

COUNCIL MEETING

Wednesday, 19th November,
2014

To Follow the Extraordinary
Council Meeting at 2:00pm

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

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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.

PUBLIC INVOLVEMENT

Questions:-

People who live or work in the City may ask questions of the Mayor, Chairs of Committees and Members of the Executive. (See the Council's Constitution ref Part 4 Council Procedure Rules 10.8)

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. Any member of the public wishing to address the meeting should advise the Democratic Support Officer (DSO) whose contact details are on the front sheet of the agenda.

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. (See the Council's Constitution ref Part 4 Council Procedure Rules 10.1)

Deputations:- A deputation of up to three people can apply to address the Council. A deputation may include the presentation of a petition. (See the Council's Constitution ref Part 4 Council Procedure Rules 10.7)

MEETING INFORMATION

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

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.

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

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

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

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

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, 11 November 2014

TO: ALL MEMBERS OF THE SOUTHAMPTON CITY COUNCIL

You are hereby summoned to attend a meeting of the COUNCIL to be held on WEDNESDAY, 19TH NOVEMBER, 2014 in the COUNCIL CHAMBER CIVIC CENTRE to follow the Extraordinary Council meeting at 2:00pm. when the following business is proposed to be transacted:-

1 APOLOGIES

To receive any apologies.

2 MINUTES (Pages 1 - 16)

To authorise the signing of the minutes of the Council Meeting held on 17 September 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 17 - 24)

Report of the Leader of the Council, attached.

6 MOTIONS

(a) Councillor Letts to move:

Council notes with concern, proposals by the Southampton City CCG to temporarily suspend services at the Bitterne Walk-in Centre.

The City Council registers alarm at the present crisis confronting the City's healthcare system directly as a consequence of Government austerity policy. A position made worse by the unnecessary reorganisation of the NHS a re-organisation which cost £16,000,000 in this city.

Council notes that this resource would have been enough to both keep the walk in centre open and improve community services to reduce hospital admissions.

Council calls upon its representatives to work with the CCG, Solent Healthcare and other care providers to create a more workable model for a modern, integrated primary care system which enables patients – especially on the east side of the city – to see their GP at times when it is convenient to them including weekends and evenings.

Council calls on the CCG to keep the walk in centre open until a suitable out of hours GP based service can be delivered.

(b) Councillor Pope to move:

Proposals under the Transatlantic Trade and Investment Partnership (TTIP) to govern trade relations between the EU and USA are currently being negotiated. While TTIP offers the potential to unlock US markets for EU businesses, including those from Southampton, there are legitimate concerns from the public, NGOs, the GMB, Unite and Unison unions and other parts of civic society such as 38 Degrees.

These concerns include a lack of transparency in the negotiations, a lack of sufficient regulation, a lack of democracy in dispute resolution and challenges by private interests to Southampton City Council, national and supra-national governments (e.g. via Investor-State Dispute Settlement), threats to local public services and ethical procurement provided Southampton City Council, and TTIP easing the path to privatisation of the NHS from the Coalition Government such as the Health and Social Care Act 2012.

TTIP also threatens local Southampton businesses and residents from predatory companies that undermine employment rights, environmental rights and the benefits of their employment to Southampton residents.

Council therefore RESOLVES to call upon the Leader of the Council to write to the Prime Minister, Deputy Prime Minister, the Department of Business, Innovation and Skills, and all South East MEPs, asking them to ensure that TTIP does not include an extension of ISDS and will not threaten the NHS, and to follow Shadow Health Minister Andy Burnham's example in stating publicly that they would protect the NHS from TTIP if an appropriate deal is not reached.

Council also RESOLVES to respond to the European Ombudsman Own-Initiative Inquiry on Transparency in TTIP, and any future similar public inquiry, outlining the above potential threats to this Council's ability to lead Southampton's communities with social, environmental, ethical and economic initiatives, and the threats to Southampton's local businesses and partners.

(c) Councillor L Harris to move:

This Council endorses the original purpose and intent of the establishment of the Southampton Sports Centre and Golf Course, as enshrined in the following text:

“The provision of outdoor facilities for the benefit of all the residents of Southampton was the brainchild of Sir Sidney Kimber who proposed “to

create for the present and future generations another civic centre – an outdoor sports and recreation centre - - large, central, compact, beautifully situated for the use of thousands of both sexes, young and old, robust and frail, rich and poor, for the provision of all known outdoor games, which centre is bound to promote health, enjoyment and happiness to untold numbers; and, as the years roll on and the population multiplies enormously, will prove to be one of the outstanding assets of a town and port destined for unrivalled supremacy.”

The Council urges the Executive to reject any non sport or leisure related proposals to develop land within the boundaries of the Sports Centre and Golf Course, regardless of whether it is currently accessible by members of the public.

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 MEMBERS' ALLOWANCE SCHEME (Pages 25 - 40)

Report of the Head of Legal and Democratic Services seeking to review Members' Allowances, having regard to the recommendations of the Independent Remuneration Panel, attached.

10 REVIEW OF POLLING DISTRICTS AND POLLING PLACES (Pages 41 - 64)

Report of the Director of Corporate Services detailing the review of Polling Districts and Polling Places, attached.

11 LOCALISM ACT 2011 - PROPOSAL FOR A PAN-HAMPSHIRE MEMBERS' CODE OF CONDUCT (Pages 65 - 78)

Report of Head of Legal and Democratic Services seeking approval for a pan-Hampshire Members' Code of Conduct, attached.

12 OFSTED INSPECTION AND ACTION PLAN (Pages 79 - 170)

Report of the Director, People detailing the Ofsted Inspection and Action Plan, attached.

13 CORPORATE PARENTING COMMITTEE ANNUAL REPORT 2013-14 (Pages 171 - 206)

Report of the Cabinet Member for Safeguarding outlining activity in relation to the range of statutory activities of the council and its corporate parenting activity and the impact on outcomes for looked after children and care leavers, attached.

14 THORNHILL DISTRICT HEATING SCHEME (Pages 207 - 232)

Report of the Cabinet Member for Housing and Sustainability detailing the Thornhill District Energy Scheme, attached.

15 TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS MID YEAR REVIEW 2014 (Pages 233 - 258)

Report of the Chief Financial Officer regarding the Treasury Management Strategy and Prudential Limits Mid Year review, 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.



M R HEATH
Director of Corporate Services

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SOUTHAMPTON CITY COUNCIL

MINUTES OF THE COUNCIL MEETING HELD ON
17 SEPTEMBER 2014

Present:

The Mayor, Councillor Mrs Blatchford
The Sheriff, Councillor Norris
Councillors Baillie, Barnes-Andrews, Bogle, Burke, Chaloner, Chamberlain, Claisse, Daunt, Denness, Fitzhenry, Galton, Hammond, Hannides, B Harris, L Harris, Hecks, Inglis, Jeffery, Kaur, Keogh (minutes 46 onwards), Letts, Lewzey, Lloyd, Mintoff, Morrell, Moulton, Noon, O'Neill, Dr Paffey, Painton, Parnell, Payne, Pope, Rayment, Shields, Smith, Spicer, Stevens (minutes 46(ii) Q2 onwards to item 51 and minutes 53 onwards), Thomas, Tucker, Vassiliou, Whitbread and White

43. APOLOGIES

Apologies for absence were submitted on behalf of Councillors Coombs, McEwing and Thorpe.

44. MINUTES

RESOLVED that the minutes of the Council meeting held on the 16th July 2014 be approved and signed as a correct record.

45. ANNOUNCEMENTS FROM THE MAYOR AND LEADER

(i) Minute's Silence

The Mayor referred to the tragic death in August of a social worker in the child protection team. Roopesh Nawarkhele was involved in an accident whilst on holiday in India and did not survive. He and his wife were killed. Members stood for a minute's silence in remembrance.

(ii) National Construction Skills Award

The Mayor announced that for the second year running, the Skills and Regeneration Team had been awarded the National Construction Industry Skills award for the best Local Authority. The award had been made in recognition of their innovation and the outcomes from their work with developers in the City to enable people to obtain jobs and training opportunities.

(iii) Music in the City

Members noted that Music in the City, Southampton's live music event, would be held on the 4th and 5th October, 2014. The Sheriff thanked all those Councillors and Officers, who through their help and support, had contributed to the event.

46. DEPUTATIONS, PETITIONS AND PUBLIC QUESTIONS

- (i) The Council received the following Public Questions from Mr Smith. Mr Geering and Ms Ridehalgh were in attendance for this item. Councillor Barnes-Andrews, Cabinet Member for Resources and Leisure, gave the following response:

Question 1.

Following the 25% cut in funding for the Council Tax Reduction Scheme what is the current status of the Scheme?

Answer

The 25% reduction in the Council Tax Reduction Scheme was implemented with effect from the 1st April 2014. In March 2014 the Council Tax bills were sent to all households in Southampton, and where a tax payer was entitled to receive CTRS, their bill was reduced to reflect their entitlement.

Question 2

What details does the Council possess on non-payment of Council Tax in Southampton?

Answer

The Council is aware of all tax payers who are in arrears of Council Tax, and maintains a full record of the action taken or underway to collect their outstanding payments

Question 3

What is the current state of the Council's Discretionary Council Tax Reduction Fund?

Answer

A sum set aside for the 2014/15 financial year for the discretionary fund is £200,000. As at the end of August, the number of successful applicants is 935, and there remains a sum of £37,000 in the fund.

- (ii) The Council received the following Public Questions from Mr Geering. Ms Watts, Mr Tudor, Ms Field and Mr Jukes were in attendance for this item. Councillor Rayment, Cabinet Member for Environment and Transport, gave the following response:

Question 1

How did the Council ensure that you adequately gathered and considered information about the disabled people affected by the cuts to local bus passes to enable a proper, informed view about the impact on equality and the risks of discrimination? What evidence did the Council use to properly assess the full impact on disabled people? For example, did you seek information from Spectrum or other local representative disability groups?

Answer

To assess and understand the direct impact of reverting to the national concessionary bus pass scheme for Disabled People, information gathered as part of the application process to assess eligibility based on disability was used. Additional information requested included age, gender, ethnicity and postcode. This information was used to inform the Equality and Safety Impact Assessment and the Cumulative Impact Assessment completed at the time.

Question 2

Regarding the impact on disabled people, how has the Council given proper consideration to the extent, nature and duration of that impact?

Answer

As per the previous response, the information gathered as part of the application process provided a profile of those currently in receipt of a pass and therefore directly affected by the proposal. This customer profile information, alongside local statistics on health and disability, was used to understand and consider the direct and wider impacts of the proposal on existing customers and to enable the identification of actions to help mitigate any negative impacts. From this we were able to identify the number and profile of disabled people affected by this proposal. The cumulative impact of the budget proposals on disabled people was also considered in the Cumulative Impact Assessment.

Question 3

Where there is a negative impact, how have you given consideration to how that could be eliminated or at least mitigated and can you detail what mitigation is offered to the significant number of disabled who do not meet the national criteria?

Answer

Given the financial context, the proposal was to revert to the national scheme and therefore the mitigating action of signposting individuals to the national scheme reflected our conclusion that in this case and for this proposal, the negative impacts were likely to be limited and where such impacts occurred, we considered them to be justified in the wider social

and resource context having regard to the need to prioritise key and essential services within Council resources. We considered these actions to be reasonable and proportionate. As the consultation feedback did not identify any specific issues or concerns about the changes to the disabled bus passes, we did not amend the mitigating action.

47. 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.

Arising from the Executive Business report, the Cabinet Member for Health and Adult Social Care clarified that the wording contained in paragraph 13 of the report could have been made clearer in respect of Woodside Lodge Residential Home. Whilst the Council was consulting on the re-provision of services with a view to recommendations in due course coming forward, one of the options might include closure, however this might not be the only option that would be recommended to Council once the consultation period had been concluded.

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

1. Library Review

Question from Councillor Moulton to Councillor Barnes-Andrews

What is the latest regarding the Administration's Library Review?

Answer

Substantial progress has been made in undertaking the Needs Assessment and reviewing possible options for the future of the service. The intention is to seek agreement from Cabinet in October to consult on the future of the service and to commence the consultation during November 2014.

2. Fly Tipping

Question from Councillor Moulton to Councillor Rayment

Given the amount of fly tipping in Freemantle at the moment what measures are being taken to tackle the problem?

Answer

Fly tipping takes many forms across the whole city from a misplaced bag of refuse to organised criminal activities involving the disposal of trade and domestic waste.

Every effort is made to deal with the many cases of fly tipping reported through Action Line each year. In 2013/14 Southampton's street cleansing teams

attended and cleared almost 2,500 reports of fly tipping, 78% of which were cleared within one working day of notification. Almost 4,000 further cases of fly tipping were spotted and removed by street cleansing teams in the course of their regular rounds.

Enforcement plays a part where there is evidence of serious and organised fly tipping activity. Not all cases of fly tipping occur on land owned or maintained by the City Council. In such instances the Regulatory and City Services teams take appropriate action to ensure that landowners play their part in keeping the city clean. Work is also done with private landlords and agents to ensure that they recognise that the proper disposal of waste is part of their management responsibilities.

The Recycling Centre at the City Depot is also well used by city residents providing facilities for the proper disposal of domestic waste therefore cutting down fly tipping. Changes to be made to the charges for the Bulky Household Collection Service are also designed to encourage residents to arrange for the proper collection and disposal of items such as furniture, mattresses etc. that may otherwise be fly tipped.

Residents are encouraged to dispose of their waste responsibly and to report fly tipping incidents to Action line so that prompt action can be taken help keep the city clean and discourage further fly tipping.

3. City Centre Bridleway

Question from Councillor Moulton to Councillor Rayment

What is the Administration's policy regarding the possible disposal to Network Rail of the Council owned bridleway that runs from Millbrook Station into the City Centre?

Answer

There is no actual policy regarding disposal, however Network Rail and SCC are currently looking at options around the requirements of Network Rail to extend their facilities in the Millbrook area, the implications of this and alternative options for the rights of way provision. A usage survey of the existing Rights of Way has been undertaken by Network Rail.

4. Excessive Use Of Lettings Boards

Question from Councillor Claisse to Councillor Rayment

At the March Council Meeting it was agreed that the Executive make full use of the powers available to curb the excessive use of lettings boards across the City. Could the Cabinet Member give us an update on the progress made so far?

Answer

The planning enforcement and HMO Licencing teams have been working closely together to progress this issue. The teams are also engaging with more than 50 Lettings Agents and other stakeholders.

In 2014/15 to date 260 letting boards have been removed. An additional HMO officer has been recruited and this additional resource will assist in tackling the issue of lettings boards.

5. Cycling In Pedestrian Areas And Illegal Parking

Question from Councillor Claisse to Councillor Rayment

In March last year this Council expressed concern at dangerous incidents of cycling in pedestrian areas and illegal parking on yellow lines. The Council called on the Executive to continue to support greater options for our cycling networks, raise these issues with the Police and Crime Commissioner and refresh existing joint strategies, whilst further exploring the range of powers available to the local authority. What have been the practical improvements made as a consequence of these commitments?

Answer

With regard to the Council's commitment to support greater options for cycling networks, the Council continues to invest and develop its cycle routes with the aim of providing safe, convenient cycle routes that encourage cycling within the City for shorter journeys. The 2014/15 capital programme included work to a key part of the Eastern Cycle route corridor from the Itchen Bridge to Central Bridge and the Platform Road highway capacity improvements which includes a new cycleway.

In addition, plans are underway to enhance the Western Corridor cycle route between the City and Totton/ New Forest, with improvements to parts of the route along Second Avenue expected to be made early in the 2015/16 financial year.

Engineering design work is also underway to progress the proposed North-South cycleway, which will utilise "Lovers Walk" footpath and connect the Highfield area with the city centre. Delivery of these strategic cycle route corridors will be dependent on the Council securing additional cycle infrastructure funding and taking advantage of any other funding opportunities that become available.

The Council continues to work with the Police on all aspects of Highway Safety including issues associated with cycling in pedestrianised areas. Where dangerous cycling does occur it would be a matter for the Police to enforce, however the Council supports this through education and awareness campaigns. The Council also takes these issues into account in designing and delivering high quality public realm schemes.

The Council continues to enforce illegal parking on double yellow lines. Our efforts are targeted on key problem areas to ensure the best use of Council resources.

6. Direct Payments

Question from Councillor Claisse to Councillor Shields

In 2012/13 within SCC Adult Social Care, the total number of clients receiving direct payments was 615 representing 6.6% of all adult social care service users. This compares to 15.6% in other Unitary Authorities. What was the position for 2013/14?

Answer

In 2013/14 within SCC Adult Social Care, the total number of clients receiving direct payments was 583 representing 6.8% of all adult social care service users. This compares to 19.1% in other Unitary Authorities.

The Council is working with SPECTRUM Centre for Independent Living to support people to take up direct payments. SPECTRUM has recently launched a new direct payments website <http://www.directpaymentsouthampton.info> for information and fact sheets on all aspects of direct payments and management of personal assistants (PAs).

Direct payments cannot by law be used to purchase services provided by the Council and it has become apparent during the ongoing consultation on the future of day services that there is a general lack of understanding and knowledge of direct payments, especially among carers. One of the co-production workgroups is working to address this, which complements Adult Social Care's review of direct payments to ensure that the process is as straightforward as possible.

7. Safeguarding Children In The City

Question from Councillor Smith to Councillor Chaloner

In light of the shocking revelations in Rotherham and the failure of all the agencies involved, what assurances can the Cabinet Member give to the public that these heinous acts are not being perpetrated against children in Southampton?

Answer

The City Council and its partners take the matter of Child Sexual Exploitation (CSE) seriously and arrangements to address CSE in the city and the wider region are in place. It is now widely understood that CSE exists in every village, every town and every city in the country. The recent Ofsted inspection found there to be good awareness of, and responses to, the risks faced by children and young people across the City.

Alongside all of our services having experienced training and awareness raising in this area we have a dedicated social worker, co-located with the police, who undertakes direct work, assessments and monitoring of children and young people at risk of child sexual exploitation. This specialist worker has supported 23 children since April 2014. A number of investigations remain ongoing and

multi-agency working and disruption strategies are leading to young people being protected and perpetrators being prosecuted.

All reports of children and young people who go missing from care are scrutinised by the police, and young people who may be vulnerable to sexual exploitation are referred to the Missing, Exploited and Trafficked Group (MET) a sub group of the LSCB. 'Safe and well' visits are undertaken by police when a child returns to their placement. In addition, independent 'return home' interviews are undertaken via a contract with a voluntary sector provider, but information sharing from these interviews and ensuring missing children are effectively and robustly supported is not as effective as it could be.

We recognise these deficits and are reviewing commissioning and contract monitoring arrangements for this service and ensuring that arrangements for missing children are further enhanced within our improvement plan.

Further information in relation to our strategy that has been in place this year can be found here:

<http://southamptonlscb.co.uk/childsexualexploitation/>

8. Freemantle Community Centre

Question from Councillor Parnell to Councillor Shields

Has there been any communication between the Administration and the Trustees of the Freemantle Community Centre regarding the possible changes in Day Care Services?

Answer

Yes, an invitation to attend consultation meetings for partners and providers about the possible changes was sent to the Trustees.

Les Grafton, Deputy Chair of the Trustees, attended the first meeting held on 1 September 2014 and fed back his views, which will be incorporated in the consultation response.

