheme, have been reduced by £60,000.

- 3) The Chief Officer, in consultation with CFO and Cabinet Member, on the 24th April 2014 approved the addition of funding of £221,000 of DfT Severe Weather grant to fund the increased cost of delivering the approved 2014/15 Roads Programme, due to the increased deterioration caused by recent severe winter weather.

E&T 3 – Public Transport Scheme – LSTF Smart Ticketing (Total budget change £1,542,000 decrease)

Gold Scheme – £4,743,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Reduction of LSTF funding due to efficiencies in procurement of back office system.

The Chief Officer in consultation with CFO and Cabinet Member on the 28th July 2014 approved the decrease in the LSTF Smart Ticketing project, to reflect -

- a) Efficiencies in the procurement process for the back office system, expenditure was lower than originally anticipated. The LSTF Senior Management Board agreed to distribute the balance of £987,000 to other partners.
- b) The virement of £40,000 to the Legible Cities Phase 5 project and £250,000 to North of Station Phase 2 project.

Cabinet on 18th March 2014 agreed a virement of £150,000 of LSTF funding and £158,000 of LTP grant to the Eastern Cycle Corridor project.

E&T 4 – Cycling Improvement Scheme (Total budget change £553,000 increase)

Gold Scheme – £2,660,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Increased funding for cycling improvement schemes.

The increased funding is:

- a) Eastern Cycle Corridor – Cabinet on the 18th March 2014 approved, as part of the Scheme Approval Report, a virement of £208,000 of LTP grant - from Area Based schemes (£50,000) and from Public Transport schemes (£158,000). Also, a virement of £150,000 of LSTF grant funding from Public Transport schemes. Also the Chief Officer, in consultation with CFO and Cabinet Member, on 31st July 2014 approved the addition of £24,000 of Site Specific Section 106 Contribution. These increases will go towards delivering further phases including elements of Central Bridge and Terminus Terrace where innovative solutions are required.
- b) Second Avenue Millbrook Cycle scheme – The Chief Officer, in consultation with CFO and Cabinet Member, on 25th June 2014 approved the addition of £123,000 Site Specific Section 106 Contributions. This will allow removal of existing one way cycle route, to be replaced with a new scheme which will deliver on footway and carriage way facilities for pedestrians and cyclists.
- c) Major Cycle Route Signage – The Chief Officer, in consultation with CFO and Cabinet Member, on 12th March 2014 approved the addition of £37,000 Contributions. This funding will provide easy to read, continuous directional information to allow cyclists to take convenient and direct routes between key destinations.

E&T 5 – Improved Safety Scheme (Improved Safety 2014/15 – Engineering) (Total budget change £192,000 decrease)

Bronze Scheme – £458,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Virement of funding for Unclassified Roads – Carriageway Resurfacing schemes.

Cabinet on the 18th March 2014 approved, as part of the Scheme Approval Report, a virement of £110,000 of LTP grant from Area Based schemes. Cabinet on the 15th July 2014 approved the deletion of the Improved Safety Engineering 2014/15 project, £295,000, and the virement of available funding to the Unclassified Roads – Carriageway Resurfacing scheme within the Roads Programme. This was in order to improve the condition of the unclassified roads network in Southampton.

E&T 6 – Sustainable Travel Scheme - (Total budget change £125,000 decrease)

Bronze Scheme – £374,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Virement of LSTF funding to North of Central Station Phase 2 Project and additional contributions.

The Chief Officer, in consultation with CFO and Cabinet Member, on 31st July 2014 approved the virement of £160,000 from LSTF Rail Station Travel Plan project to the North of Station Phase 2 project (Public Realm). The consolidation of the funding for investment in the Station Quarter North project will yield a greater benefit than the cumulative effect of small investments in several smaller stations.

The Chief Officer, in consultation with CFO and Cabinet Member, on 29th May 2014 approved the addition of Site Specific Section 106 Contributions, totalling £34,000 to the School Travel Incentive scheme.

E&T 7 – North of Station - (Total budget change £5,225,000 increase)

Silver Scheme – £7,514,000 Scheme Budget

Overall RAG Status **N/A**

Schedule RAG Status **N/A**

Budget RAG Status **N/A**

Additional funding for North of Station Quarter Phase 2.

The report contains recommendations to seek the addition and approval to spend for the North of Station Quarter Phase 2 project.