The next meeting for partners and providers is scheduled for 2 October 2014 at 10.00am in Committee Rooms 1 and 2 at the Civic Centre. The Trustees are invited to attend this meeting also and, or, to feedback any further views on the proposals using the methods publicised on the Council's website.

To date, two meetings have also been held for carers of individuals using Day Care Services at Freemantle Community Centre and another is planned. Full details of these and the public meetings are available on the Council's website.

There have also been some informal exchanges on the contribution of the Community Centre to improving local community wellbeing between the Cabinet Member and individual Trustees before and during the concurrent exercise looking at ideas for a 'co production model' for Day Care Services.

9. Circulation of GCSE and A Level results

Question from Councillor Moulton to Councillor Jeffery

Please can the Cabinet Member ensure that all Councillors are sent the full breakdown of Key Stage 2, GCSE and A Level results by school, promptly after the data becomes available? In recent years this has not happened for some reason.

Answer

Of course we will provide the information when available.

In accordance with Council Procedure Rule 12.9 Questions 10 – 12 were unable to be submitted due to the timeframe allotted for this item.

48. MOTIONS

Councillor Moulton moved and Councillor Galton seconded:

“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”.

UPON BEING PUT TO THE VOTE THE MOTION WAS DECLARED NOT CARRIED

RESOLVED that the motion be **not** approved.

NOTE: Councillor Parnell declared a personal interest in the above matter, in view of his involvement as a founder member of the Millbrook Christian Centre and remained in the meeting during the consideration of the matter.

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

The following questions were submitted in accordance with Council Procedure Rule 11.2

1. Membership and Responsibilities

Question from Councillor L Harris to Councillor Lewzey, Chair of the Planning and Rights of Way Panel

Can you please explain the reasons why Councillor Shields who is not a member of the Planning Panel and has not been so for over a year, and who also has never acted as Chair of that Panel in the past, was parachuted onto the Panel and then acted as Chair, when the properly elected and appointed Deputy Chair of the Panel, Councillor Lloyd, was present and it was known that she was going

to be present and was in attendance. Why was no apology given for the absence of the appointed and regular Chair of the Panel, Councillor Lewzey?

Answer

The vice chairs of Planning Panels had not yet received training in chairing meetings and so it was decided to arrange a chair with planning knowledge and experience of chairing complex meetings. Training has been arranged for vice chairs and it is intended that each vice-chair will take the chairing role of the Planning Panel in the future if the chair must give apologies.

I did give my apologies and I'm sorry that the reasons had not reached all panel members. I was at the graduation ceremony for my youngest child at Leeds University, which I hope would be seen as a satisfactory reason to give apologies.

2. Officer Attendance

Question from Councillor L Harris to Councillor Lewzey, Chair of the Planning and Rights of Way Panel

Why is the case officer of each planning application now never present and the cases are all presented by one planning officer on everyone's behalf. This presenting officer will not have all the background information we might ask about, nor be able to find or have access to information as the office will be closed.

Answer

With the implementation of evening meetings, it is not considered an efficient use of time, for case officers to be on call for these items in case detailed questions should arise. Team Leaders are briefed in advance of the meetings and members are welcome to request information or ask questions of the case officer prior to the Panel meeting.

3. Temporary Resignations from Panels

Question from Councillor L.Harris to Councillor Lewzey, Chair of the Planning and Rights of Way Panel.

On the Agenda for the Planning Panel on Tuesday 16th September 2014 it states as follows:

"Item 10 apologies

It was noted that following receipt of the temporary resignation of Councillor Lewzey from the Panel, the Head of Legal and Democratic Services, acting under delegated powers, had appointed Councillor Shields to replace him for the purposes of this meeting.

As Councillor Lewzey had temporarily resigned for the purposes of this meeting, the Panel was required to appoint a Chair.

Resolved that Councillor Shields was elected Chair for the purposes of this meeting, the Panel was required to appoint a Chair."

Can you explain exactly what this means, as the term temporarily resigned is not clear? Why did the Vice-Chair not take over automatically? And as a person present at this meeting, I can recall none of this being discussed or disclosed at the time of the meeting.

Answer

The issue of the substitution of members on committees is not defined within legislation so common law conventions have grown up nationally over the years.

To avoid any confusion if a member is not able to make a meeting and the political party still wishes to retain its full allocation of voting members the convention is that prior to the meeting the member temporarily resigns from the committee, this automatically creates a vacancy and under the political proportionality rules this can only be filled by another elected member from the same party. There is no need for any of this to happen at committee, it is all done prior to the meeting and is a long standing operational convention used by all parties from time to time.

Post committee the reverse happens to reappoint the standing member.

Please see the answer to Question 1 in relation to the part about the Vice-Chair.

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

It was noted that Councillor Noon had replaced Councillor Spicer on the Health and Overview Scrutiny Panel and that Councillor Whitbread had replaced Councillor Jeffery as the Council's representative on South East Employers.

51. OVERVIEW AND SCRUTINY: SUMMARY OF CALL IN ACTIVITY

It was noted that there had been no use of the call-in procedure since last reported to Council.

52. LATE NIGHT LEVY - CONSIDERATION OF CONSULTATION RESPONSES

The report of the Head of Legal and Democratic Services was submitted detailing the responses to the consultation on the proposal to introduce a Late Night Levy to Southampton (copy of report circulated with the agenda and appended to signed minutes).

RESOLVED

- (i) That the introduction of a Late Night Levy as detailed in the report be approved;
- (ii) That pursuant to section 132(1) of the 2011 Act:

- 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 past 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 resolution (iii) 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.
- (iii) That the Head of Legal and Democratic Services be granted 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).
- (iv) That it be noted 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.

NOTE: Councillor Stevens declared a disclosable pecuniary interest in the above matter, as a current licensee and left the meeting during the consideration of the matter;

NOTE: Councillor Barnes-Andrews declared a personal interest in the above matter, by virtue of his former employment as a licensee, and Councillor Parnell declared a personal interest as a founder member of the Street Pastors organisation, and both remained in the meeting during the consideration of the matter.

53. ELECTORAL CYCLE

The report of the Director, Corporate Services was submitted detailing the consultation arrangements that should be undertaken prior to the Council deciding which options should be approved in regard to the electoral cycle (copy of report circulated with agenda and appended to signed minutes).

Amendment moved by Councillor Moulton and seconded by Councillor Smith:

Recommendation (ii)

That the consultation process set out in this report be approved

ADD after "report"

"be approved, subject to the inclusion of the following questions:

- Whether the Cabinet and Leader model should be replaced with an Elected Mayor;
- Whether the number of councillors should be reduced by one third, and
- Whether the current electoral cycle should be replaced with biennial elections."

The amended recommendation to read:

- (ii) That the consultation process set out in this report be approved, subject to the inclusion of the following questions:
- Whether the Cabinet and Leader model should be replaced with an Elected Mayor;
 - Whether the number of councillors should be reduced by one third, and
 - Whether the current electoral cycle should be replaced with biennial elections.

UPON BEING PUT TO THE VOTE THE AMENDMENT WAS DECLARED CARRIED

UPON BEING PUT TO THE VOTE THE RESOLUTIONS IN THE REPORT AS AMENDED WERE DECLARED CARRIED

RESOLVED

- (i) That the Director of Corporate Services be authorised to consult on the principle 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 the report be approved, subject to the inclusion of the following questions:
- Whether the Cabinet and Leader model should be replaced with an Elected Mayor;
 - Whether the number of councillors should be reduced by one third, and
 - Whether the current electoral cycle should be replaced with biennial elections.
- (iii) That an Extraordinary 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.

54. CHANGES TO EXISTING REVENUE AND CAPITAL BUDGETS

The report of the Cabinet Member for Resources and Leisure in consultation with the Chief Financial Officer was submitted setting out changes to existing Revenue and Capital budgets (copy of report circulated with agenda and appended to signed minutes).

RESOLVED

- (i) That the results of the Consultation process outlined in Appendix 1 to the report be noted;
- (ii) That the Equality Impact Assessment process that was followed as outlined in paragraphs 6 to 8 of the report be noted;
- (iii) that the efficiencies, income and service reductions as set out in Appendix 2 to the report be approved;
- (iv) that the high level forecast for the General Fund for 2013/14 to 2015/16 as detailed in paragraphs 22 to 24 of the report be noted;
- (v) that the position in relation to City Catering as set out in paragraph 18 of the report be noted;
- (vi) that Delegated authority be granted 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; and
- (vii) that Delegated authority be granted to the Chief Financial Officer, in consultation with the Director of Corporate Services, to do anything necessary to give effect to the above resolutions.

55. HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2014/15 – 2018/19

The report of the Cabinet Member for Housing and Sustainability was submitted updating the Housing Revenue Account (HRA) Capital Programme and detailing changes since the last update in February 2014 (copy of report circulated with agenda and appended to signed minutes).

RESOLVED

- (i) That the revised Housing Revenue Account (HRA) Capital Programme set out in Appendix 1 to the report be approved: and
- (ii) That the use of resources to fund the HRA Capital Programme, as shown in Appendix 3 to the report, be approved.

56. THE GENERAL FUND CAPITAL PROGRAMME 2013/14 TO 2016/17

The report of the Chief Financial Officer was submitted detailing the General Fund Capital Programme from 2013/14 to 2016/17 (copy of report circulated with agenda and appended to signed minutes).

RESOLVED

- (i) That the revised General Fund Capital Programme, which totals £144.0M (as detailed in paragraph 4 to the report) and the associated use of resources be approved;
- (ii) that the changes to the programme as summarised in Appendix 2 and described in detail in Appendix 3 of the report be noted;
- (iii) that the portfolio programme changes, slippage and re-phasing and financial and project issues as described in detail in Appendix 3 to the report be noted;
- (iv) that a sum of £250,000 be added to the Environment and 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) that a sum of £350,000 be added to the Environment and 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) that a sum of £4,185,000 be added to the Environment and 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) that 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, be approved (other funding of £440,000 is already included in the capital programme);
- (viii) that it be noted 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) that it be noted 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) that it be noted 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; and
- (xi) that the financial and project issues which are set out in paragraphs 29 to 33 of the report and detailed in Appendix 3 to the report for each Portfolio be noted.

DECISION-MAKER:	COUNCIL		
SUBJECT:	EXECUTIVE BUSINESS		
DATE OF DECISION:	19 NOVEMBER 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 September 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

Not applicable.

DETAIL (Including consultation carried out)

INTRODUCTION

2. This report highlights the contribution of different portfolios towards the council's priorities since the last council meeting on 17th September 2014.
3. Among the many important things we are responsible for here at the council, promoting local democracy is one of the big ones. We are consulting about possible changes to the electoral cycle and asking residents what they think the appropriate number of councillors should be and their thoughts on having an elected Mayor for Southampton.
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 following:
 - City Council employees have been nominated in three categories for the Social Worker of the Year awards. Congratulations to Sarah Holden, finalist in the 'innovative and creative practise' category for her work in play therapy, Theresa de Olivera for her nomination for 'newly qualified social worker of the year' and to Aishea Ziya and her team at the Behaviour Resource Centre who are up for team of the year. This is a fantastic result, not just for the nominees but for the service as a whole and the council.
 - The Head of the Drugs and Alcohol Unit in the Home Office, visited

Southampton to see the effects of the Licensing Act 2003 in practice and to discuss various issues with those involved in delivering the regulation and working under it. Following a guided tour of our major night-time economy areas (the Above Bar and Bedford Place/London Road cumulative impact policy areas) and discussions with key stakeholders he indicated that he was very impressed with the partnership work within the city and the initial feedback from the trade was also very positive.

- The Polygon School have successfully achieved the International School Award. This is the culmination of 18 months of work by the school to embed the themes of internationalism and globalism which has resulted in an enriched curriculum and starting pupils on the road towards learning about their community and the wider world.

JOBS FOR LOCAL PEOPLE

5. At its meeting on 21st October 2014, Cabinet approved the sale of the former Town Depot Site, now known as Chapel Riverside to developer Inland Homes. The 3.6 hectare site, north of the Itchen Bridge, is a key waterfront site for the city and through the development agreement the council and developer are signing the site will be transformed into a complex featuring marine sector businesses, creating up to 700 new jobs, a mixture of 350 houses and flats and a new park.
6. Public consultation on initial designs is set to be launched next year, with a planning application expected to be submitted in 2016. Work could then begin on site in early 2017. This development, alongside the former Meridian site, where a planning application has now been submitted, will act as a catalyst for the transformation of the Itchen Riverside.
7. The first phase of works to rejuvenate Southampton's Station Quarter is almost complete. The finishing touches are now being made to the 9 month long programme of works that has seen a complete refresh of footpaths and roads north of Central Station into the city centre.
8. Work to enable phase two is now underway and, subject to a final agreement being approved with Government in the coming weeks, funding will be available to enable the next phase of improvements. This will include the creation of an amphitheatre style events area that will provide a permanent home for the Station Quarter Farmers Market. Other changes will include improved traffic management, as well as new pedestrian crossings and advanced stop lines for cyclists. The improvements will result in better connectivity and a more pleasant environment.
9. Solent Skills Festival 2014 took place at the City Cruise Terminal on Wednesday 22nd October 2014. The event, organised by Solent Education Business Partnership with support from the council and the European Social Fund, provided school students, parents and carers with an opportunity to access information on careers and local industries. The event provided a

platform to promote apprenticeships in Southampton with a number of local apprenticeship providers, including businesses and colleges, in attendance. As part of the Apprenticeship Action Plan the council are committed to the creation of 6,600 new apprenticeships in the city over the next three years.

PREVENTION AND EARLY INTERVENTION

10. To promote healthy living and ways to keep in shape Central Library hosted a Health Fayre on 16th October 2014. Residents were invited to learn how to do breast and testicular checks, have their blood pressure read and find out their lung age. Members of 14 charities and retail shops were in attendance to offer help and advice to members of the public on a wide range of health issues.

PROTECTING VULNERABLE PEOPLE

11. In support of World Mental Health Day on 10th October 2014 information about mental health and local services was displayed in the Civic Centre foyer. There was also an event at Sembal House organised by Southampton Service User Network and Creative Options, featuring talks from people with real experience of mental health problems, afternoon tea and a performance by the Recovery Choir. It is hoped that events such as these will promote greater understanding and will be a force for good in helping to remove the stigma that's still attached to mental health. The Health and Wellbeing Board will host a major local conference on the mental health challenges facing the City, with full backing from Southampton Connect, on 4th December 2014.
12. The Council was informed at its previous meeting that following a change in the rules for the pay for performance element of the Better Care Fund (BCF), a revised submission had to be made to the Department of Health by 19th September 2014. The revised submission has been now been assessed through a National Consistent Assurance Review process and assessed as "Approved with support". This very positive assessment means that the local plan is recognised as being strong, with few areas for improvement that, when addressed, will secure full approval from NHS England later this year. Discussions on the City's BCF bid also took place with the Cabinet Office Policy Implementation Unit on 30th October 2014 which elicited further positive feedback.

GOOD QUALITY AND AFFORDABLE HOUSING

13. A report is on the Cabinet agenda for decision on 18 November 2014 seeking agreement in principle for proposals for a further Designation in Southampton of a Licensing Scheme for Houses in Multiple Occupation (HMOs) for the electoral wards Freemantle, Shirley, Millbrook and Bassett. This would be for all HMOs and is considered to be a proportionate response to proactively improving property standards and management in HMOs in this area. The report seeks approval to initiate a twelve week consultation on these proposals with residents, landlords and others.

14. The Council has been successful in obtaining substantial funding from the Department of Energy and Climate Change (DECC) to support the development of the Thornhill District Energy scheme. This is the 3rd round of funding through DECC's Heat Networks Delivery Unit (HNDU) and almost £2.4 million has been offered to 32 local authorities across England and Wales to support the development of heat network projects, designed to provide more efficient heat to buildings and potentially lower heating bills. The £215,000 award to the Council for the Thornhill project was one of the highest received for this round of funding.

SERVICES FOR ALL

15. To continue to deliver modal shift away from the private car to other forms of transport, develop supporting infrastructure to promote walking and cycling and deliver a 'Freight Traffic Control' system Cabinet, at its meeting on 21st October 2014, agreed to accept £996,500 of revenue grant from the Department for Transport (DfT) Local Sustainable Transport Fund (LSTF). This funding will enable us to deliver a further years' extension to the Southampton Sustainable Travel City programme currently being delivered in the city that has, since the start of the programme, seen a 12% increase in the number of daily cycling trips and reduced daily vehicle traffic by over 3%.
16. We have announced plans to improve the condition of Southampton's residential roads. £4million will be spent each year for the next ten years on long-term repairs to the city's road surfaces. To help inform the council residents were encouraged to send in suggestions for roads that are most in need of improvement in Southampton. The road improvement programme will be announced later in the year following analysis of resident feedback.
17. A report on the Future Transformation of the Southampton Library Service is on the Cabinet agenda for decision on 18th November 2014. The report represents the start of a journey of transformation for the Library Service. The ultimate aim being to develop and deliver a comprehensive and efficient service which is modern, creative, innovative, inclusive and affordable that reflects the changing needs of the Southampton community.
18. The report proposes key priorities, shaped by the strategic context of the city and the council but also key drivers for change including changes in customer behaviour and information technology. It is proposed to run an extensive consultation process, giving people the opportunity to make representations on the proposal and offer alternatives for consideration. The feedback from the consultation will be evaluated and where appropriate, amendments will be made to the existing proposals and any alternatives put forward will be assessed before the final recommendations are submitted to Cabinet for decision in July 2015. The implementation of any changes to the Library Service will follow thereafter.

CITY PRIDE

19. At the Cabinet meeting on 21st October 2014 we approved the revised Planning Enforcement Policy. The policy has been updated to reflect the National Planning Policy Framework. An important component of the revised policy is that it clearly sets out what customers (complainants and those complained about) can expect from the service, the procedures that will be followed and the possible outcomes flowing from those procedures. To help promote the revised policy a guidance leaflet will be produced and made available to the public.
20. No city could run smoothly without the generosity of volunteers. One great example of this is the 'Love Thornhill' volunteer litter picking team who were out in force on Saturday 11th October and picked up half a truck load of litter. It's an all-age group activity, the youngest participant was 5 years-old and the oldest was 90. The team, led by the churches of Thornhill, heads out three times a year and is open to anybody who wants to lend a hand.
21. To help mark the 50th anniversary of City Status a firm fixture in the City's cultural calendar, Music in the City, returned over the weekend of 4th and 5th October 2014. Thousands of music lovers flocked to 15 venues across Southampton, including God's House Tower, the City's medieval vaults and steam ship SS Shieldhall to watch 120 acts perform. The festival was rounded off by a concert at the City Art Gallery which featured the City of Southampton Orchestra, Southampton Philharmonic Choir, Flautissimo and the Courtyard Quintet.

A SUSTAINABLE COUNCIL

22. The council's new website went live on 8th October 2014 and I am sure you'll agree that it's a huge improvement on what we had before. We have used the feedback from focus group with customers to change some of features. The new site is focused on transactions, with better search options, more services available online and improved smartphone and tablet access to reflect the changing requirements of our customers. The new, more user friendly site will help the council to reduce costs whilst also meeting the needs of residents, many of whom expect to be able to access information and services digitally. This is the first stage and there will be more improvements to come.
23. The new look Gateway opened its doors on 13th October 2014. The service has been remodelled to allow customers to complete their transactions more quickly and easily saving them valuable time. The new Gateway is filled with new technology and more innovative ideas continue to be rolled out to promote self-serve, improve our customers' experience and achieve savings.
24. The council is in the process of looking at our priorities, outcomes, processes and resources, and designing a new Operating Model. Operating Models help organisations to decide how best to integrate working practices, improve performance, establish areas for investment, and explore different operational options based on their merit in order for us to deliver our

priorities and key outcomes within our financial constraints.

25. Developing a new way to operate will not be easy. It will challenge the way we think and the way we have previously done things. To help us think through this challenge we have commissioned KPMG who are working with the Cabinet, the Council's Management Team and Heads of Service to develop a model which will enable us to deliver the Council Strategy 2014-2017 within significantly reduced resources. These developments reflect the council's commitment to become a modern, efficient organisation focussed on and valued by its customers.
26. A report on the General Fund Revenue Budget 2015/16 to 2017/18 will be presented to Cabinet on 18 November 2014 for decision. The report will summarise the current budget position and outline the initial draft budget and council tax proposals of the Executive for 2015/16 which will be used as the basis for consultation with a range of stakeholders over the coming months.
27. The results of the consultation exercise will be reported alongside the Executive's final proposals which will be presented to Cabinet on 10 February 2015 and recommended to Council on 11 February 2015.

RESOURCE IMPLICATIONS

Capital/Revenue

N/A

Property/Other

N/A

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

As defined in the report appropriate to each decision.

Other Legal Implications:

POLICY FRAMEWORK IMPLICATIONS

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)

DECISION-MAKER:	GOVERNANCE COMMITTEE COUNCIL		
SUBJECT:	MEMBERS' ALLOWANCE SCHEME		
DATE OF DECISION:	17 NOVEMBER 2014 19 NOVEMBER 2014		
REPORT OF:	Head of Legal and Democratic Services		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Richard Ivory, Head of Legal and Democratic Services	Tel: 023 8083 2794
	E-mail:	richard.ivory@southampton.gov.uk	
Director	Name:	Mark Heath, Director of Corporate Services	Tel: 023 8083 2371
	E-mail:	mark.heath@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

N/A

BRIEF SUMMARY

Under the Local Government (Members Allowances) (England) Regulations 2003, local authorities are required to have Independent Remuneration Panels for the purpose of reviewing their schemes of Members' Allowances. Southampton City Council is required to review its scheme by September 2015 at the latest and have regard to the recommendations of the Independent Remuneration Panel.

RECOMMENDATIONS:

GOVERNANCE COMMITTEE

- | | | |
|--|-----|--|
| | (i) | To consider and comment on the recommendations of the Independent Remuneration Panel as set out on in the Panel's report (attached as appendix 1). |
|--|-----|--|

COUNCIL

- | | | |
|--|-------|--|
| | (i) | To consider the recommendations of the Independent Remuneration Panel as set out in the Panel's report (attached as Appendix 1); |
| | (ii) | To make any amendment to the Council's Constitution accordingly; and |
| | (iii) | To thank the members of the Independent Remuneration Panel for their work in reviewing the Members' Allowance Scheme. |

REASONS FOR REPORT RECOMMENDATIONS

- | | |
|----|---|
| 1. | Under the Local Authorities (Members Allowances) (England) Regulations 2003, Southampton City Council is required to have an Independent Remuneration Panel review the Members' Allowance Scheme within 4 years of the date that the scheme was approved. |
|----|---|

2.	Council last reviewed and approved the Members' Allowance Scheme on 14th September 2011. The Basic and Special Responsibility Allowances have not been revised since the scheme was approved in 2007.
3.	Council has a duty to have regard to the recommendations of the Independent Remuneration Panel when making or amending the scheme of allowances.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
4.	Council is required to approve a Members' Allowance Scheme by September 2015 in order to comply with The Local Authorities (Members' Allowances) (England) Regulations 2003. The options are:- (i) to approve the report of the Independent Remuneration Panel (ii) to amend the recommendations of the Independent Remuneration Panel (iii) to reject the recommendations of the Independent Remuneration Panel and consider alternative proposals.
DETAIL (Including consultation carried out)	
5.	The attached report (Appendix 1) of the Independent Remuneration Panel details the reasons and rationale for the recommendations made by the Panel.
6.	The Council is required by law to appoint an Independent Remuneration Panel, established for the purpose of considering the Members' Allowances, prior to making any decision to amend, revoke or replace the existing scheme of allowances. The recommendations of the Independent Remuneration Panel which met three times during October 2014 are set out in Appendix 1.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
7.	If all the recommendations set out in the report are implemented with a commencement date of 1 st April 2015, this will result in an ongoing annual saving of £15,000 from 2015/16. However this figure will need to be re-calculated if any variation or partial implementation is approved and the budget impact amended accordingly.
<u>Property/Other</u>	
8.	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
9.	Local Authorities (Members' Allowances) (England) 2003
<u>Other Legal Implications:</u>	
10.	None
POLICY FRAMEWORK IMPLICATIONS	
11.	None

SUPPORTING DOCUMENTATION

Appendices

1. Report of the Independent Remuneration Panel

Documents In Members' Rooms

1. None

Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.

No

Other Background Documents

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

Title of Background Paper(s)

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

1. None



**A REVIEW OF
MEMBERS' ALLOWANCES
FOR
SOUTHAMPTON CITY COUNCIL**

**THE REPORT BY THE
INDEPENDENT REMUNERATION PANEL**

NOVEMBER 2014

**South East Employers
2 Crown Walk
Jewry Street
Winchester
Hampshire
S023- 8BB**

FOREWORD

This report has been produced for Southampton City Council as part of the Council's requirement to receive independent advice from its statutory advisory panel on members' allowances. The membership of the Panel was David Gilani (Chair) Student Engagement Officer, University of Southampton, Mark Palmer, Development Director, South East Employers, Kevin Liles, Chair of Southampton Voluntary Services and Ellie Cawthera, Vice President Engagement, University of Southampton Students' Union.

The Panel would also like to record its gratitude to the Members and Officers of Southampton City Council who were interviewed or provided information for the Panel's consideration.

Mark Palmer
Member of the,
Independent Remuneration Panel

1. Introduction and Terms of Reference

A review of the Southampton City Council Members' Allowances Scheme was conducted by the Independent Remuneration Panel at the request of the council in response to the requirement that all Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their members' allowances scheme. The Panel was convened under The Local Authorities' (Members' Allowances) (England) Regulations (SI 1021) ("the 2003 Regulations")

The Panel met on the 23rd September, 2nd and 7th October 2014. The Panel interviewed the following Members and Officers as part of the review:

- Councillor Catherine McEwing – Chair of the Employment Panel
- Councillor Simon Letts- Leader of the Council
- Mark Heath – Director of Corporate Services
- Dawn Baxendale- Chief Executive
- Councillor Jeremy Moulton- Chair of the Overview and Scrutiny Management Committee
- Councillor Royston Smith- Opposition Group Leader and Leader of the Conservative Group
- Councillor Warwick Payne- Cabinet Member for Housing and Sustainability

Councillor Morrell (Group Leader- Councillors Against Cuts) was invited to interview but chose to decline the invitation.

2. Work of the Panel

The remit of the Panel was to consider and review the Members' Allowance scheme. The Panel in particular reviewed the Allowance scheme in relation to the following:

- Basic Allowance
- Special Responsibility Allowances (SRA's)
- Allowances for Co-opted and Independent members of the Council committees and panels
- Criteria for travel and subsistence claims that needed to be reviewed.
- Communications allowance including telephone, broadband, mobile communications, IT hardware and software.
- Carers Allowance
- Matters related to the Member Allowance scheme that may be raised during the review process

The Panel requested information from officers to assist the review. Members were invited to give their views to the Panel on the allowance rates, ratios and differentials in the SRA's and other matters they wished to raise. Much of the consultation of the Members was undertaken by Group Leaders and shared with the Panel during the interview process.

The Panel met on three occasions and in coming to its recommendations, took into account the following:

- Current Members' Allowance Scheme
- The Local Authorities (Members' Allowances) (England) Regulations 2003
- Comparison data with similar unitary Councils regionally and nationally
- The role and responsibilities of the ward Member and those roles attracting a SRA
- Feedback from Members
- Councillor Census data produced by the Local Government Association (LGA). 2013 Census of Local Authority Councillors

- Comparison data in respect of the National Minimum Wage (NMW), The Living Wage (LW), Average Weekly Earnings and the National Joint Council (NJC) for Local Authorities pay rates/percentage increases.
- Other relevant information to support the Panels considerations and recommendations

3. Summary of recommendations

Following close consideration of the issues arising from their interviews with Members and Officers and other detailed information provided the Panel make the following recommendations:

- **Basic Allowance**

The Basic Allowance should be linked to the Living Wage (LW) as determined by the Living Wage Foundation. The current rate of the LW is £7.85 per hour (outside of London). The level of the LW is determined on an annual basis with the latest review having taken place on 3rd November 2014 as part of Living Wage Week. The Basic Allowance should be calculated on the basis of a non-Executive Member undertaking up to 27 hours on Council and group business.

The weekly hours are based using the Census of Local Authority Councillors 2013 (Local Government Association) which states that Councillors reported spending an average of 25.1 hours on council/group business and in metropolitan districts this increased to 30.9 hours. The recommendation of the Panel is based on a figure between 25.1 hours (that includes all councils including second tier districts and boroughs) and 30.9 hours for large urban metropolitan districts e.g. Leeds and Manchester MBC's.

The Basic Allowance based on the above criteria would be as follows £7.85 x 27 hours x 52 weeks = **£11,021.40**. This will be reviewed on an annual basis in line with the LW.

- **Special Responsibility Allowances (SRA's).**

The Special Responsibility Allowance (SRA'S) ratios should remain unchanged e.g. Leader of the Council 2 x Basic Allowance. The SRA's should be adjusted in line with changes to the Basic Allowance.

The Chair of Governance Committee should be added to the list of allowances for other committees. The Chair of Governance Committee should receive an SRA equal to the Chairs of other committees that is currently set at **0.5 x Basic Allowance**.

The criteria for determining the allowance for **Opposition Group Leaders** should be changed so that the level of allowance better reflects the size/number of Members in each group. The Panel recommends that a formula be introduced that is based on the number of Members within each Opposition Group.

Opposition Group Leaders should therefore receive an SRA equal to 1/24th of the Basic Allowance multiplied by the number of Members within the Group. The figure of 24 has been chosen as it is half (50%) of the current total of Council Members (48 Members). This approach ensures that the SRA for Opposition Group Leaders is never more than that of a Cabinet Member (i.e. an amount equal to the Basic Allowance). The approach is both equitable and will lead to financial savings from what is currently spent on SRA's for Opposition Group Leaders.

The figures will be as follows £11,021.40 divided by 24 = **£459.23 per Group Member**. Based on the current Council political composition this will be equate to the following level of allowance:

- Conservative Group Leader - £459.23 x 18 Members = **£8266.14**
- Councillor's Against Cuts Group Leader- £459.23 x 2 Members = **£918.46**

- **Co-opted Member/Independent Persons Allowance**

The Co-opted Member/Independent Persons Allowance to be de- linked from the National Minimum Wage and to be increased in line with National Joint Council (NJC) pay awards.

The allowance is **£643.80** and is calculated on the basis of members working for up to 3 weeks at 37 hours per week on an hourly rate based on the 2007 National Minimum Wage. The Panel were of the view that the figure of £643.80 should remain but it be separated from the National Minimum Wage and any future increases be linked to the NJC pay awards for Local Government Employees (A pay award is currently pending and is likely to be 2.2% from 1st January 2015 to 31st March 2016) .

- **Carers' Allowance**

The Panel are of the view that the current allowance for Carers' of a maximum of £15.00 per day is no longer fit for purpose and should be replaced by a more realistic allowance. The Panel recommend that the Carers' Allowance be increased so that claims can be made up to that of the **Living Wage £7.85 per hour** on provision of receipts. Payment will be made for actual approved Councillor Duties only and will also include reimbursement of payment for travel time.

- **Communications Allowance**

The current allowance for telephone line rental and broadband (£10.20 per month line rental/ £15.00 per month line rental and broadband) should continue until the Councils Transformation Review of Communications is completed. Once a new framework for Council Communications is in place then the Council should request that the Panel consider an appropriate set of allowances to cover all aspects of communication e.g. telephone line rental, broadband, IT hard ware/software and mobile communications.

All other elements of the Members' Allowances scheme to remain unchanged

4. Implementation of Recommendations

As permitted by the 2003 Members' Allowances Regulations (paragraph 10.6) it is recommended that the new Members' Allowances scheme as recommended in this report be implemented by the 1st April 2015.

5. Considerations and Recommendations of the Panel

A. Basic Allowance

The Members' Allowance scheme was last reviewed in August 2011 with the report been considered by Council in September 2011. Many of the Panels recommendations were either not accepted or amended by Members.

The Council had decided to use the National Minimum Wage (NMW) as the basis of the Basic Allowance, based on a 37 hour week, with the SRA's being proportional to the Basic Allowance. Although the use of the NMW as the basis for calculating the Basic Allowance had been sustainable concern was expressed by the Panel that the current

allowance was still based on the NMW rate of 2009 and the Basic and SRA's had not increased in line with the increase in the NMW.

The Panel are of the view that the NMW is no longer the best criteria for determining the Basic Allowance and that a more appropriate criteria for determining the Basic Allowance is the Living Wage (LW). The Council is currently in the process of negotiating the use of the LW for Council employees and is also committed to encouraging employers across the city to commit to the LW as a basis for 'fair' pay. The use of the LW as the basis for determining the level of Basic Allowance will provide a medium term and sustainable approach for the Members' Allowance scheme.

Whilst the Panel appreciated that the current link to the NMW was based on a 37 hour week the Panel did not feel that this reflected the actual number of hours that a non-Executive Member should be undertaking to effectively carry out the role. Although it was acknowledged that the actual number of hours undertaken would be different for each Member and would be determined by the ward represented and other responsibilities e.g. other employment or caring responsibilities; it was felt that 37 hours was excessive.

The view of the Panel in relation to the weekly hours was supported by both feedback from the interviews and also the findings of the Census for Local Authority Councillors 2013 (LGA). The Census reported that the average number of hours per week on council, group and party business was 25.1 hours. This figure increased to 30.9 hours for Members in large metropolitan councils e.g. Sheffield, Manchester and Leeds and fell to 20.6 hours in shire district councils. As a mid size unitary 'all purpose' council the Panel are of the view that 27 hours per week is a good basis for determining the Basic Allowance.

The recommended Basic Allowance for the Council also compares favourably with other mid size unitary councils. (The figures are based on 2013/14 Basic Allowances).

Council	Basic Allowance (£'s)
Brighton & Hove	11,463
Bristol City	11,530
Coventry City	13,001
Derby	9,976
Doncaster	12,120
Hull City	12,337
Milton Keynes	9,962
Plymouth City	10,044
Portsmouth City	10,302
Southampton City	11,021 (Recommended Basic Allowance)
Stoke- on –Trent	11,876
Sunderland City	8,369
Wakefield MBC	11,095

Recommendation: That the Basic Allowance be calculated based on the use of the LW currently **£7.85 per hour** (2014-15). The LW is currently reviewed on an annual basis during Living Wage Week (first week in November each year). The Basic Allowance to be calculated on the basis of Members' undertaking an average of **27** hours per week on

council, group and party business. The recommended Basic Allowance is £7.85 x 27 hours x 52 weeks = **£11,021.40**.

B. Special Responsibility Allowances

The Panel noted that the Council had determined to base the SRA's using a multiplier of the Basic Allowance. The Panel continues to support this approach as the basis for calculating the level of SRA's to be paid.

The Panel also continues to support the current multipliers for the following roles:

Leader of the Council	-	2 x Basic Allowance
Cabinet Member	-	1x Basic Allowance
Chair of Employment	-	0.5 x Basic Allowance
Chair of OSMC	-	0.5 x Basic Allowance
Chair of Planning	-	0.5 x Basic Allowance
Chair of Licensing	-	0.5 x Basic Allowance
Chair of Health Panel	-	0.25 x Basic Allowance

Chair of Governance Committee

The Panel considered the allowance for the Chair of Governance Committee that since been set up has had no allowance and is currently not included in the scheme of allowances. When the Committee was first developed the Chair was the Mayor and therefore there was no SRA entitlement. However, in the last few years following statutory changes the Chair has become a Member and the Panel are therefore of the view that the role of Chair of Governance Committee should receive a SRA at a rate similar to the other main committees.

Recommendation: That the Chair of Governance Committee receive a SRA equal to the other main committees, **0.5 of the Basic Allowance, £5,510.70**.

Chair of Children and Families Scrutiny Panel

The Panel are aware that the Overview and Scrutiny Management Committee had in October 2014 approved the setting up of a Children and Families Scrutiny Panel for 2 years to provide robust scrutiny of Children and Family services. The Panel should lead to a strengthening of the political scrutiny of these sensitive and complex areas; and ensure that the necessary rigour to the scrutiny of Children and Families is undertaken.

The Panel recommends that the Chair of Children and Families Scrutiny Panel receive a SRA comparable to the Health Scrutiny Panel, 0.25 x Basic Allowance.

Recommendation: The Panel recommends that the Chair of Children and Families Scrutiny Panel receive a SRA 0.25 X Basic Allowance **£2,755.36**.

Opposition Group Leaders

The current allowance for Opposition Group Leaders is currently 0.75 x Basic Allowance £8,369.40 and the Panel are of the view that the allowance for Opposition Group Leader needs to better reflect the size of the political group. The Panel recognise that it is a critically important role to organise, manage and develop a political group and the role also supports local democracy and local accountability.

However, the complexity of the role of Opposition Group Leader is impacted by the size of political group that the Leader has to oversee. In the recent past the size of the political group

was less of an issue since the main opposition groups were of roughly similar size, however this is no longer the case and the current two opposition groups are of a comparably different size.

The Panel are of the view that the Opposition Group Leader should receive a SRA based on the number of Members within the group and this should be based on a per Member payment. The Panel are also of the view that the Leader of the Opposition Group should not receive a SRA greater than that of a Cabinet Member (1x Basic Allowance) since the Cabinet Members are the key decision makers.

The Panel recommends that the Opposition Group Leaders should receive a SRA equal; to 1/24th the Basic Allowance multiplied by the number of Members within their group. The figure 24 is chosen as it is half (50%) the number of all Members (48 Members). This ensures that the SRA for Opposition Group Leader is never more than that of a Cabinet Member (i.e. an amount equal to 1 x Basic Allowance)

Recommendation: The Panel recommends that the SRA for the Opposition Group Leaders be based on the size of the opposition group. Each Opposition Group Leader should receive an allowance equal to 1/24th the Basic Allowance multiplied by the number of Members within the Group. This will need to be reviewed after each election, by-election or should there be a vacancy in a ward or a defection to another party.

The current recommended Opposition Group Leader allowances are as follows:

Conservative Group Leader – 18 Members x £459.23 per Group Member = **£8,266.14**
Councillors Against Cuts Group Leader – 2 Members x £459.23 per Group Member = **£918.46.**

Deputy Leader

In accordance with the Local Government and Public Involvement in Health Act 2007, the Council Leader is required to appoint a Deputy. The Panel considered whether a SRA should be paid to the Deputy Leader.