This project will deliver a complete transformation to the public realm on the north side of Southampton Central Station with the aim of enhancing a key gateway into the city and supporting the wider objectives of the Station Quarter VIP development area. The public realm improvements proposed will complement the Phase 1 works currently under construction and include the use of high quality durable surface materials, new tree planting and landscaping, high quality lighting, footway widening to improve the links between the station and the city centre, new cycle links, enhanced taxi rank provision, consolidating the bus stops into one interchange area and new public art features. New public spaces will be created to promote local events such as the farmers market and will supporting existing businesses, including local shops and cafes/ restaurants.

This new project's funding is as follows:-

- a. £250,000 from the LTP grant funding 2015/16.
- b. Subject to the approval from Network Rail, £350,000 of external contribution from Network Rail's National Station Improvement Programme. [NSIP funding can only be used towards part funding the improvements to the station forecourt (off highway)].
- c. Subject to the approval from the Solent LEP, £4,185,000 of Solent LEP Local Growth Deal grant funding.
- d. £30,000 of Site Specific Section 106 Contributions.
- e. £160,000 of LSTF grant funding vired from the Rail Station Travel Plan project.
- f. £250,000 of LSTF grant funding vired from Public Transport scheme.

The scheme is phased £790,000 in 2014/15 and £4,435,000 in 2015/16.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no new major items of slippage or re-phasing to be brought to the attention of Council.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends.

There are no corporate PROJECT ISSUES for the Portfolio.

ENVIRONMENT & TRANSPORT PORTFOLIO - CITY SERVICES

The proposed September programme update totals **£3,621,000**. This can be compared to the previous February update total of **£3,306,000** resulting in an increase of **£315,000**, which represents a percentage variance of **9.5%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	Later £000	Total £000
Proposed	2,623	971	27	0	0	3,621
Previous	2,541	738	27	0	0	3,306
Variance	82	233	0	0	0	315

Slippage and re-phasing that impacted on 2013/14 were reported to Council on 16 July 2014 as part of the General Fund Capital Outturn report. The explanations below therefore do not replicate this information and instead highlight only new items which need to be brought to the attention of Full Council.

PROGRAMME CHANGES:**CS 1 – Purchase of Compact Sweepers (Total budget change £350,000 increase)****£350,000 Scheme Budget**

Overall RAG Status N/A

Schedule RAG Status N/A

Budget RAG Status N/A

£350,000 has been added to the City Services Capital Programme to purchase a new fleet of Compact Sweepers.

Cabinet approved the addition of £350,000 from Council resources to the City Services Capital Programme in April 2014 to purchase a new fleet of mechanical sweepers to ensure the continued provision of an effective and economic street cleansing service for the city.

CS 2 – Play Area Improvements (Total Budget change £115,000 increase)

Bronze Schemes - £115,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

An additional £115,000 has been included in the City Services Capital Programme for development of Play Areas.

An additional £115,000 from S106 developer contributions was approved to be added to the City Services Capital Programme by the Director, Place in July 2014 for the refurbishment and development of Play Areas across the City.

CS 3 – Community Led Local Improvement Initiatives (Total Budget change £140,000 decrease)

The unapproved part of the Community Led Local Improvement Initiatives Capital Scheme is no longer required.

Bronze Scheme - £60,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

The un-committed budget of £140,000 has been removed from the Capital Programme, as there has been a lack of funding applications from Local Community Groups. The funding will be available for re-allocation by the Council Capital Board.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no major items of slippage/re-phasing for the Portfolio.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends.

There are no corporate PROJECT ISSUES for the Portfolio.

The proposed September programme update totals **£1,929,000**. This can be compared to the previous February update total of **£1,627,000** resulting in an increase of **£300,000**, which represents a percentage variance of **18.4%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	Later £000	Total £000
Proposed	892	1035	0	0	0	1,927
Previous	859	768	0	0	0	1,627
Variance	33	267	0	0	0	300

PROGRAMME CHANGES:

H&ASC 1 – Paris 5.1 Project (Total budget change £300,000 increase)

Bronze Scheme – £300,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

To upgrade the Paris Social Care system from the current version 4.4 to 5.1.

Cabinet approved on the 17th June 2014 the addition of £300,000 to H&ASC Capital programme for the upgrade of the Council Social Care System from its current version of Paris 4.4 to Paris 5.1. This upgrade is required to ensure continued compliance with regulatory bodies and continued support for the system as once the Council has completed its upgrade from Windows XP to Windows 7, Paris 4.4 will no longer be supported by Civica. The upgrade will be funded by Council resources made available through the un-ring fenced Personal Social Services Capital Grant.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no major items of slippage/re-phasing.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no financial or project issues for the portfolio.