Recommendation: The Panel recommend that as the role of the Deputy Leader has always been a Cabinet Member and has received a SRA for the Cabinet Member role then their should be no separate allowance for the role of Deputy Leader.

C. Co-optees' and Independent Persons Allowance

There are currently co-optees on two committees who are entitled to the allowance of **£643.80** per annum. The two committees are:

- Governance Committee- There are two co-opted independent members of the Committee who are members of the public , openly recruited to serve a three year term
- Overview and Scrutiny Management Committee (OSMC) – There are four co-optees, two church representatives and two governor representatives who are only entitled to vote on educational matters. The appointments are statutory but changes to the committee structure have impacted on the nature and level of their participation.

The Panel are of the view that the current allowance of £643.80 for the co-optees should be left unchanged but the basis by which the allowance is calculated should be changed. The current Co-optee allowance is calculated based on the equivalent of three weeks of the NMW, with a week based on 37 hours. The level of allowance is based on the NMW rate at 2007 and has not been increased in line with the increase in the NMW. The Panel are of the view that the link between the Co-optee allowance and the NMW should be broken as it has failed to be up rated in line with the NMW. The Co-optee allowance should no longer be

linked to the NMW but should be increased in line with the NJC pay award for Local Government Employees.

Recommendation: The current rate of the Co-optee allowance should continue at **£643.80** per annum but the link to the NMW should be broken. Future increases in the Co-optee allowance should be linked to the NJC pay award for Local Government Employees. It is anticipated that this will lead to an increase in the Co-optees allowance of 2.2% for the period 1st January 2015 to 31st March 2016

The Localism Act 2011 specifies that “Arrangements” should be adopted by the Council for dealing with allegations that a Member may have breached the Code of Conduct. Provision should be made for the appointment of a **Designated Independent Person**. The Council currently has two Independent Persons that receive an allowance of **£643.80 per annum**. The allowance is the same as that of the Co-optees and is currently calculated on the same basis e.g. Three weeks of the NMW at 37 hours per week.

Recommendation: The current rate of the Designated Independent Persons Allowance should continue at **£643.80** per annum but the link to the NMW should be broken. Future increases in the Designated Independent Persons Allowance should be linked to the NJC pay award for Local Government Employees.

D. Carers Allowance

The Council currently has a structure of allowances for carers that is both insufficient, out of date and as a result is not widely used by Members. The Panel are aware that there was a significant difference in how the Council support staff with childcare responsibilities (e.g. childcare vouchers funded from employees’ gross salary) and that there was no staff scheme for a carers’ allowance. Therefore based on the existing and out of date rates, the maximum amount that could be paid for childcare currently does not exceed £15 per day and this is the provision in the current Members’ Allowances scheme.

The Panel are of the view that this is an insufficient amount for a Member with caring responsibilities to undertake the ‘approved duties’ of an Elected Member. The current Carers’ allowance could also act as a barrier to members of the public considering standing for Council if the cost of care is not wholly or mostly met by the Council.

With regard to the Carers’ allowance the Panel are of the view that the allowance should meet a significant amount of the cost for care that is charged by the commercial organisations, based on an hourly rate.

Recommendation: The current allowance of £15 per day to be replaced with an allowance based on an hourly rate. The hourly rate for supporting care responsibilities should be linked to the **Living Wage, currently £7.85 per hour**. Payment for caring responsibilities will support all current ‘Approved Duties’ for claiming expenses and will be reimbursed on production of receipts to a maximum of the rate of the LW £7.85 per hour. The allowance payment will also cover the travel time incurred by the Member in carrying out approved duties.

E. Communications

The Council’s current policy and approach to communications that includes telephone, mobile communication, broadband and IT software and hardware is currently been reviewed as part of the Council’s Transformation Programme. The recommendations of the review of communications will apply to both Council employees and Elected Members.

The current Members' Allowances scheme in respect of communications is the same as that provided for employees; telephone line rental is reimbursed at a rate of £10.20 per month and for Members that have both a telephone line rental and internet broadband access the maximum payment is £15.00 per month.

The Panel are of the view that the current allowance in terms of its scope e.g. the current lack of an allowance for and the provision of a mobile/ smartphone and/or a lap top or tablet computer was unacceptable and could be a barrier to a Member carrying out the role effectively.

However, the Panel are aware of the current review of communications as part of the Transformation Programme and recognise that at the moment it would not be right to make any changes to the current scheme of allowances until the review recommendations have been agreed and implemented. Once the review recommendations have been agreed and implemented the Panel would like to meet to determine a more appropriate set of allowances to cover all aspects of communication.

Recommendation: The current allowance of **£10.20 per month** for telephone line rental and **£15.00 per month** for telephone line rental and broadband to remain unchanged until the approved recommendations of the Transformation Programme in respect of communications are implemented. Once the recommendations of the Transformation Programme review are implemented then the Panel will reconvene to recommend a more relevant and up to date approach to allowances to support all aspects of modern communication.

F. Travel and Subsistence.

The Members' Allowances scheme reimburses travel by car at the HMRC Approved Mileage Allowance Payment. Subsistence rates for undertaking 'Approved Duties' are adjusted in line with the rate for City Council employees. The Panel **recommends** that the current approach to travel and subsistence rates continues and is adjusted in line with the rate for Council employees.

6. Implementation of the Recommendations

As permitted by the 2003 Members' Allowances Regulations (paragraph 10.6) it is recommended that the new Members' Allowances scheme as recommended in this report is implemented from 1st April 2015.

Appendix 1

Recommendations of the Panel – Members' Allowance Scheme

Allowance Scheme	Current Allowance (£) 2009 rate payable	Recommended Allowance (£)	Recommended Allowance Calculation
Basic Allowance	11,159.20	11,021.40	Living Wage x 27hours x 52 weeks
Leader of the Council	22,318.40	22,042.80	2 x Basic Allowance
Cabinet Member	11,159.20	11,021.40	1 x Basic Allowance
Chair of Employment	5,579.60	5,510.70	0.5 x Basic Allowance
Chair of Planning	5,579.60	5,510.70	0.5 x Basic Allowance
Chair of Licensing	5,579.60	5,510.70	0.5 x Basic Allowance
Chair of OSMC	5,579.60	5,510.70	0.5 x Basic Allowance
Chair of Health Scrutiny Panel	2,789.80	2,755.36	0.25 x Basic Allowance
Chair of Children and Families Scrutiny Panel		2,755.36	0.25 x Basic Allowance
Opposition Group Leaders	8,369.40	459.23 per Group Member	Based on a per Group Member figure (1/24 th of the Basic Allowance)
Co-opted Member	643.80	643.80	To increase in line with NJC pay awards
Chair of Governance Committee (replaces Audit Committee Chair)		5,510.70	0.5 x Basic Allowance
Independent Persons (Two)	643.80	643.80	To increase in line with NJC pay awards
Carers Allowance	15.00 per day	7.85 per hour	To be linked to Living Wage. Per hour of approved duties plus travel time
Communications	15.00	15.00	Per month
Travel	45p	45p	HM Revenue and Customs Rate. Per mile for the first 10,000 miles

Note:

Basic Allowance = Living Wage x 27 hours per week x 52 weeks a year

DECISION-MAKER:	COUNCIL		
SUBJECT:	REVIEW OF POLLING DISTRICTS AND POLLING PLACES		
DATE OF DECISION:	19 NOVEMBER 2014		
REPORT OF:	DIRECTOR OF CORPORATE SERVICES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Matthew Yeo	Tel: 023 8083 2422
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STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

The purpose of this report is to place before Council the review of polling districts and polling places carried out in accordance with the obligations under the Electoral Registration and Administration Act 2013. The recommendations to Council have been compiled by the Electoral Registration Officer with input from a panel of Members representing all political groups on the Council. The recommendations together with background information are set out in detail in Appendix 3.

RECOMMENDATIONS:

- (i) That the recommendations in respect of the polling districts and polling places as set out in Appendix 3 be approved.

REASONS FOR REPORT RECOMMENDATIONS

1. There is a statutory obligation to complete this review by the 31st January 2015.
2. The recommendations brought forward following the statutory consultation process take into account the representations made and represent the recommendations of both the Electoral Registration Officer and the informal panel appointed to consider the representations.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. There was no alternative to undertaking this review
4. However, there is clearly a range of options in terms of the recommendations and the reason for putting the report to Full Council is that it is a matter for Full Council to determine. Full Council may decide not to agree with the recommendations set out in this report. However, if Full Council does choose to pursue alternative options in respect of any particular polling station, the implications of that may have an impact in, for example, the budget for conduct of local elections.

DETAIL (Including consultation carried out)

5. General Background

The Electoral Registration and Administration Act 2013 introduced a change to the timing of compulsory reviews of UK Parliamentary polling districts and polling places. The next compulsory review must now be started and completed between 1 October 2013 and 31 January 2015.

6. Subsequent compulsory reviews must be started and completed within the period of 16 months that starts on 1 October of every fifth year after 1 October 2013

7. The Role of the Returning Officer

The Council is required to consult the Returning Officer for every parliamentary election held in a constituency that is wholly or partly within its area. The Returning Officer is required to make representations to the relevant authority, which must include information as to the location of polling stations (both existing and proposed) within polling places (both existing and proposed). Within thirty calendar days of their receipt, the Council is required to publish the Returning Officer's representations as a minimum:

- at the relevant authority's office;
- at least one other conspicuous place in the area; and
- on the relevant authority's website.

8. Other Representations

In reviewing polling places, Southampton City Council is required to actively seek representations from such persons as it thinks have particular expertise in relation to:

- access to premises; or
- facilities for persons who have different forms of disability.

9. What is the difference between a polling district, a polling place and a polling station?

A polling district is a geographical sub-division of an electoral area, i.e. a UK Parliamentary constituency, a European Parliamentary electoral region, a ward or an electoral division.

10. A polling place is a geographical area in which a polling station is located. However, as there is no legal definition of what a polling place is, the geographical area could be defined as tightly as a particular building or as widely as the entire polling district.

11. A polling station is the actual area where the process of voting takes place, and must be located within the polling place designated for the particular polling district

12. Who is responsible for designating Polling Districts?

SCC, as a "relevant authority" in the UK is responsible for dividing its area into polling districts for UK Parliamentary elections for so much of any constituency as is situated in its area, and for keeping the polling districts under review.

13. For European Parliamentary elections, the same polling districts as designated for UK Parliamentary elections are to be used unless the relevant authority considers that there are special circumstances that make

alternative designations appropriate

14. For local government elections, a local authority may divide its designated electoral areas (i.e. wards or electoral divisions) into polling districts
15. Although there is no requirement to sub-divide local government electoral areas into polling districts, it is recognised good practice to do so. When doing so, every effort must be made to ensure that the polling district scheme for local government elections mirrors as closely as possible that agreed for parliamentary elections
16. Who is responsible for designating Polling Places?

Every relevant authority in the UK must designate a polling place for every polling district in the parliamentary constituency unless the size or other circumstances of the polling district are such that the situation of the polling stations does not materially affect the convenience of the electorate. The relevant authority must also keep the polling places under review.
17. Relevant authorities must:
 - a) seek to ensure that all the electors in the constituency have such reasonable facilities for voting as are practicable in the circumstances;
 - b) seek to ensure that so far as is reasonable and practicable, the polling places they are responsible for are accessible to all electors, including those who are disabled, and when considering the designation of a polling place, must have regard to the accessibility needs of disabled persons.
18. In addition, the polling place for a polling district must be within the area of the district unless special circumstances make it desirable to designate an area either wholly or partly outside of the polling district. The polling place must also be small enough to indicate to electors in different parts of the polling district how they will be able to reach their designated polling station.
19. Should a relevant authority fail to designate a polling place, the entire polling district will be classed as the polling place for that district.
20. Who is responsible for designating Polling Stations?

The Returning Officer for the particular election must provide a sufficient number of polling stations, and allot the electors to those polling stations in such manner as he or she thinks the most convenient.
21. The polling stations must be located within the polling places designated by the relevant authority. The election rules permit the Returning Officer to provide one or more polling stations within the same room, and must supply each with a sufficient number of voting compartments. The Representation of the People Act 1983, Chapter 2, Schedule 1, Part III also gives Returning Officers the right to select schools as venues for polling stations and places a duty on schools to provide the facilities required if asked to do so.
22. Evaluating the suitability of potential polling places

Regardless of the expert advice the relevant authority is required to seek, it is important that the accessibility needs of all voters are considered when designating polling places. There are a number of practical considerations that were taken into account to facilitate this process. They are set out in Appendix 2.
23. The process

In order to aid the process and enable Members to have early input into the recommendations now before Full Council, the Electoral Registration Officer/ Returning Officer recommended to Group Leaders that an informal steering group was established. This was done, and the group has met on a number of occasions to both consider the process, the representations received and the recommendations now contained in summary in Appendix 1, with full considerations in Appendix 3. The minutes of this panel have been placed on the Council's internet site, in accordance with the regulations.

24. The Timetable for the Review

- Statutory notice of the start of the review: 5th August 2014
- Comments from consultation: 16th September 2014
- Report to Council meeting: 19th November 2014
- Arrangements come into force from when the next revised voter's list is published: 1st December 2014

25. The Returning Officer's Representations

The Council is required to consult the Returning Officer in relation to the review, and the Returning Officer is required to make representations to the Council and within 30 days these are required to be published. The Returning Officer's representations were published at the outset of the review and are contained within the table, also incorporating representations and final summary recommendations, set out in Appendix 1, to this report.

26. The following considerations were taken into account by the Returning Officer when drawing up his proposals. Comments made during the consultations needed to keep these in mind, and Members will need to keep these in mind as well. The first two are required by electoral law, the others taken from previous reviews and are guidelines only, not strict rules or obligations:

- a. The Council must seek to ensure that all electors have such reasonable facilities for voting as are practicable in the circumstances.
- b. The Council must seek to ensure that so far as is reasonable and practicable, every polling place is accessible to electors who are disabled.
- c. Ideally, the Polling Place should be in its own polling district.
- d. No polling place should be shared by two wards.
- e. Where possible, "natural" boundaries should be used, e.g., railways, major roads, etc.
- f. All properties in a minor road or estate should ideally be in the same polling district.
- g. Polling Places should be "logical"; that is, electors should not have to pass another polling place to get to their own polling place.

27. The Panel's Recommendations

The panel met and considered the representations and formulated draft recommendations for each polling station. These are set out in the table in detail in Appendix 3.

28. Comments on the Review by the Returning Officer

- The Returning Officer is mindful of the fact that changing polling stations can cause confusion for electors and wishes to make it as simple as possible for every eligible elector to use their vote.
- Polling stations are assessed and steps are taken to improve accessibility for all members of the community. Where problems are drawn to the Returning Officer's attention, every effort is made to resolve them. At each election, polling staff are asked to report back on any difficulties encountered by electors and all such reports made over the last four years have been taken into account in drawing up the proposals.
- The Council should note that before the next periodic review, there is the possibility that electoral imbalances may trigger an electoral review by the Local Government Boundary Commission for England
- The impact of the guidelines from the Electoral Commission as to the numbers of voters that may be allocated to a single polling station means that many stations may over the life of this review reach capacity either as double stations, or as single stations in avenue that cannot be doubled up on. The alternative may well be local schools.

The Returning Officer agrees that the proposals offer the most reasonable and practicable voting facilities available. He is also satisfied that, where there are identified issues or concerns, despite efforts to identify better alternatives, they remain the best available option in their vicinities. However, these (and indeed all) locations will be kept under review, outside this process, and better options will be brought forward as and when they become available.

29. Rights of Appeal

The Electoral Commission's role is to consider representations and observations that a relevant authority has not conducted a review so as to:

- meet the reasonable requirements of the electors in the constituency, or a body of them, (i.e., the reasonable requirements of a particular area of the authority have not been satisfactorily met);
- or take sufficient account of the accessibility to disabled persons of polling stations within a designated polling place;

30. The Representations of the People Act 1983 sets out who may make those representations, namely:

- in England, any parish council which is wholly or partly situated within the constituency;
- not less than 30 registered electors in the constituency (although electors registered anonymously cannot make such a representation);
- any person (except the Returning Officer) who made representations to the authority when the review was being undertaken; and
- any person who is not an elector in the constituency in the authority's area who the Commission feels has sufficient interest in the accessibility of disabled persons to polling places in the area or has particular expertise in relation to the access to premises or facilities of disabled persons.

31. In addition, the Returning Officer may make observations on any representations made to the Commission.

32. The Electoral Commission is required to consider any such representations and observations and after doing so may direct the relevant authority to make any alterations it sees necessary to the polling places designated by the review. Should an authority fail to make the alterations within two months of the direction being given, the Commission may make the alterations itself.

RESOURCE IMPLICATIONS

Capital/Revenue

33. CAPITAL - None
34. REVENUE - There will be no revenue implications of this review based on the recommendations set out in Appendix 3. Should Members choose to pursue other options, e.g., increasing the number of temporary polling stations; that may have a revenue implication on the elections budget, as the cost of providing a temporary polling station is considerably greater than hiring or paying the costs of hiring a suitable hall.

Property/Other

35. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

36. Section 17 Electoral Administration and Registrations Act 2013 (and Regulations).

Other Legal Implications:

37. The Representation of the People Act 1983, Chapter 2, Schedule 1, Part III

POLICY FRAMEWORK IMPLICATIONS

38. None

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED: All, however individual impacts in each ward as detailed in Appendix 3

SUPPORTING DOCUMENTATION

Appendices

1. Review Summary Sheet
2. Practical considerations for accessibility
3. Representations & considerations

Documents In Members' Rooms

1. None

Equality Impact Assessment

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

Other Background Documents

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

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1. None	

Ward	Polling District	Parliamentary Constituency	Local Govt. Electors	Polling Place	Status	Stations Required	Returning Officer's Proposals and other considerations	Panel Recommendations	
Bargate	AA	Southampton Itchen	2821	Sembal House Handel Terrace Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	2	Continue to use but review situation each year following new Halls of Residence being built. Polling Place has capacity for 2 polling stations.	Continue with current polling district and polling place
Bargate	AB	Southampton Itchen	1049	Central Baptist Church Hall Devonshire Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bargate	AC	Southampton Itchen	2468	Orchard Lane Church Hall Orchard Lane Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bargate	AD	Southampton Itchen	2396	James Street Church Hall James Street Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bargate	AE	Southampton Itchen	1453	St Johns Primary School And Nursery French Street Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp Required if split 2 stations	1	Kept under annual review due to school closure	No alternatives available. Continue with current polling district and polling place
Bargate	AF	Southampton Itchen	4087	Solent Sky Museum Albert Road South Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp Police visits 3 stations	2	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bassett	BA	Romsey and Southampton North	2970	St Michaels & All Angels Church Hall Bassett Avenue Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	2	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bassett	BB	Romsey and Southampton North	1188	Bassett Green Court Bassett Green Village Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bassett	BC	Romsey and Southampton North	1003	Kings Church Centre Junction Coxford Road/Dunkirk Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bassett	BD	Romsey and Southampton North	1324	Sure Start Bassett/Lordswood Hollybrook Junior School Seagarth Lane Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bassett	BE	Romsey and Southampton North	2362	All Saints Church Winchester Road Southampton	Transport Accessibility Security Capacity	No issues 3ft Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bassett	BF	Romsey and Southampton North	2450	Cantell Maths and Computing College (Community Room) Violet Road Southampton	Transport Accessibility Security Capacity	No issues No issues Guard to facilitate access 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bevois	CA	Southampton Test	2344	Avenue Hall At Avenue St. Andrews URC The Avenue Southampton	Transport Accessibility Security Capacity	No issues Supplied Temporary Ramp Police visits 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place

Ward	Polling District	Parliamentary Constituency	Local Govt. Electors	Polling Place	Status	Stations Required	Returning Officer's Proposals and other considerations	Panel Recommendations	
Bevois	CB	Southampton Test	2355	Bevois Town Primary School (Community Room) Cedar Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations, may lead to closure	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bevois	CC	Southampton Test	1675	Edmund Kell Unitarian Church Hall Bellevue Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bevois	CD	Southampton Test	1770	Newtown Youth Centre Graham Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp Police visits 2 stations would lead to additional security requirements	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bevois	CE	Southampton Test	1888	Lighthouse Christian Centre Marys Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bevois	CF	Southampton Test	1276	Northam Community Centre Kent Street Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp Police visits 2 stations would lead to additional accesibility requirements	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne	DA	Southampton Itchen	1543	Thornhill Youth Centre Upper Deacon Road/Bitterne Rd East Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne	DB	Southampton Itchen	2705	St Christopher's Church Hall Pepys Avenue Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	2	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne	DC	Southampton Itchen	1675	Kanes Hill Primary School (Community Room) Hinkler Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations, may lead to closure	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne	DD	Southampton Itchen	2029	The Hightown Centre Tunstall Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations may lead to additional accesibility requirements	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne	DE	Southampton Itchen	2699	Scout HQ, 17th Itchen South Scout Group Stanford Court, Sullivan Road Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp No issues 2 stations	2	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne Park	EA	Southampton Itchen	1390	Bitterne Park Baptist Church Hall Wellington Road Southampton	Transport Accessibility Security Capacity	No issues 2 X 3ft Temporary Ramp No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne Park	EB	Southampton Itchen	1877	Bitterne Park School New Sixth Form Building Dimond Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being.	Continue with current polling district and polling place

Ward	Polling District	Parliamentary Constituency	Local Govt. Electors	Polling Place	Status	Stations Required	Returning Officer's Proposals and other considerations	Panel Recommendations	
Bitterne Park	EC	Southampton Itchen	1551	Townhill Park Community Centre Meggeson Avenue Southampton	Transport Accessibility Security Capacity	No issues No issues Police visits 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne Park	ED	Southampton Itchen	1752	All Hallows Church Hall Witts Hill Southampton	Transport Accessibility Security Capacity	No issues 3ft Temporary Ramp No issues 1 station	1	Future of building still uncertain	Continue with current polling district and polling place.
Bitterne Park	EE	Southampton Itchen	1266	Charlton House School 55 Midanbury Lane Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	Charlton House School no longer available. Alternative and available venue within the current polling district is the Church of Ascension on Thorold Road.	Continue with current polling district but move polling place to The Church of Ascension on Thorold Road
Bitterne Park	EF	Southampton Itchen	1209	Bitterne Manor Community Centre Vespasian Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Bitterne Park	EG	Southampton Itchen	1977	Bitterne Park URC Hall Cobden Avenue Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Coxford	FA	Southampton Test	1050	Sinclair Primary & Nursery School, Sinclair Road	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 1 station	1	Sinclair Primary & Nursery School was used temporarily in 2014. Zoe Braithwaite Play Centre has reopened. Recommend use as alternative to Sincliar Primary and Nursery School to avoid school closure.	Continue with current polling district but move from Sincliar Primary and Nursery School to Zoe Braithwaite Play Centre
Coxford	FB	Southampton Test	1528	Lordswood Community Centre Sandpiper Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Coxford	FC	Southampton Test	1521	St Vincent De Paul RC Church Coxford Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Coxford	FD	Southampton Test	1783	Lordshill Community Centre Andromeda Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 1 station	1	The site is being refurbished but moving within the area the polling place covers. Continue to use the same polling place	Continue with current polling district and review site arrangements in new year
Coxford	FE	Southampton Test	1589	Communal Lounge Kinloss Court Northolt Gardens Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Coxford	FF	Southampton Test	1259	Scout HQ Aldermoor Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Coxford	FG	Southampton Test	2090	Coxford Community Centre Olive Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp Police visits 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Freemantle	GA	Southampton Test	1984	Freemantle Evangelical Church Hall Nelson Road Southampton	Transport Accessibility Security Capacity	No issues 3ft Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Freemantle	GB	Southampton Test	2323	Freemantle UR Church 257 Shirley Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place

Ward	Polling District	Parliamentary Constituency	Local Govt. Electors	Polling Place	Status	Stations Required	Returning Officer's Proposals and other considerations	Panel Recommendations	
Freemantle	GC	Southampton Test	2752	Banister Primary School Archers Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	2	Continue to use current facilities. Arrangements have been made to ensure additional parking is available on site when polling takes place.	Continue with current polling district and polling place
Freemantle	GD	Southampton Test	2866	Elim Christian Centre Park Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	2	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Freemantle	GE	Southampton Test	1450	Seventh Day Adventist Church Hall Shirley Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Harefield	HA	Southampton Itchen	1867	Moorlands Community Centre Townhill Way Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Harefield	HB	Southampton Itchen	2144	Portacabin adjacent to Macarthur Crescent Play Area Southampton	Transport Accessibility Security Capacity	No issues Supplied Ramp Police visits 2 stations would require a larger or 2 portacabin(s)	1	Temporary station to be kept permanently under annual review until an alternative location can be used	Continue with current polling district and polling place
Harefield	HC	Southampton Itchen	1097	Glenfield Infant School Rossington Way/Glenfield Crescent Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Harefield	HD	Southampton Itchen	2105	Bitterne Library Bitterne Road East Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Harefield	HE	Southampton Itchen	1755	SureStart Harefield Hoppers, Next to Harefield Primary School	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Harefield	HF	Southampton Itchen	1733	Community Lounge Meon Court Off Minstead Avenue Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Millbrook	IA	Southampton Test	1614	Test Guide Centre Timsbury Drive Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Millbrook	IB	Southampton Test	1623	Toronto Court (Community Room) Brendon Green Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being. Review annually and ensure adequately signposted directions to	Continue with current polling district and polling place
Millbrook	IC	Southampton Test	2279	Regents Park Community College Richville Road Southampton	Transport Accessibility Security Capacity	No issues No issues Guard to facilitate access 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Millbrook	ID	Southampton Test	2724	Tanners Brook Primary School Elmes Drive Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp No issues 2 stations	2	Representation received from consultation. Recommend to use Scout Hut in Whitehouse Gardens instead of Tanners Brook School but keep under review	Continue with current polling district but move polling place from Tanners Brook School to Scout Hut in Whitehouse Gardens
Millbrook	IE	Southampton Test	1872	Foundry Lane Primary School (Imperial Avenue Entrance Only) Southampton	Transport Accessibility Security Capacity	No issues 3ft Temporary Ramp Heras fencing 2 stations, may lead to school closure	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place

Ward	Polling District	Parliamentary Constituency	Local Govt. Electors	Polling Place	Status	Stations Required	Returning Officer's Proposals and other considerations	Panel Recommendations	
Millbrook	IF	Southampton Test	1323	Freemantle Baptist Church Hall Testwood Road Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Peartree	JA	Southampton Itchen	2073	Bitterne Infant School Brownlow Avenue Southampton	Transport Accessibility Security Capacity	No issues 3ft Temporary Ramp Heras fencing 1 station	1	Kept under annual review due to school closure	No alternatives available. Continue with current polling district and polling place
Peartree	JB	Southampton Itchen	1929	Portacabin Opposite Ridgeway House Junction Peartree Avenue/ Freemantle Common Road Southampton	Transport Accessibility Security Capacity	No issues Supplied Temporary Ramp Police visits 2 stations would require a larger or 2 portacabin(s)	1	Temporary station to be kept permanently under annual review until an alternative location can be used	Continue with current polling district and polling place
Peartree	JC	Southampton Itchen	1592	Merryoak Neighbourhood Community Centre Acacia Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp Police visits 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Peartree	JD	Southampton Itchen	2149	Peartree URC Hall Bridge Road Southampton	Transport Accessibility Security Capacity	No issues Supplied Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Peartree	JE	Southampton Itchen	1878	Ludlow Infant School Ludlow Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Peartree	JF	Southampton Itchen	1261	Scouts HQ Spring Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Portswood	KA	Southampton Test	2314	Highfield Church Centre Highfield Lane Southampton	Transport Accessibility Security Capacity	No issues Supplied Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Portswood	KB	Southampton Test	1640	Portswood Library Portswood Road Southampton	Transport Accessibility Security Capacity	No issues Temporary lighting, road No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Portswood	KC	Southampton Test	1994	Scouts HQ Brickfield Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Portswood	KD	Southampton Test	2410	Portswood Church Hall Portswood Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Portswood	KE	Southampton Test	2242	St Denys Church Centre Dundee Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Redbridge	LA	Southampton Test	1263	Nutfield Nursery Nutfield Court Off Lower Brownhill Road Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Redbridge	LB	Southampton Test	1400	Colne Avenue Baptist Church Hall Colne Avenue Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being. Keep under review	Continue with current polling district and polling place

Ward	Polling District	Parliamentary Constituency	Local Govt. Electors	Polling Place	Status	Stations Required	Returning Officer's Proposals and other considerations	Panel Recommendations	
Redbridge	LC	Southampton Test	2155	Oasis Lords's Hill Community Hub Green Lane Southampton	Transport Accessibility Security Capacity	No issues No issues Police visits 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Redbridge	LD	Southampton Test	2173	All Saints Church Hall Kendal Avenue Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Redbridge	LE	Southampton Test	1359	Mansel Park Pavilion Evenlode Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Redbridge	LF	Southampton Test	1607	Millbrook Christian Centre Wimpson Lane/Kendal Avenue Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Redbridge	LG	Southampton Test	981	Function Room The Ship Inn 41 Old Redbridge Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Shirley	MA	Southampton Test	1463	The Church of St Judes Warren Avenue Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Shirley	MB	Southampton Test	1420	Shirley Warren Baptist Church Warren Crescent Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Shirley	MC	Southampton Test	1455	Isaac Watts Church Luccombe Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Shirley	MD	Southampton Test	1525	Salvation Army Hall Victor Street Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Shirley	ME	Southampton Test	1986	Shirley Parish Hall St. James Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Shirley	MF	Southampton Test	2604	St James Road Methodist Church Hall St. James Road Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp No issues 2 stations	2	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Sholing	NA	Southampton Itchen	2033	Sholing Junior School Middle Road Southampton	Transport Accessibility Security Capacity	No issues 6ft Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Sholing	NB	Southampton Itchen	1939	Southampton Amateur Boxing Club Pax Hall North East Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations, additional floor covering required	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Sholing	NC	Southampton Itchen	1727	Salvation Army Hall North East Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place

Ward	Polling District	Parliamentary Constituency	Local Govt. Electors	Polling Place	Status	Stations Required	Returning Officer's Proposals and other considerations	Panel Recommendations	
Sholing	ND	Southampton Itchen	1435	St Marys Parish Centre St. Monica Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Sholing	NE	Southampton Itchen	2240	Sholing Community Centre Butts Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Sholing	NF	Southampton Itchen	1679	Oasis Academy Mayfield The Grove Southampton	Transport Accessibility Security Capacity	No issues No issues No issues Pending	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Swaythling	OA	Romsey and Southampton North	1742	Hardmoor Early Years Centre Leaside Way Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 1 station	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Swaythling	OB	Romsey and Southampton North	1883	St Albans Church Tulip Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Swaythling	OC	Romsey and Southampton North	2292	Swaythling Primary School Mayfield Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Swaythling	OD	Romsey and Southampton North	630	Swaythling Baptist Church Fleming Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Swaythling	OE	Romsey and Southampton North	1726	South Stoneham Church Hall St Marys Church Close Off Wessex Lane Southampton	Transport Accessibility Security Capacity	No issues 3ft & 8ft Temporary Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Swaythling	OF	Romsey and Southampton North	1613	Mansbridge Primary School (Community Room) Octavia Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Woolston	PA	Southampton Itchen	2349	St Patricks Church Hall Manor Road South/Porchester Road Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Woolston	PB	Southampton Itchen	2406	Woolston Community Centre Church Road Southampton	Transport Accessibility Security Capacity	No issues Permanent Ramp No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Woolston	PC	Southampton Itchen	2348	Weston Church Hall Weston Lane Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Woolston	PD	Southampton Itchen	1969	The Scout HQ Tickleford Drive Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	No identified considerations, continue to use the current facilities for the time being	Continue with current polling district and polling place
Woolston	PE	Southampton Itchen	1463	Community Room Weston Court Kingsclere Avenue Southampton	Transport Accessibility Security Capacity	No issues No issues No issues 2 stations	1	Community Room at Weston Court is unavailable for 2015 due to refurbishment. Temporarily use Weston Shore School as this is the only alternative within the polling district. Suitability of Weston Court Community Room will be reviewed once	Continue with current polling district and use Western Shore School as polling place but keep under review

PRACTICAL NEEDS TO BE CONSIDERED WHEN DESIGNATING POLLING PLACES

1. Consider the location of the polling place:

- is it located close to where most of the electors in the polling district live?
- is it at the top or bottom of a steep hill?
- does it have suitable access from a road?
- if there is a pavement, does it have a dropped kerb close by?
- are there any convenient public transport links?

2. Availability of parking:

- are there adequate parking facilities close to the entrance of the building?
- if not, is there anywhere close by that could be used for parking just on polling day?
- how far do electors have to walk from the car park to the polling station?
- is there a designated disabled parking space, or could one be provided?
- is there a dropped kerb from the parking area to the polling station?

3. All approaches should:

- have a hard, smooth, nonslip surface, without steps, potholes, broken slabs, etc. – gravelled surfaces can present difficulties to wheelchair and buggy users;
- not have any severe gradients; and
- be well lit.

4. Entrance:

- does the building have a level entrance?
- are there any steps to the entrance of the building?
- are the stairs highlighted in any way?
- is there a handrail by the steps?
- is a permanent ramp provided?
- if not, could a temporary ramp with a suitable gradient be provided safely, or
is there another entrance which people with disabilities or other elector could use?
- is the door wide enough for a wheelchair user to gain access?
- how heavy are the doors for a frail or elderly person to open? Would they need to be propped open?

5. Inside the building:

- are there any internal steps or barriers for electors to negotiate?
- are doormats level with the floor? If not, can they be removed?
- are there any other trip hazards?

- is there a suitable non-slip floor covering? Would it become slippery when wet?
- are there any corridors which may be difficult to negotiate for any electors using wheelchairs or those who find walking difficult?
- in terms of the layout of polling equipment in the room to be used as a polling station, is there enough space in the room for staff, polling equipment and a number of electors, including a wheelchair user?
- is there adequate lighting in the room? Switch on all the lights available to test this;
- is there any need for additional lighting?
- movable mats, heavy curtains trailing on the floor, a mix of carpet and wooden flooring with edging lips in between, and highly polished floors can all be potential hazards. If the premises have any of these features, can anything be done to remove or improve them?

6. Another key factor to consider when assessing the suitability of a particular building or location is the facilities available to polling station staff. It must not be overlooked that the staff will be on duty for approximately sixteen hours, and that they will not be permitted to leave the premises. Their basic human needs must not be discounted. Issues to consider include the provision of:

- adequate toilet facilities;
- a kitchen, or at a minimum, access to tea and coffee making facilities;
- adequate heating/cooling;
- a separate area adjacent to the polling station where breaks could potentially be taken;
- a telephone;
- comfortable adult chairs.

Representations received, considerations and recommendations of the Panel for the Review of Polling Districts and Polling Places

The panel would like to thank those people and organisations who have made representations to the review. These together with proposals from the Returning Officers and comments collected throughout the elections in 2014 have been brought together for the purpose of informing this review. Investigations of the areas have been conducted in each affected area taking into consideration the requirements of the review and guidance issued by the Electoral Commission.

The panel would also like to thank all those premises who made themselves available for inspection and consideration during this review.

District AA in Bargate ward
Sembal House
Handel Terrace
Southampton

Representation of the Returning Officer

To keep the situation with the new halls of residence under review. Sembal House has capacity for two polling stations within.

Recommendation

Whilst the status of this building is noted it is possible that the building may still be able to accommodate future elections and the accessibility and location remain the most appropriate for this district. The panel therefore recommend that this polling place remain for the time being. However St Marks Church Centre in Archers Road has been identified as potential replacement should the need arise.

District EB in Bitterne Park Ward
Bitterne Park School
New Sixth Form Building
Dimond Road
Southampton

Representation of the Returning Officer

To continue to use the Sixth Form entrance, instead of using the Sixth Form foyer as the polling station we will use the side room at the entrance which also has capacity for an additional polling station should the need arise.

Recommendation

Continue to use the Sixth Form entrance as this provides the least interruption to the school and also allows for the best access for voters.

District ED in Bitterne Park ward
All Hallows Church
Junction Wakefield Road
Witts Hill

Representation of the Returning Officer

To continue using the Church Hall if still available after November 2014.

Recommendation

No suitable alternatives in the polling district, continue to use if still available.

District EE in Bitterne Park ward
Charlton House School
55 Midanbury Lane
Southampton

Representation of the Returning Officer

Charlton House is no longer available. The Church of Ascension on Thorold Road was identified as an alternative and is within the polling district.

Recommendation

The polling place should be moved from Charlton House to The Church of Ascension on Thorold Road.

District FA in Coxford ward
Zoe Braithwaite Play Centre
Fraser Close
Southampton

Representation of the Returning Officer

Sinclair Primary School was temporarily used in 2014 as a polling place. This was a temporary measure while Zoe Braithwaite Play Centre was closed.

Recommendation

The polling place should revert back to Zoe Braithwaite Play Centre to avoid Sinclair Primary School closing.

District FD in Coxford
Lordshill Community Centre
Andromeda Road
Southampton

Representation of the Returning Officer

The exact location of the Community Centre is being moved to a site very nearby. Site visit will be carried out in January 2015, once works has been carried out, to confirm the Community Centre will be fully accessible.

Recommendation

To continue to use the Community Centre as the polling place but carry out site visit to confirm accessibility.

District GC in Freemantle
Banister School
Archers Road
Southampton

Representation of the Returning Officer

Concerns were raised about parking availability at the school at the elections in 2014. The school has confirmed there will be a solution for parking in future years.

Recommendation

This polling place remains the most appropriate site for the purposes of the review. Continue to use but remind school about parking nearer the election.

District IB in Millbrook ward
Toronto Court (Community Room)
Brendon Green
Southampton

Representation of the Returning Officer

Additional signage is provided to make sure electors are clear on how to get to Toronto Court. The only alternative in the area is to close the school.

Recommendation

The Polling Place remains the most appropriate site for the purposes of the review. Continue to use but monitor situation regularly.

District ID in Millbrook ward
Tanners Brook Junior School
Elmes Drive
Southampton

Representation of the Returning Officer

Submissions to the Consultation were received from both the Head of Governors and Head Teacher of the School. Alternatives were looked at in the polling district. The most suitable alternative was agreed by the panel to be the Scout Hut in Whitehouse Gardens. Moving to the Scout Hut would avoid having to shut the School.