HOUSING & SUSTAINABILITY PORTFOLIO

The proposed September programme update totals **£13,994,000**. This can be compared to the previous February update total of **£14,193,000** resulting in a decrease of **£198,000**, which represents a percentage variance of **1.4%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	Later £000	Total £000
Proposed	1,836	9,083	2,776	300	0	13,995
Previous	2,051	10,615	1,400	127	0	14,193
Variance	(215)	(1,532)	1,376	173	0	(198)

Slippage and re-phasing that impacted on 2013/14 were reported to Council on 16 July 2014 as part of the General Fund Capital Outturn report. The explanations below therefore do not replicate this information and instead highlight only new items which need to be brought to the attention of Full Council.

PROGRAMME CHANGES:**H&S 1 – Support for Estate Regeneration (Total budget change £143,000 increase, Slippage of £789,000 between 2014/15 and 2015/16)****Unapproved Scheme – £932,000 Scheme Budget****Overall RAG Status N/A****Schedule RAG Status N/A****Budget RAG Status N/A****Addition of Section 106 developer contributions**

Section 106 developer contributions have been earmarked as funding for city-wide Estate Regeneration expenditure. Managers are considering a specific scheme for the use of this funding, but plans are at a very early stage and will not be implemented in 2014/15. Further contributions of £143,000 have been received and, as these can only be used for the provision of Affordable Housing, they have been added to this scheme for future consideration.

H&S 2 – Disabled Facilities Grants - Future Years (Total budget change £1,200,000 increase)**Unapproved Scheme – £1,200,000 Scheme Budget****Overall RAG Status N/A****Schedule RAG Status N/A****Budget RAG Status N/A****Statutory obligation to provide Disabled Adaptations**

The Council has a statutory duty to fund adaptations of private sector homes to enable independent living for disabled people. Historically a figure of £1,200,000 per year has been added to the programme, to provide 150 adaptations at an average cost of £8,000 each, funded by a combination of Government grant and retained 'Right to Buy' receipts. It is proposed to continue this practice as before and to add a provision for 2015/16 to the unapproved scheme for future years. Approval to spend will not be sought until the level of funding has been confirmed.

H&S 3 – Disabled Facilities Grants Support Costs - Future Years (Total budget change £146,000 increase)**Unapproved Scheme – £146,000 Scheme Budget****Overall RAG Status N/A****Schedule RAG Status N/A****Budget RAG Status N/A****Funding for administrative provision of Disabled Facilities Grants**

The administration of the Disabled Facilities Grants scheme requires substantial staff input from the Private Sector Housing team, so an appropriate charge is made to the capital programme.

H&S 4 – Grants to Registered Providers (Total budget change £1,628,000 decrease)**Gold Scheme – £1,628,000 Scheme Budget****Overall RAG Status N/A****Schedule RAG Status N/A****Budget RAG Status N/A****No bids were received for this funding**

In January 2014 the scheme was added to the programme to allow Registered Providers to bid for funding for new affordable housing, chiefly for single vulnerable people, which is amongst the more challenging housing types to provide. This was to be funded from specific 'Right to Buy' receipts held by the Council. No bids have been received for this funding and it has been removed from the Programme. The funding will still be used to support the Council's emerging affordable homes projects.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:**H&S 5 – Green Projects (Slippage of £100,000 between 14/15 and 15/16, re-phasing of £127,000 between 16/17 and 15/16)****Unapproved Scheme – £377,000 Scheme Budget****Overall RAG Status N/A****Schedule RAG Status N/A****Budget RAG Status N/A****Consolidation of multi-year profiles**

Previously this unapproved budget (fully funded by the residual Partnership for Urban South Hampshire grant) has been profiled to be spent over a number of years. It is now considered appropriate to consolidate the budget into a single year and seek approval to spend as projects are identified.

CORPORATE FINANCIAL & PROJECT ISSUES:

There are no corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends.

There are no corporate PROJECT ISSUES for the Portfolio.

LEADER'S

The proposed September programme update totals **£28,271,000**. This can be compared to the previous February update total of **£28,144,000** resulting in an increase of **£127,000**, which represents a percentage variance of **0.5%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	Later £000	Total £000
Proposed	4,174	6,674	14,106	3,217	100	28,271
Previous	5,451	9,573	12,796	324	0	28,144
Variance	-1,277	-2,899	1,310	2,893	100	127

PROGRAMME CHANGES:

LD 1 – Royal Pier Waterfront (Total budget change £102,000 increase)

Gold Scheme – £812,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Marketing works funded by developer

The Director of Place added £102,000 on the 12th March 2014 to the Royal Pier Waterfront project. The additional budget will pay for marketing works funded by developer contributions.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

LD 2 – Southampton New Arts Centre (SNAC) (Slippage of £2,942,000, £943,000 from 13/14 and £2,158,000 from 14/15 to 15/16)

Gold Scheme – £20,850,000 Scheme Budget

Overall RAG Status **AMBER**

Schedule RAG Status **AMBER**

Budget RAG Status **RED**

Delays with Developer's Final Programme

See LD 6 below.