Recommendation

The panel recommends that the Polling Place changes from Tanners Brook School to the Scout Hut in Whitehouse Gardens but that the situation is kept under review.

District LB in Portswood
Colne Avenue Baptist Church Hall
Colne Avenue
Southampton

Representation of the Returning Officer

A query was raised at the panel regarding parking for voters with disabilities and access to the building.

Recommendation

This polling place remains the most appropriate site for the purposes of the review. The panel therefore, recommends that its use continues but will review closer to the elections with a view to providing a sectioned off area for parking for voters with disabilities in order to provide easier access.

District PE
Community Room
Weston Court
Kingsclere Avenue

Representation of the Returning Officer

The Community Room at Weston Court is being refurbished and is unavailable for May 2015. The only alternative within the Polling District is Weston Shore Primary School. There is no alternative in this instance to closing the school

Recommendation

The Polling Place should move from Weston Court to Weston Shore School but keep under review.

DECISION-MAKER:	COUNCIL		
SUBJECT:	LOCALISM ACT 2011 – PROPOSAL FOR A PAN-HAMPSHIRE MEMBERS' CODE OF CONDUCT		
DATE OF DECISION:	19 NOVEMBER 2014		
REPORT OF:	HEAD OF LEGAL AND DEMOCRATIC SERVICES		
<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

This report recommends a revision to the Members Code of Conduct to enable there to be a pan-Hampshire Members' Code of Conduct. At its meeting on 22 November 2013, HIOWLA (Hampshire and Isle of Wight Local Authorities) Leaders agreed that all HIOWLA authorities would be asked to review and, where necessary, revise their existing Code and Standing Orders, with a view to ensuring that these include the proposed core provision to achieve consistency of approach to Member Conduct. Since that time the Head of Legal Services at Hampshire County Council has led on redrafting proposals which can now be placed before Council.

RECOMMENDATIONS:

- (i) That in the interests of achieving a consistent approach to Member Conduct across the HIOWLA authorities, the Members' Code of Conduct be amended to include provision regarding gifts and hospitality as detailed in the report.

REASONS FOR REPORT RECOMMENDATIONS

1. To ensure greater consistency of the Members Code of Conduct across Hampshire authorities.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. Not to revise the code. It would be prudent to achieve consistency of approach if at all possible hence the recommendations.

DETAIL (Including consultation carried out)

3. Previously the Head of Legal and Democratic Services has advised that following the adoption of local Codes officers were to explore scope for cooperation and collaboration with other local authorities in Hampshire, in connection with the development of a pan-Hampshire Members' Code of Conduct and arrangements for handling complaints. The issue has been considered by HIOWLA Leaders at various meetings over the last year or so

and it was agreed in November 2013 there is merit in exploring scope for a Hampshire-wide code of conduct.

HIOWLA's considerations

4. At its meeting on 22 November 2013, HIOWLA considered the finalised report of the Clerk to HFRA (reproduced in Appendix 1 to this report). An appendix to the report set out the core provision to be made in the Codes of Conduct and Standing Orders of HIOWLA to achieve consistency of approach to Member Conduct.
5. HIOWLA Leaders considered that it would be in the interests of the Members of the constituent authorities, a number of whom are Members of more than one authority, and the public that those authorities serve, to adopt a consistent approach to the registration and disclosure of Members' pecuniary and non-pecuniary interests. It was considered that such an approach would reduce confusion as to when relevant interests should be disclosed, and would minimise the risk of inadvertent failure to comply with relevant requirements. HIOWLA Leaders agreed that Option 2 was the preferred way forward. Option 2 reflects current Council code requirements save for gifts and hospitality obligations.
6. Under the Localism Act 2011, it is for each local authority to adopt and, where necessary, revise its code of conduct. It was agreed by HIOWLA Leaders that all their authorities would be asked to review and, where necessary, revise their existing Code and Standing Orders, with a view to ensuring that these include the core provision set out in the appendix to the report.

Proposed Amendments to the Council's Members' Code of Conduct

7. The full core provision relates to:
 - a. personal interests;
 - b. gifts and hospitality; and
 - c. the exclusion of Members from meetings at which any discussion or vote takes place on a matter in which the Member has a disclosable pecuniary interest, unless a dispensation has been granted.
8. Only minor revisions regarding gifts and hospitality are required to accord with HIOWLA's recommendations. For completeness the other proposals are detailed below.
9. With regard to personal interests, a number of HIOWLA authorities (including Southampton) already require there to be at least some registration and/or disclosure of personal interests. In order to achieve a consistent approach in this regard by Hampshire and Isle of Wight local authorities, it is proposed that all the authorities include in their Members' codes of conduct the following core provision relating to personal interests. This element does not require any changes to the Council's current Code:

10. It is further proposed that there would be a requirement to disclose a personal interest orally at a meeting, where it is relevant to an item of business being considered at that meeting. There would be no requirement to enter the interest in the published register of interests, although the oral disclosure at a meeting would be recorded in the minutes of that meeting. Once the interest has been disclosed, there would be no requirement for the Member to leave the room, and the Member would be able to participate in discussion and vote on the matter. Again, the Council already has this provision in its Code.
11. With regard to gifts and hospitality, the Council's Members' Code of Conduct does not currently make provision for registering receipt of gifts or hospitality. This provision was dropped when the new Code was adopted in July 2012. However, it is the view of the Head of Legal and Democratic Services that such a provision would be sensible to ensure transparency. In addition the officer requirement remains but has been revised, updated and the minimum threshold raised to £50. It would be prudent to apply the same standards and thresholds to members. The only exception would be to the official Mayoral events attended through the Mayor's Office as these are formal arrangements, the details of which are already available for inspection if needs be. Practically, acceptance of gifts and hospitality, provided reasonable, does not impinge on members attending functions or accepting small gifts (which is rare) etc. A number of the HIOWLA authorities have adopted a requirement to register receipt of gifts or hospitality, with the threshold of value for registration varying between £25 and £50. It is proposed that all of the HIOWLA authorities include in their Members' codes of conduct the following core provision:

"A Member shall enter in the authority's register of interests the receipt of any gift or hospitality, where the Member estimates the value to be at least £50, within 28 days of receipt."
12. The Council's register of interests is maintained by the Democratic Services Manager and notification from a Member would be in writing/by e-mail.
13. With regard to making provision for the exclusion of a Member of the Authority from a meeting while any discussion or vote takes place on a matter in which the Member has a disclosable pecuniary interest, unless a dispensation has been granted, the current Code already makes provision for this, there is no need to make any amendment.
14. The matter was considered by Governance Committee at its meeting on 15th September 2014 where it was resolved to recommend this inclusion. It is proposed therefore that the Council's Members' Code of Conduct be amended to include the core provision relating to gifts and hospitality, as detailed above.

15. In summary, the proposals accord with good practice, ensure consistency and transparency. The main risk of not adopting a pan-Hampshire Members' Code of Conduct is that having to adhere to a number of slightly different rules on registering and disclosing interests may lead to confusion for multi-hatted Members. Members of the public may also be confused regarding the nature of, and reason for, the different rules applying to this aspect of Members' conduct. There is no risk associated with adopting a pan-Hampshire Members' Code of Conduct.

RESOURCE IMPLICATIONS

Capital/Revenue

16. There are no resource implications of the proposed action.

Property/Other

17. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

18. Localism Act 2011

Other Legal Implications:

19. None

POLICY FRAMEWORK IMPLICATIONS

20. None

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	None
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SUPPORTING DOCUMENTATION

Appendices

1.	Report of the Clerk to HFRA
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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.	HRFA Report on revised code recommendations	
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Summary

- 1.1 This report follows on from a discussion at HIOWLA on 22 June 2012, when Members resolved that further work be undertaken to explore the options for a pan-Hampshire Members' Code of Conduct. The report sets out an analysis of the main options, with the advantages and disadvantages in each case, and identifies one particular option for consideration as a way forward.
- 1.2 It is not within the scope of the report to provide detailed guidance on the requirements of the Localism Act regarding Member conduct. Members are referred to the report of 22 June 2012, which included a summary of the changes introduced by the Localism Act. Where further or more detailed advice on these requirements is sought, Members should refer to their authority's monitoring officer.

2 Background

- 2.1 The Localism Act 2011 has amended the arrangements governing standards of member conduct that were previously set out in the Local Government Act 2000. Local authorities, including fire and rescue authorities and national park authorities, were therefore required to put in place revised arrangements in this regard from 1st July 2012. The only exception would be to the official Mayoral events attended through the Mayor's Office as these are formal arrangements, the details of which are already available for inspection if needs be.
- 2.2 At the HIOWLA meeting on 22 June 2012, it was reported that Members of Hampshire Fire and Rescue Authority ("HFRA") had identified that there was potential scope for co-operation and collaboration between authorities in implementing some or all of these arrangements. HFRA Members had asked that this be raised within the HIOWLA arena so that such potential could be further explored.
- 2.3 HFRA comprises 25 Members – 19 Members of Hampshire County Council, and three Members of each of Portsmouth and Southampton City Councils. A number of HFRA Members are also members of district councils and/or parish councils. The previous arrangements under the Local Government Act 2000 required all such authorities to adopt a code of conduct based on a statutory Model Code, with only very limited scope for variation. Under the Localism Act, it is possible for each authority to adopt a different Code. HFRA Members recognised that this could create potential for confusion, if the ethical standards to which they must adhere vary depending on the capacity in which they are acting, or which authority's meeting they are attending. It was felt that this may increase the risk of inadvertent failure to comply.
- 2.4 It was considered that the same situation and risk may arise for Members who are "double" or "triple-hatted" in other settings e.g. a district councillor who is also a parish councillor and/or a member of one of our two national park authorities. There is also the possibility that Members representing their authorities on joint committees would be subject to differing codes of conduct while engaged on essentially the same business. This may cause confusion not only for Members, but also for stake holders and members of the public.

- 2.5 The meeting resolved: “That the HIOWLA authorities expressed support for a pan-Hampshire code of conduct and that Kevin Gardner (*on behalf of the Clerk to HFRA*) would lead on the project to explore co-operation and collaboration between the HIOWLA authorities to produce a joint code to implement the requirements of the Localism Act on Members’ conduct.”
- 2.6 It was acknowledged that, for reasons of timing, each of the HIOWLA authorities would need to proceed to put in place their own arrangements from 1 July 2012, to ensure that they complied with the Localism Act. However, this left open the possibility of those authorities agreeing to adopt a different code, which could be a pan-Hampshire Code, at a later date.
- 2.7 There was no wish from the meeting to explore further co-operation in the form of a joint standards committee or joint arrangements for complaints handling. These aspects have not been explored further, therefore.
- 2.8 In considering the options for a pan-Hampshire Code, a period of time has been allowed for the Localism Act arrangements to bed down, to establish whether, and the extent to which, the potential confusion and perceived issues relating to “multi-hatted” members have materialised in practice. Members’ experience of this will be invaluable in judging whether there is indeed a need for greater consistency in approach.
- 2.9 This paper sets out the suggested options for greater collaboration.
- 2.10 It should be noted that, in some situations, the degree to which a Member may participate in debate or voting on an item of business may be affected by common law principles relating to bias and predetermination, rather than by the requirements of their authority’s Code of Conduct regarding disclosure of interests. This position would continue to apply, unaffected by any of the proposals below. Should such an instance arise, advice should be sought from the relevant authority’s own legal officers.

3 Option 1 – Consistent Approach to Disclosable Pecuniary Interests

- 3.1 At the HIOWLA meeting on 22 June 2012, the Regulations on disclosable pecuniary interests (“DPIs”) had only recently been published, and had yet to come into force¹. These are now in place and provide a basic level of commonality across all of the authorities as to the requirements upon Members for the registration and disclosure of pecuniary interests. The first option therefore involves a view that, in the light of experience in practice, this now secures a sufficient level of consistency and that no further provision is required.
- 3.2 The advantages of this option are:

¹ 1 The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, which came into force on 1 July 2012

- It strikes a balance between consistency in the key area of registration and disclosure of significant pecuniary interests, while recognising that authorities have discretion to adopt additional provisions where they consider this appropriate to local needs
- It is easy to implement, representing the status quo

3.3 The disadvantage of this option is:

- The ability for authorities to adopt additional provisions in their codes enables further requirements to be adopted on the registration and disclosure of pecuniary interests other than DPIs (e.g. gifts and hospitality), and non-pecuniary interests. This may still lead to confusion for multi-hatted members therefore, who would still need to adhere to slightly different rules on registering and disclosing interests.

4. **Option 2 – Consistent Approach to Pecuniary and Non-Pecuniary Interests other than DPIs (“Personal Interests”)**

- 4.1 This option goes one step further than Option 1 and would involve all authorities adopting a common set of requirements concerning registration and disclosure of those pecuniary interests that do not meet the description of a DPI, and non-pecuniary interests. Further, there could be consistency as to when a Member, who has a DPI or other interest in a matter being considered at a meeting, is required to leave the meeting room for that item.
- 4.2 Research suggests that a common approach may be achievable here.
- 4.3 **Personal Interests:** A number of the Hiowla authorities already require there to be at least some registration and/or disclosure of personal interests. The Localism Act reduced the scope of interests legally required to be registered and disclosed, leaving the making of additional provision to local discretion. There is a feeling that some disclosure of personal interests remains appropriate in the handling of certain potentially sensitive types of business (e.g. planning applications, the award of grants and contracts), where reliance solely on the rules relating to DPIs would not afford a sufficient level of transparency.
- 4.4 A number of authorities regard a “personal interest” as arising in an item of business where it relates to or is likely to affect any of the following bodies of which the Member is a member: a public or charitable body, any body to which the Member has been appointed by the authority, any political party, trade union or other body one of whose principal purposes is to influence public opinion or policy.
- 4.5 Similarly, a number of authorities provide that a “personal interest” will also arise where a decision on an item of business might reasonably be regarded as affecting the well being or financial position of the Member, a member of the Member’s family or person with whom they have a close association, more than other council tax payers, ratepayers or inhabitants of the authority’s area.

- 4.6 Based on the current range of approaches, a possible basis for a common, proportionate approach would be a requirement to disclose a personal interest orally at a meeting, where it is relevant to an item of business being considered at that meeting. There would be no requirement to enter the interest in the published register of interests, though the oral disclosure at a meeting would be recorded in the minutes of that meeting. Once the interest has been disclosed, there would be no requirement for the Member to leave the room, and the Member would be able to participate in discussion and vote on the matter. There would be no requirement to include the interest in the register of interests which is published on the web.
- 4.7 Although many of the Hiowla authorities accept the principle that there should be some registration and/or disclosure of personal interests, the detailed provisions adopted by the authorities vary. Acceptance of a need for change on the part of some authorities would be required, as the price to be paid for achieving a common Hiowla-wide approach.
- 4.8 Gifts and Hospitality: A number of authorities have adopted a requirement to register the receipt of gifts or hospitality. The general threshold of value for registration varies, between £25 and £50. It may be possible to reach agreement in principle that such a requirement should be universally adopted, with an agreed value, say £50.
- 4.9 Exclusion from the Room where a Member has a DPI: In general, authorities require through their standing orders that a Member who holds a DPI in a matter being considered at a meeting should leave the room while the discussion and vote on that item take place.
- 4.10 The advantage of this Option 2 would be:
- All authorities would operate consistent provisions regarding all aspects of the registration and disclosure of interests, reducing risk of confusion amongst Members, and of inadvertent failure to comply with the relevant authority's code
- 4.11 The disadvantage of this option would be:
- It still does not address the issue of consistency in requirements concerning aspects of conduct other than registration and disclosure of interests

5 Option 3 – Consistent Approach to DPI's, other Pecuniary and Non-Pecuniary Interests, and other Aspects of Conduct

- 5.1 This Option involves going one step further than Option 2 by ensuring consistency in provision regarding aspects of conduct other than registration and disclosure of interests. While the precise wording may differ slightly from one authority's code to another, many currently include provision in areas such as the following:
- treating others with respect

- maintaining confidentiality
- observing requirements of equalities legislation
- upholding, and not compromising, the impartiality of officers
- not using position as a Member to secure an advantage
- using resources of the authority for authorised purposes, and not for political purposes

5.2 There are two ways in which greater consistency could be achieved.

5.3 **Option 3A** would involve agreeing the principles (such as those listed in para 5.1 above) which should be covered by each authority's Code, yet leave it at each authority's discretion to settle upon its own precise wording. **Option 3B** would involve agreeing the actual wording for all authorities to adopt.

5.4 The advantage of Option 3A would be that:

- There is consistency in the principles of proper conduct that members are required to observe
- There is discretion for authorities as to the style in which the requirements are expressed
- It may better facilitate agreement and adoption, as it would not be necessary to resolve issues where there are different views on detailed drafting

5.5 The disadvantage of Option 3A would be that:

- There is still some minor inconsistency in the particular requirements Members are required to observe

5.6 The advantage of Option 3B would be that:

- It achieves complete consistency across all authorities on not only the principles, but the precise details, of the requirements placed upon Members

5.7 The disadvantage of Option 3B would be that:

- It may be viewed as too prescriptive and not recognising a role for local variation to meet local needs
- It may be difficult to reach agreement.

6. Comment

6.1 This part of the report sets out some considerations to be borne in mind in weighing up the above options.

6.2 The experience of Members in the period since July 2012, operating within the Localism Act requirements, is key. For example, some Members may feel that the concerns expressed prior to implementation about potential confusion for "multi-hatted" members, have not materialised, or have been largely addressed by the introduction of universal statutory requirements on the registration and disclosure of DPIs. To the extent that there may be some remaining inconsistency amongst authorities on other aspects of their Codes, it may be felt that this is not significant, a natural consequence of applying

principles of localism, and insufficient to justify the investment of further time and resource in the development of an overly prescriptive, common Code. Where this is the view, Option 1 would provide a basis for the way forward, and would involve maintaining the status quo.

- 6.3 As the other options involve change, it should be recognised that legally it is for each local authority to adopt its own Code of Conduct² and, in doing so, to ensure that its Code is consistent with the Nolan principles³ and includes such provision as it considers appropriate in respect of the registration and disclosure of pecuniary and other interests⁴. Where a local authority has adopted a Code of Conduct it is able to revise it, or adopt a replacement⁵. It is also for each local authority to decide whether its Standing Orders should provide for the exclusion of a member from a meeting, while the discussion and vote takes place on a matter in which that member has a disclosable pecuniary interest⁶.
- 6.4 An authority cannot therefore be required to adopt a particular Code simply because it is being adopted by neighbouring authorities. The adoption of a pan-Hampshire Code would involve each authority voluntarily recognising the value that was added by having a Code that shared the same essential characteristics as those of neighbouring authorities.
- 6.5 It may therefore facilitate the reaching of voluntary agreement if the adopted solution comprises a core set of common principles, yet builds in some local discretion for authorities to supplement these where it considers necessary to meet local needs.
- 6.6 Where it is felt that a middle line is required, Options 2 and 3A may be attractive: Option 2 achieves consistency in the registration and disclosure of DPIs, other pecuniary and non-pecuniary interests; Option 3A extends this consistency further into the core values in other areas of conduct, yet leaves it to authorities to choose how to express these, and/or to add further values where they consider it necessary to do so.
- 6.7 Where the preferred option is Option 3B, then in theory one way in which this could be implemented is by one authority's existing Code being adopted by all the other authorities. However, it may be more conducive to securing agreement if any pan-Hampshire Code that emerges were to be seen as a "new" Code, not originating from any one authority, but an evolution building on the work and experience to date of the Members of all the HIOWLA authorities.

7. Proposal

- 7.1 Following consideration of the options, HFRA's Standards and Governance Committee expressed a preference for Option 2. This is felt to strike a reasonable balance between achieving consistency in the disclosure of

² S.27(2) Localism Act 2011

³ S.28(1) Localism Act 2011

⁴ S.28(2) Localism Act 2011

⁵ S.28(5) Localism Act 2011

⁶ S.31(10) Localism Act 2011

interests, while retaining flexibility for some local variation in the setting of standards for other aspects of conduct and behaviour. Further, this would not preclude the adoption of consistent standards for such other aspects of conduct and behaviour at some future stage, should this be desired.

- 7.2 In the event that Option 2 were to receive the support of Hiowla, a suitable draft document has been prepared for agreement (see Appendix), and recommendation to all constituent local authorities for adoption.
- 7.3 As indicated above (para 6.3) Hiowla cannot resolve to adopt a Code of Conduct on behalf of any constituent authority, or to unilaterally amend any authority's existing Code or Standing Orders. However, Hiowla can agree to ask each constituent local authority to review and, where necessary, consider revising its existing Code and Standing Orders with a view to ensuring that these include the core provision set out in the Appendix to the report. Constituent authorities would be invited to do this having regard to the value that is added by the arrangements of all Hiowla authorities, governing the disclosure of member interests, sharing the same essential characteristics.

8. Conclusion

- 8.1 This report has set out the main options for the development of a pan-Hampshire Code of Conduct for Members, together with an assessment of the advantages and disadvantages of each, and identifies one particular option for consideration as a way forward. A pan-Hampshire Code offers the opportunity for greater consistency in approach amongst the HIOWLA authorities towards their responsibilities regarding Member conduct under the Localism Act .

9. Recommendation

- 9.1 That the options for a pan-Hampshire Code of Conduct are considered, and a steer given as to the preferred way to proceed, and
- 9.2 In the event that Option 2 is preferred, that all constituent authorities are asked to review and, where necessary, consider revising their existing Code of Conduct and Standing Orders with a view to ensuring that these include the core provisions set out in the Appendix to the report.

Appendix:

Core Provision to be made in the Codes of Conduct and Standing Orders of Hampshire and Isle of Wight Local Authorities (HIOWLA) to achieve consistency of approach to Member Conduct

Summary

HIOWLA considers that it is in the interests of Members of its constituent authorities, and the public served by those authorities, to adopt a consistent approach to the registration and disclosure of Members' pecuniary and non-pecuniary interests that are relevant to the business of the authorities. It is considered such an approach will reduce confusion as to when relevant interests should be disclosed, and minimise the risk of inadvertent failure to comply with relevant requirements.

It has therefore been agreed to invite each constituent authority to review its Code of Conduct for Members and Standing Orders and, where necessary, to consider revising these to ensure that, in addition to the mandatory requirements of the Localism Act, they include the core provisions set out below.

Authorities may of course adopt such further provision in their Code of Conduct or Standing Orders as they consider appropriate, but are requested to ensure that no such provision is inconsistent with the core provisions set out below.

The term "Member" includes member and co-opted member, throughout.

Code of Conduct

1. Personal Interests

- 1.1. A Member has a "personal interest" in an item of business where it relates to or is likely to affect any of the following bodies of which they are a member: a public or charitable body, any body to which the Member has been appointed by the authority, any political party, trade union or other body one of whose principal purposes is to influence public opinion or policy.
- 1.2. A Member also has a "personal interest" in an item of business where a decision in relation to it might reasonably be regarded as affecting the well-being or financial position of the Member, a member of the Member's family or person with whom they have a close association, more than other council tax payers, ratepayers or inhabitants of the authority's area.
- 1.3. A Member shall disclose a "personal interest" at a meeting of the authority, committee or sub-committee, where the Member considers that interest to be relevant to an item of business being considered at that meeting. The disclosure shall be made at the commencement of the meeting, or when the interest becomes apparent, and shall be recorded in the minutes of the meeting.
- 1.4. Disclosure of a personal interest does not affect the ability of the Member to participate in discussion or vote on the relevant item, provided it is not also a disclosable pecuniary interest.

2. Gifts and Hospitality

- 2.1. A Member shall enter in the authority's register of interests the receipt of any gift or hospitality, where the Member estimates the value to be at least £50, within 28 days of receipt.

Standing Orders

3. Exclusion from Meeting Where Member Holds a Disclosable Pecuniary Interest

- 3.1. The authority's Standing Orders shall provide for the exclusion of a Member of the authority from a meeting while any discussion or vote takes place on a matter in which the Member has a disclosable pecuniary interest, unless a dispensation has been granted.

DECISION-MAKER:	COUNCIL		
SUBJECT:	OFSTED INSPECTION AND ACTION PLAN		
DATE OF DECISION:	19 NOVEMBER 2014		
REPORT OF:	DIRECTOR, PEOPLE		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Christine Robinson	Tel: 023 8083 4669
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STATEMENT OF CONFIDENTIALITY

None.

BRIEF SUMMARY

On July 7th OFSTED undertook a second unannounced inspection of Southampton Children's Services and Southampton LSCB over a period of four weeks. This followed the previous inspection the previous month which had been declared by Ofsted to be flawed. The report of inspection and the required action plan has now been published.

The improvements that have been driven by the children's services transformation programme were acknowledged by the inspectors and they deemed the leadership and management of the service to be strong. However due to there being insufficient evidence yet of the impact of the changes to children's outcomes and the delivery of assurance by the LSCB, both were judged overall to Require Improvement to be Good.

In addition the Leaving Care service was deemed to be inadequate due to historic systemic failures in the multiagency commitment to this group of young people. Ofsted identified a number of issues that need to be addressed before Children's Services' could be considered to be good. The appendices here include the Ofsted Inspection report of Children's Services, the LSCB review report and the actions required and the draft action plan. Ofsted will re-inspect Southampton Children's Services in 12-18 months' time and will expect to see all the actions completed and the service demonstrating that it is a Good service. Children's services have accepted Ofsted's offer to work together to devise an effective action plan to ensure that services for children in Southampton are good and a meeting took place on 20th October. The workshop developed further the draft available at that time and these have been incorporated in the draft attached here.

RECOMMENDATIONS:

- (i) To note the Ofsted Inspection report and the LSCB review report.
- (ii) To review the action plan in order to monitor progress and confirm the direction of travel.

REASONS FOR REPORT RECOMMENDATIONS

- 1. This Ofsted Report is a statutory requirement and it is important that it is has ownership by the Council.
- 2. The Council needs to be aware of the concerns that need to be addressed and the requirement to address these concerns.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 3. It is a statutory requirement to respond to the Ofsted Inspection report and produce an action plan and that there should be sufficient scrutiny by the council. One of the requirements identified by Ofsted is that scrutiny of Children's Services by Southampton City Councillors should be improved. Therefore no other actions were considered.

DETAIL (Including consultation carried out)

- 4. The report contains the findings of a thorough inspection of Children's Services, which included consultation with service users and staff. The report highlights that services require improvement because:
 - a. Politicians have not been meeting their corporate parenting responsibilities to champion looked after children and care leavers and ensure that their needs are met.
 - b. Too many care leavers are not in education, employment and or training. Only three care leavers are currently in higher education.
 - c. Over 30% of care leavers are either not in touch with services or assessed as living in unsuitable accommodation.
 - d. Adoption is not achieved quickly enough for a small minority (17%) of looked after children.
 - e. Care plans for looked after children are neither thorough nor comprehensive and therefore are not effective in assisting practitioners in their work to ensure that all children's needs are being met.
 - f. The majority of looked after children do not receive good quality life story work.
 - g. Looked after reviews are too often delayed or not held at the right time.
 - h. Arrangements to respond to children who go missing from home and care are not sufficiently robust.
 - i. Strategy discussions do not always include all appropriate agencies and are poorly recorded.
 - j. Case recording is often not sufficiently detailed nor purposefully linked to the care plan of the child.
 - k. The supervision of social workers does not consistently promote reflective practice.
 - l. Performance management arrangements are not sufficiently focused on improving the quality of work with children and families.
- 5. Under each of these points there is a detailed list of what the Local

Authority needs to do to improve the services for children and the Local Authority is required to provide an action plan within 90 days in order to move from Requires Improvement to Good. The attached draft action plan addresses each of the requirements.

6. The inspectors also noted the ambitious improvement programme and the transformation programme:

“This inspection found substantial evidence that this programme is beginning to have a positive impact in transforming practice, and that this is beginning to improve outcomes for vulnerable children in a number of key areas”.

7. However, the leadership management and governance of the local authority is not yet good as, despite significant progress, there are elements of improvement needed, that are not yet in place. For example, services for care leavers are inadequate; strong corporate parenting is not embedded or demonstrating impact; tracking and risk management for children missing from home and care are not robust; performance management is an improving area of work but is not yet sufficiently focused on improving quality; and the quality and frequency of professional supervision are not sufficiently consistent. Although significant success has been achieved in reducing reliance on agency social workers, challenges remain in securing a sufficiently experienced, skilled and permanent workforce throughout the organisation. Political scrutiny arrangements have not been effectively applied to key areas of children’s services.”

8. The Ofsted Inspectors noted the improvements in the Local Safeguarding Board:

“Board partners have recognised the significant performance deficits that lie within the system and have embarked on an ambitious programme of change. The Board is helping to ensure the co-ordination of this work and is well engaged in monitoring its impact. There are early but significant signs of success, for example in the operation of the MASH, which has a high level of multi-agency input and cooperation.”

9. However they also found that the Local Safeguarding Children Board requires improvement because:

Its use of data to examine the performance of partner agencies is too recent to provide a comprehensive view of strengths and weaknesses in the system:

- a. It has only recently begun to audit the practice of partner agencies and how they work together, and it is too soon to see whether this will bring sustained improvements.
- b. It has not provided effective scrutiny of safeguarding arrangements for children who go missing or for girls at risk of genital mutilation.
- c. The Board’s annual reporting has not provided a rigorous and transparent assessment of the performance and effectiveness of local services.
- d. The long term impact of the LSCB training programme in improving child protection and safeguarding has not been evaluated.

ACTION PLAN

10. An Action Plan to address the issues raised has been compiled by staff of the new Quality Assurance Business Unit in consultation with senior

managers, the LSCB and Ofsted Inspectors. In order to keep the plan manageable, actions will be aligned with the existing transformation plan and those actions arising from the previous Ofsted inspection which are not yet complete. A senior manager has been identified for each action and they will maintain an active overview of the progress against each action. Some actions, particularly those in relation to care leavers, will require the commitment of other services both within and outside the council and a strategic commitment to support the improvement.

RESOURCE IMPLICATIONS

Capital/Revenue

- 11. There are no capital costs to these proposals and it is anticipated that revenue costs will fall within the existing budget for Children’s Services. Successful implementation of the required changes have the potential to lead to reduced costs in the future as children’s needs are met earlier and there will be less demand for placements for looked after children.

Property/Other

- 12. There is no impact on property in the Action Plan.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

- 13. All the actions in this report fall within the statutory powers already accorded to Children’s Services. Ofsted, as a statutory body, has required an improvement in the delivery of Southampton Children’s Services and Southampton City Council Children’s Services is required to comply.

Other Legal Implications:

- 14. There are no other legal implications.

POLICY FRAMEWORK IMPLICATIONS

- 15. There are no Policy Framework implications.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	The Ofsted Inspection report applies to all of the children of Southampton
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SUPPORTING DOCUMENTATION

Appendices

1.	Ofsted Report on Southampton Children’s Services including Southampton LSCB July 2014
2.	Grade descriptions
3.	SCC Ofsted Action Plan

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.		
2.		

Southampton Council

Inspection of services for children in need of help and protection, children looked after and care leavers

and

Review of the effectiveness of the local safeguarding children board¹

Inspection date: 8 July 2014 - 30 July 2014

Report published: 15 September 2014

The overall judgement is that children's services require improvement

The authority is not yet delivering good protection and help and care for children, young people and families.

It is Ofsted's expectation that, as a minimum, all children and young people receive good help, care and protection.²

The judgements on areas of the service that contribute to overall effectiveness are:

1. Children who need help and protection	Requires Improvement
2. Children looked after and achieving permanence	Requires Improvement
2.1 Adoption performance	Requires Improvement
2.2 Experiences and progress of care leavers	Inadequate
3. Leadership, management and governance	Requires Improvement

¹ Ofsted produces this report under its power to combine reports in accordance with section 152 of the Education and Inspections Act 2006. This report includes the report of the inspection of local authority functions carried out under section 136 of the Education and Inspection Act 2006 and the report of the review of the Local Safeguarding Children Board carried out under the Local Safeguarding Children Boards (Review) Regulations 2013.

² A full description of what the inspection judgements mean can be found at the end of this report.

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The local authority

Summary of findings

Children's services in Southampton require improvement because:

1. Politicians have not been meeting their corporate parenting responsibilities to champion looked after children and care leavers and ensure that their needs are met.
2. Too many care leavers are not in education, employment and or training. Only three care leavers are currently in higher education.
3. Over 30% of care leavers are either not in touch with services or assessed as living in unsuitable accommodation.
4. Adoption is not achieved quickly enough for a small minority (17%) of looked after children.
5. Care plans for looked after children are neither thorough nor comprehensive and therefore are not effective in assisting practitioners in their work to ensure that all children's needs are being met.
6. The majority of looked after children do not receive good quality life story work.
7. Looked after reviews are too often delayed or not held at the right time
8. Arrangements to respond to children who go missing from home and care are not sufficiently robust.
9. Strategy discussions do not always include all appropriate agencies and are poorly recorded.
10. Case recording is often not sufficiently detailed nor purposefully linked to the care plan of the child.
11. The supervision of social workers does not consistently promote reflective practice.
12. Performance management arrangements are not sufficiently focused on improving the quality of work with children and families.

What does the local authority need to improve?

Priority and immediate action

Care Leavers

13. Take action to reduce the numbers of care leavers living in unsuitable accommodation and ensure that all such arrangements are robustly risk assessed and monitored.
14. Ensure that all cases where care leavers are not in contact with services are regularly reviewed and that there are effective responses to all opportunities to re-establish contact.
15. Improve support for care leavers to encourage and sustain engagement in education, employment or training.

Missing Children

16. Ensure that information from 'return home' interviews is routinely shared and used to improve the quality of safe care planning for children. Improve the quality and analysis of data on children going missing from home and care.

Adoption

17. Complete the review of children waiting for adoption and ensure that appropriate alternative plans for achieving permanency are implemented for the small number of children for whom adoption is no longer an appropriate option.

Areas for improvement

Care Leavers

18. Improve support for care leavers to engage them and to sustain their engagement, in education, employment or training.
19. Ensure appropriate services are available to support improved attainment of all care leavers.
20. Increase the number of care leavers successfully attending higher education.
21. Ensure that preparation for the transition into adulthood begins early enough, and is informed by a good needs assessment.
22. Improve the availability of health promotion and advice to care leavers.
23. Expand the range and availability of suitable accommodation options and eliminate the use of unsuitable provision such as bed and breakfast accommodation.
24. Ensure that care leavers have a good understanding of their rights and entitlements.
25. Establish a comprehensive set of policies, procedures and practice standards to support social workers and personal advisors to improve the quality of services to care leavers.

Looked After Children

26. Ensure that children's care plans are outcome focused and sufficiently address all of a child's assessed needs.
27. Improve the quality, consistency and recording of direct work undertaken by social workers with looked after children.
28. Ensure that all looked after children who require it receive good quality and timely life story work.
29. Ensure that all looked after children can receive support from an advocate or independent visitor.
30. Improve the timeliness of looked after reviews, and ensure that the records of these reviews are circulated promptly.
31. Strengthen arrangements to consult with looked after children and young people. This work should include consideration of the support arrangements for the Young People in Care Council and expanding the range and age of children involved in consultation.

32. Increase the involvement of the virtual school in Personal Education Plan (PEP) meetings to promote the most effective use of pupil premium funding to improve the educational attainment of looked after children.

Adoption

33. Further improve the timeliness with which children progress into adoptive placements.
34. Accelerate the rate at which adopters are recruited and assessed to meet the demand from children who need a permanent family.

Help and Protection

35. Ensure that all relevant agencies are involved in strategy discussions and meetings, and that these discussions clearly record decisions, rationale and planning of Section 47 enquiries.
36. Improve the quality of assessments so that these reflect children's daily experiences.
37. Improve the quality and consistency of recording of child protection visits so that they clearly reflect the aims of the child protection plan.
38. Improve child protection plans so that they more clearly focus on key areas of risk and how this will be reduced and include contingency planning.
39. Develop systems to identify and quantify the number of child protection cases within which adult substance misuse and mental health issues feature significantly.
40. Increase the participation of older children in child protection processes.
41. Ensure that the provision of S20 accommodation and the availability of looked after services are appropriately considered and discussed with homeless 16 and 17 year olds.

Governance

42. Ensure that members robustly and consistently champion the needs of looked after children and care leavers.
43. Develop the role of scrutiny within the City to ensure that the wider multi-agency arrangements for the provision of early help and services to children and their families from children's social care, are routinely considered by political leaders.

Performance Management

44. Further develop performance management arrangements to provide analysis of the quality of work being undertaken and drive improvements in service quality
45. Ensure there is sufficient capacity and skills within the Independent Reviewing Service to provide consistent quality assurance and robust challenge of the work it reviews.

Workforce

46. Continue to review the sufficiency of the social care workforce so that workloads are manageable and allow front line workers and managers to meet required standards.
47. Ensure that all social workers receive consistently good quality and regular supervision that includes professional development, case reflection and appraisal.

The local authority's strengths

48. The local authority has a good understanding of its strengths and weaknesses and of the needs of its community. Leaders are both challenging and ambitious in their aspirations for Southampton's vulnerable children and are backing this ambition with clear, focused and appropriately resourced action planning.
49. Children and families can access support from a wide range of early help services and those with more complex needs receive well-coordinated and, when necessary, more intensive support.
50. The local authority's troubled families project (Families Matter) is helping many families with entrenched difficulties to improve their care and parenting. This work is now well integrated with other early help and targeted support.
51. An effective MASH has been established which is enabling good inter-agency information sharing and decision making at the first point of contact with statutory social care services.
52. Children with child protection plans are visited and seen regularly by social workers who have a good understanding of their needs, wishes and feelings.
53. Child protection conferences are well managed and make good use of the 'Strengthening Families' model and tools.
54. Workers and managers have a strong awareness and understanding of domestic abuse issues, and there is a good range of support services for victims of abuse.
55. The Jigsaw service provides comprehensive, integrated and effective support for disabled children and children with complex health needs.
56. The communication between the out of hours and day time services is robust, ensuring that families receive a seamless service and all emergency activity is followed up promptly.
57. Public law outline processes are consistently well-applied and are supporting timely decision-making about whether children need to become looked after; they also contribute to reduced timescales for completing care proceedings.
58. A large majority of looked after children are living in families with carers who are well supported and committed to meeting their needs. Placement stability is better than the national average.
59. Good attention and support is provided to keeping brothers and sisters together.
60. Looked after children receive good support to engage in leisure and social activities.