LD 3 – Watermark West Quay (Slippage of £2,700,000, £500,000 from 14/15 and £2,200,000 from 15/16 to 16/17)

Gold Scheme – £7,000,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

Project schedule finalised with Department for Business, Innovation & Skills (BIS)

The schedule of project development and scope has now been confirmed with BIS, the project funder and the project profile updated accordingly.

LD 4 – QE2 Mile - Bargate Square (Slippage of £500,000 from 14/15 to 15/16)

Silver Scheme – £1,090,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

Project on hold

This project is on hold. The Bargate Shopping Centre has been acquired by an asset management company who wish to sell the property. When a developer acquires the property and comes forward with a scheme for the site a full scheme schedule will be developed for Bargate Square.

LD 5 – Northern Above Bar - Guildhall Square (Slippage of £162,000 from 13/14 to 14/15)

Gold Scheme – £5,239,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

Delay caused by site access and lighting design issues

The Guildhall lighting element of the project has been reviewed and it is anticipated that all necessary work will be completed in 2014/15.

CORPORATE FINANCIAL & PROJECT ISSUES:

The corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends are:

LD 6 Southampton New Arts Centre (SNAC) (forecast overspend £1,600,000)

Gold Scheme – £20,850,000 Scheme Budget

Overall RAG Status **AMBER**

Schedule RAG Status **AMBER**

Budget RAG Status **RED**

Delays with Developer’s Final Programme and increased arts complex inflationary and design costs.

Grosvenor is reporting a five week delay on their contractors programme due to unforeseen obstacles underground and the inclement weather. This combined with significant inflation in the construction sector leads to concerns that there will be a large discrepancy between projected costs and budget. Work is underway as to the options on how to deal with this.

There are no corporate PROJECT ISSUES for the Portfolio.

RESOURCES & LEISURE PORTFOLIO - RESOURCES

The proposed September programme update totals **£13,476,000**. This can be compared to the previous February update total of **£12,274,000** resulting in an increase of **£1,202,000**, which represents a percentage variance of **9.8%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	Later £000	Total £000
Proposed	1,739	4,001	872	312	285	13,476
Previous	2,762	2,695	550	0		12,274
Variance	-1,023	1,306	322	312	285	1,202

PROGRAMME CHANGES:**RES 1 –Office Accommodation (Total budget change £1,093,000 decrease)****Gold Scheme – £23,407,000 Scheme Budget****Overall RAG Status GREEN****Schedule RAG Status GREEN****Budget RAG Status GREEN**

The project is nearing completion with a forecast under spend reported to Cabinet on 15th July 2014. The budget decrease of £1,093,000 reflects two virements from this scheme to enable new schemes to be set up within the Resources and Leisure Portfolio capital programme. On 18th March 2014 Cabinet approved a virement of £351,000 to a new scheme Civic Centre Clock Tower, followed by a further virement of £742,000 approved by Cabinet on 15th July 2014 to a new scheme Works to Enable Accommodation Strategy.

RES 2 – Works to Enable Marland House Vacation (Total budget change £1,095,000 decrease)**Gold Scheme – £105,000 Scheme Budget****Overall RAG Status GREEN****Schedule RAG Status GREEN****Budget RAG Status GREEN**

The project is now complete with a forecast under spend previously reported to Cabinet on 15th July 2014. The budget decrease of £1,095,000 reflects a virement of the forecast underspend to enable a new scheme to be set up within the Resources and Leisure Portfolio capital programme. This virement was approved by Cabinet on 15th July 2014

RES 3 – Civic Centre Clock Tower Repairs (Total budget change £351,000 increase)**Gold Scheme – £351,000 Scheme Budget****Overall RAG Status GREEN****Schedule RAG Status GREEN****Budget RAG Status GREEN**

As detailed above this new scheme was approved by Cabinet on 18 March 2014, to enable essential repairs to the Civic Centre clock tower to be undertaken.

RES 4 – Works to Enable Accommodation Strategy (Total budget change £1,837,000 increase)**Gold Scheme – £1,837,000 Scheme Budget****Overall RAG Status GREEN**

Schedule RAG Status GREEN
Budget RAG Status GREEN

As detailed above this new scheme was approved by Cabinet on 15 July 2014 to enable the next phase of the Accommodation Strategy to cover future accommodation changes as set out in detail in the report to Cabinet at that time.

RES 5 –Desktop Refresh Programme (Total budget change £1,194,000 increase)

Gold Scheme – £1,194,000 Scheme Budget

Overall RAG Status GREEN
Schedule RAG Status GREEN
Budget RAG Status GREEN

This new scheme was added and approved by Council on 4 June 2014. Under the revised Strategic Services Partnership (SSP) contract the budget and management of the IT desktop refresh programme was removed from the contract and returned to SCC, the detail for which is set out in the SSP Contract – Proposed Contract Extension report to Council on 20th November 2013.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

There are no new major items of slippage over and above those items previously reported to Council on 16th July 2014 as part of the General Fund Capital Outturn report.

There are no corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends.

There are no corporate PROJECT ISSUES for the Portfolio.

RESOURCES & LEISURE PORTFOLIO - LEISURE

The proposed September programme update totals **£4,031,000**. This can be compared to the previous February update total of **£3,931,000** resulting in an increase of **£100,000**, which represents a percentage variance of **2.5%**.

The changes to the programme are shown in the following summarised table:

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	Later £000	Total £000
Proposed	618	2,860	425	50	78	4,031
Previous	984	2,686	144	117	0	3,931

Variance	-366	174	281	-67	78	100
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PROGRAMME CHANGES:

LS 1 – Guildhall Refurbishment (Total budget change £75,000 increase)

Bronze Scheme – £594,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Refurbishment works at the Guildhall funded by a contribution from Live Nation.

The Director of Place added £75,000 on the 25th February 2014 to the Guildhall Refurbishment project. This was funded from a contribution from Live Nation in order to carry out works on the toilets.

MAJOR ITEMS OF SLIPPAGE/RE-PHASING:

LS 2 – SeaCity Phase 2 (Slippage of £208,000 from 13/14 to 14/15)

Gold Scheme – £15,785,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status AMBER

Difficulties finalising contractor accounts

See LS 5 below.

LS 3 – Lordshill Playing Field Drainage (Slippage of £162,000 from 14/15 to 15/16)

Bronze Scheme – £185,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status GREEN

Budget RAG Status GREEN

Delay to project start date

Work is now due to start on site in April 2015 delaying spend on the project.

LS 4 – Guildhall Refurbishment (Slippage of £56,000 from 13/14 and rephasing of £67,000 from 16/17 to 15/16)

Bronze Scheme – £185,000 Scheme Budget

Overall RAG Status GREEN

Schedule RAG Status **GREEN**

Budget RAG Status **GREEN**

Re-prioritising of budget on stoneworks

There is an increased pressure on the budget for stoneworks within this project. To ensure this project completes on budget this has meant the reduction to other areas of the scheme and rescheduling of works accordingly.

CORPORATE FINANCIAL & PROJECT ISSUES:

The corporate FINANCIAL ISSUES for the Portfolio relating to significant over or under spends are:

LS 5 SeaCity Phase 2 (forecast over spend £358,000)

Gold Scheme – £15,785,000 Scheme Budget

Overall RAG Status **GREEN**

Schedule RAG Status **GREEN**

Budget RAG Status **AMBER**

Difficulties finalising contractor accounts

The Council is currently in negotiations with the contractor to settle any claims on the final account for the construction of the museum. The current forecast over spend is largely down to additional work required with regards to asbestos and the associated additional work and delays that this caused. Every effort is being made to identify whether it is still possible to deliver the scheme on budget and it is anticipated that after much delay this will be finalised in the coming months. Council approved provision in July 2012 for additional DRF funding as a prudent response to this likely pressure.

There are no corporate PROJECT ISSUES for the Portfolio.

MAJOR CHANGES IN CAPITAL RESOURCES SINCE THE FEBRUARY 2014 UPDATE

The main reasons for the resource changes are:

- **Unsupported Borrowing - £0.9M increase**
 - £0.7M Purchase of vehicles (rather than leasing)
 - £0.1M Sea City museum phase 2

- **Capital Receipts – £0.6M decrease**
 - £0.6M net decrease in forecast disposal receipts

- **Capital Contributions – £1.1M increase**
 - £0.5M North of Station
 - £0.6M Highways Improvements

- **Capital Grants – £8.3M increase**
 - £4.8M North of Station
 - £1.0M Primary School Expansions
 - £1.2M Schools Repairs & Maintenance
 - £0.8M Disabled Facilities Grants
 - £0.5M other various net increase

- **Revenue from Balances - £0.2M increase**
 - £0.2M Purchase of vehicles (temporary financing)

- **Revenue from Portfolios - £1.6M increase**
 - £1.2M Desktop Refresh Programme
 - £0.4M other various net increase

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