61. The Behaviour Resource Service (BRS) provides very good quality interventions and support for looked after children with therapeutic needs. Looked after children can also access good support if they have difficulties with substance misuse.
62. Integrated commissioning arrangements for children's services, including placement commissioning, promote the good use of pooled resources and services, which are well matched to children's needs.

Progress since the last inspection

63. Safeguarding and looked after children's services in Southampton were last inspected in April 2012. That inspection judged overall effectiveness for both safeguarding and looked after children to be adequate but quality of provision in both these areas to be inadequate. The early signs of improvement identified by that inspection were neither consolidated nor built upon. This meant that in April 2013 the local authority's self-assessment found children were not safe or properly protected from significant harm, and looked after children received a service that was not consistently good enough. This analysis was supported by leaders in Southampton and by findings from serious case reviews.
64. From a self-assessment position where children were not being reliably protected or having their welfare promoted, leaders and managers have taken swift, robust and effective action to improve services. As a result no cases of children receiving inadequate protection were identified during this inspection. Evidence of more historic practice evaluated during this inspection also supported that analysis. Many examples were seen of previous poor practice and decision making, leading to missed opportunities to protect children and failures to achieve permanence for children within their timescales. Workforce instability has also led to children experiencing many changes of social worker, which both delayed care planning and prevented children from developing trusting relationships with their workers.
65. In response to these failings, leaders have taken decisive action to improve services and outcomes for children. These have included establishing multi-disciplinary early help teams, creating a MASH (Multi Agency Safeguarding Hub) and implementing a workforce strategy which has substantially reduced social worker turnover and the reliance on agency staff. Equally importantly, it has sought to transform the culture in which services operate by creating a common ownership of safeguarding across its partnerships, and making practice more evidence based and child focused.
66. This inspection saw much evidence of the positive impact of these changes in the conduct and presentation of staff and increased workforce stability, in the feedback from partner agencies, including schools and most significantly in the practice that was observed and evaluated.
67. Actions to transform looked after services are clear and progressing, but improvements are less advanced. They are building on foundations which include some significant strengths (such as placement stability and quality) as well as significant deficits. Progress to improve services for care leavers has been poor and these services remains inadequate because of the poor outcomes experienced by many care leavers. Current senior leaders and managers have a clear understanding of the scale and nature of improvement required and are beginning to implement plans to deliver services to a consistently high standard.

Summary for children and young people

- Services to help and protect children and young people have been poor in Southampton and not all looked after children and care leavers have received a good enough service. Those in charge of these services have recognised this and are doing a lot to improve them, which means that children are now better protected. Children and their families are now receiving help before problems become too great.
- Social workers visit and listen to children and take account of their views, but do not always think enough about what their actual daily lives are like. When children go missing from home or care, they are visited by someone to listen to their views and try and understand why they are going missing, but this person does not always talk to the child's social worker.
- Social workers try hard to find adoptive families for every child who needs one, but sometimes this can take too long.
- Looked after children nearly all live with their brothers and sisters when this is what they want and have good foster carers who care about them, but children looked after are not always given enough help to understand what has happened to them in their lives.
- The young people in care council has some great ideas about improving the lives of looked after children, but it needs more support to get more children involved in its work.
- Many young people leaving care like and feel supported by their individual workers but because of weaknesses elsewhere these efforts do not result in good outcomes for care leavers. Young people leaving care do not receive enough help and support with their education or training and too many are not in education or do not have a job. Good accommodation is not always available for young people leaving care and too many are living in unsuitable housing.

Information about this local authority area³

Children living in this area

- Approximately 46,149 children and young people under the age of 18 years live in Southampton. This is 20% of the total population in the area.
- Approximately 25% of the local authority's children are living in poverty.
- The proportion of children entitled to free school meals:
 - *in primary schools is 22 % (the national average is 18.1%)*
 - *in secondary schools is 21% (the national average is 15.1%).*
- Children and young people from minority ethnic groups account for 20% of all children living in the area, compared with 21.5% in the country as a whole.
- The largest minority ethnic groups of children and young people in the area are Asian/Asian British.
- The proportion of children and young people with English as an additional language:
 - *in primary schools is 22% (the national average is 18.1%).*
 - *in secondary schools is 18 % (the national average is 15.1%).*
- Southampton has a higher proportion of larger families (consisting of three or more children) than the national average and most of its statistical neighbours.

Child protection in this area

- At 31 March 2014, 235 children and young people were the subject of a child protection plan. This is an increase from 232 at 31 March 2013.
- At 30 July 2014, 24 children lived in a privately arranged fostering placement. This is an increase of 16 from the 8 identified at 31 March 2013.

Children looked after in this area

- At 31 March 2014, 500 children were being looked after by the local authority (a rate of 105 per 10,000 children). This is an increase from 482 at 31 March 2013 (104 per 10,000 children). Of this number:
 - *239 (49%) live outside the local authority area but 87% of these are placed within 20 miles of their home address*
 - *12 live in residential children's homes, of whom 9 live out of the authority area*

³ The local authority was given the opportunity to review this section of the report and has updated it with local unvalidated data where this was available.

- *2 live in residential special schools⁴, and both live out of the authority area*
 - *408 live with foster families, of whom 212 (54%) live out of the authority area*
 - *25 live with their parents*
 - *2 children are unaccompanied asylum-seeking children.*
- In the last 12 months:
- *there have been 30 adoptions*
 - *19 children became subjects of special guardianship orders*
 - *189 children ceased to be looked after of whom 12 (6.3%) returned to live with their parents;*

Other Ofsted inspections

- The local authority operates no children's homes.
- The previous inspection of Southampton's safeguarding and looked after children's service was in April 2012. The local authority was judged to be adequate.

Other information about this area

- The Director of People provides the statutory function of Director of Children's Services. The current post holder has been in post since April 2013.
- The chair of the LSCB has been in post since November 2013.

⁴ These are residential special schools that look after children for fewer than 295 days.

Inspection judgements about the local authority

Key Judgement	Judgement Grade
The experiences and progress of children who need help and protection	Requires Improvement
<p>Summary</p> <p>The timeliness of decisions and assessments has improved from a low base but is not yet consistently good. Records of decisions, including records of strategy discussions, are not always clear or detailed and do not often enough involve agencies other than the police and social care. Although the quality of assessments has improved, they do not routinely capture the life experience of the child, and recording is not always purposeful. Child protection planning is effective in the majority of cases, but lacks effective contingency planning. Few older children participate in child protection conferences. There is good awareness of and responses to the risks of child sexual exploitation, but monitoring of children who go missing from home and care is not robust enough. Improved information sharing helps to ensure that children and young people who are, or who are likely to be, at risk of harm, are identified swiftly; where necessary, robust and prompt action is taken to make sure they are safe. Early help services are available to children and families including well-coordinated, multi-agency support where this is required. Thresholds are well understood and operate effectively in most cases. Children in need of protection are listened to and heard by social workers, who understand the importance of building effective relationships with them.</p>	

68. Children and young people and their families can access help and support through a wide range of early help services, including children's centres. Many examples were seen of effective early help for children and young people preventing escalation to statutory services. As part of the City's Early Intervention Strategy, integrated early help teams were established in March 2014. These teams are therefore at an early stage of their development but their work seen was of good quality.
69. Services are well tailored to the individual needs of families and focused on improving outcomes for children. The newly formed, multiagency early help teams ('pre-birth to four years' and '5-19 years') undertake all universal help assessments at level two. This has resulted in a significant rise in the volume of Universal Help Assessments (UHA) (which have replaced the common assessment framework in Southampton) indicating that more children are being supported at an early stage. The Families Matter service is well designed and has made significant progress in achieving its targets in improving outcomes for children living in troubled families.

70. Thresholds for children and young people needing help and protection are understood by partners. The majority of referrals are of good quality, contain comprehensive detail and consider the impact on children. Partner agencies spoke positively and confidently about the MASH, to which there has been a recent increase in referrals. The likely reasons for this are well understood by managers but it has put additional pressure on services and at the time of the inspection was impacting on performance in terms of timeliness of response. No children were found to have been left at risk as a result of these pressures and clear plans are in place to manage the increased demand. Overall, performance data demonstrates that implementation of the MASH has significantly improved the timeliness of decision making at the point of contact and referral.
71. The range and work of agencies in the MASH, including health, housing, independent domestic abuse advisors (IDVAs) and police officers mean that it is an effective arena for sharing information to inform decision making. Decisions about thresholds of need and risk are made by qualified and experienced social workers, and in most cases are appropriate and demonstrate effective risk evaluation. Poor information sharing and decision making, which missed opportunities to safeguard children, were strong features of learning from recent serious case reviews, and practice within the MASH demonstrates how that learning has been used to improve practice. In a sample of 21 cases reviewed by inspectors, three (14%) were closed inappropriately at the contact stage when they should have progressed to a referral. In these cases; there was a failure to fully evaluate the presenting information to inform the decisions made. This led to a delay in children being assessed, but did not leave them at risk of significant harm.
72. Where child protection concerns are referred, and are the subject of a strategy discussion, this generally takes place between police and a social care team manager. Other agencies are rarely involved and, as a result, their views and information may not be fully considered in decision-making about the future actions required to investigate concerns. The decision at strategy discussions about the need for Section 47 enquiries was appropriate in the majority of cases, the record of the strategy discussion, grounds for decision, identified actions and timescales were not clearly recorded. Consequently there is a lack of clarity as to what actions should be undertaken, by whom, and by when.
73. When face-to-face strategy meetings are held they are promptly convened and well-attended by relevant agencies. Participants consider what action is required to safeguard and promote the welfare of the child and plan how the child protection enquiry will be undertaken, and who will carry out the agreed actions and when. More cases would benefit from such an approach, rather than discussions over the telephone. This was a learning point from recently published Serious Case Reviews and, whilst progress has been made, good practice is not sufficiently well established in this area.

74. Child protection conferences (CPCs) are timely; with good attendance and reports by partner agencies. Social workers' written reports are provided in advance, and in the large majority of cases these are shared with parents prior to the conference. Conferences are well recorded and develop outline protection plans which address the presenting risks. Inspectors observed the 'Strengthening Families' model being used well with parents, who were encouraged and enabled to contribute their views. A recent evaluation of the model has been positive, with parents stating that seeing the problems written on boards assisted their understanding of what needs to change.
75. Emotional abuse features in around 78% of children with child protection plans, neglect in 49%, physical abuse in 48%, and sexual abuse in 6%. This is broadly in line with national figures. Domestic abuse is a factor in 80% of child protection plans and reflects above average levels of domestic abuse prevalent in this local authority area. Over use of multiple categories can make it more difficult to focus on key areas of risk but this was not evident in the practice seen. Assessments and plans showed a good understanding of needs arising from different categories of abuse.
76. Child protection plans are regularly updated, at well attended core group meetings where actions are monitored, reviewed and if necessary changed. Visiting frequency is routinely recorded in each plan but contingency planning is not. Parents are therefore not fully aware of the consequences should the risks not reduce. In a minority of cases, the required actions are documented in a style that is both too general and unnecessarily long. This makes it difficult for parents and professionals to use the plan effectively to ensure that the risk of harm is reducing for children. In a small minority of cases involving neglect and emotional abuse, there was insufficient rigour and challenge by independent chairs in reviewing progress and assessing whether alternative action was required. As a consequence, in a small number of cases, ineffective plans were being pursued for too long.
77. Children of all ages subject to child protection and children in need plans, have access to a wide range of services to help support them. Many examples were seen of interventions resulting in good outcomes, including supporting real improvements in good and protective parenting, and abusive carers being permanently removed. Older children have access to an advocacy service to support them at child protection conferences and core groups. However, levels of attendance by children and young people are low. The local authority is aware of this, and has recently implemented an approach where this service is automatically provided for children and young people (rather than them having to 'opt in') in order to increase the number of children and young people attending CPCs.

78. Children who need assessment and support are seen and spoken to alone by social workers when it is appropriate to do so. Social workers are persistent in their attempts to work with children, young people and parents who are hard to engage, and practitioners recognised the different strategies used by some parents to avoid engagement. The large majority of single assessments are timely, take into account history and describe children's and families' circumstances. They demonstrate a good understanding of the potential impact for children of domestic abuse and long term neglect. However, the majority do not adequately convey a clear sense of the child's life experience. Social workers know the children and young people they are working with well and are able to speak about their needs, wishes and feelings, but this is not always documented or evidenced in case recording. Recording is generally up to date but the majority of case records lack sufficient detail and purpose.
79. Since January 2014 management oversight has become more robust and the quality of assessments and plans has improved. This has helped to reduce the incidence of drift and delay in assessment and care planning which was a common feature of work prior to 2014, as identified by a number of serious case reviews.
80. Disabled children have access to a good range of support services. The Jigsaw service provides comprehensive, integrated and effective support for children with complex health needs and moderate or more significant learning needs. Assessments are detailed, resulting in comprehensive plans to bring about improvements.
81. Inspectors saw several examples of children and families receiving services that are responsive to issues of language, culture and ethnicity. This includes good use of interpreters and translation. Where needs arising from diversity are identified they are usually well addressed, but where such needs present less clearly, assessments did not consistently explore or analyse them.
82. The out of hour's social work service is provided by an experienced team of social workers. The communication between the out of hours and day time services is robust, ensuring that families receive a seamless service and all emergency activity is followed up promptly.
83. Privately fostered children and young people and their carer's receive a responsive service led by a dedicated private fostering social worker. Placements are well supported, with regular visits, promoting stability and positive outcomes for children, in particular those attending language schools. Good attention is given to their family circumstances, religious and cultural needs. A series of events, including radio interviews, have been effective in raising awareness about private fostering across the city. At the time of the inspection there were 24 children privately fostered.

84. Southampton has exceptionally high levels of domestic abuse, and this is a factor in 80% of child protection cases and 51% of children in need cases. Social workers demonstrate good awareness of the impact on children of domestic abuse and have access to a range of specialist advice and services to support children and families. Multi agency risk assessment conferences (MARAC) are established, and are well attended by partner agencies, with good information sharing to plan effective action to reduce risk. Referrals to MARAC are appropriate and timely, with 620 cases considered during 2013-14 relating to 878 children. Work is undertaken in high risk domestic abuse situations with good access to independent domestic abuse advisors (IDVA) including a young person's IDVA who works with young people under 18. The IDVA service has a high level of engagement, currently working with 63% (303) of all referrals.
85. Learning from SCRs has resulted in the creation of PIPPA (prevention, intervention and public protection alliance) a single point of contact for professionals, in order to increase the number of non-police referrals to MARAC and improve identification of risk across Southampton. As a result, there has been a 12% increase of non-police referrals to MARAC. The introduction of a PIPPA HUB has provided a direct link to maternity services and the emergency department, which has resulted in increased referrals to both MARAC and the IDVA service from health professionals.
86. Adult substance misuse and mental health issues feature significantly in a number of child protection cases, although precise prevalence figures are not known. Inspectors saw strong engagement with and by these services in safeguarding children, including good quality, timely referrals and good information sharing and joint working with children in need of protection. This indicates that lessons from serious case reviews have led to improved practice.
87. Arrangements to address child sexual exploitation (CSE) are in place. A dedicated CSE social worker, co-located with the police, undertakes direct work, assessments and monitoring of children and young people at risk of child sexual exploitation. This specialist worker has supported 23 children since April 2014. A number of investigations remain ongoing and multi-agency working and disruption strategies are leading to young people being protected and perpetrators being prosecuted.

88. Arrangements for identifying and tracking children and young people missing from home and care are under-developed with patterns and trends yet to be identified. Senior managers are regularly updated in order to monitor high risk cases. Independent return interviews with children and young people are undertaken by 'Miss U', a commissioned service. During 2013-14, 42 such return interviews took place. However, the child's social worker is not always informed that these have taken place or the information gathered which might inform the child's future safety. Information sharing between children's social care and the police is more systematic and cases regarded as high risk are actively monitored. However, the weaknesses in data collection, analysis and information sharing inhibits the development of safe care strategies for individual and groups of children and young people and means that risks may not be identified and patterns of behaviours and trends are not tracked.
89. Currently, 188 young people are registered as home educated. The local authority maintains a list of children and young people who are electively home educated (EHE), but does not monitor the quality of home education annually, although it is establishing additional risk assessment arrangements for EHE children as part of its transformation arrangements. Procedures are in place for establishing the identities of children who are not registered at school, and for confirming forwarding destinations of those who leave school. Good use is made of a range of data from different sources and schools have guidance on the actions to take following withdrawal of a child from school. The overwhelming majority of children potentially missing from school are successfully tracked and located. In the 2013-14 academic year, six children were not located.
90. All young people who present as homeless are referred to the Southampton City Council homeless team for a housing assessment. As a result 62 young people aged 16 and 17 were prevented from becoming homeless in 2013-14. At the time of the inspection there were no children registered as being homeless. There is good access to timely mediation and, if this fails, the provision of emergency accommodation, a range of supportive accommodation and multi-agency support is available. Very few young people in this group are brought into care, only one in the past six months. The assessments of young people presenting as homeless do not record any evaluation of whether these young people would benefit from becoming looked after, or present this as a positive option to young people.
91. Allegations against professionals are managed effectively by the local authority designated officer (LADO). Allegations are dealt with in a timely fashion, with good attendance by appropriate agencies at strategy meetings. Clear evidence was seen of the outcomes of these processes leading to children being better protected.

Key Judgement	Judgement Grade
The experiences and progress of children looked after and achieving permanence	Requires Improvement
<p>Summary</p> <p>Most children, who cannot live safely within their own immediate family, benefit from better quality assessments, appropriate thresholds and effective decision-making processes. The length of care proceedings is reducing, enabling plans for permanent placements to progress in a more timely way, but a small number of children are still waiting too long without a secure home. For some children, frequent changes in social worker have led to delay in progressing their plans. Children are not sufficiently supported to access advocacy or independent visitor services. Although some good quality care plans were seen, others did not address children’s emotional or contact needs sufficiently, and not all children and young people have the opportunity to access life story work. Looked after reviews are not always timely or sufficiently challenging. Foster carers provide good quality care for looked after children and placement stability is good. Overall, looked after children’s educational and health outcomes are improving and youth offending rates are reducing. Although children who go missing from care receive an independent return home interview, information from this interview is not shared and used to promote the young person’s safety. Arrangements to consult with looked after children are underdeveloped.</p> <p>Some children waiting for adoption have experienced delay in securing a permanent family and, although leaders are taking action, there are a small number of children for whom permanency has not yet been secured. Adoption performance against the adoption scorecard is not good but steady progress is being made to bring the City in line with local and national comparators. Although family finding is improving the demand for adopters still exceeds the number of available families.</p> <p>For many care leavers, the local authority’s services do not prepare them adequately for adulthood nor support them to achieve their potential. The numbers of care leavers in education, employment or training is well below national averages and very few successfully attend higher education. Housing options are too limited, and as a result, some care leavers are living in unsuitable accommodation. These poor and unacceptable outcomes mean that services to support care leavers are inadequate.</p>	

92. Southampton has experienced a significant increase in the number of children they look after in recent years, rising from 286 in 2007 to 539 in July 2014. The proportion of children looked after per head of child population is now significantly above the national average. This reflects a history of ineffective preventative services and poor care planning. As a result, children have not received effective support early enough to prevent the need to become looked after, and other young people have remained looked after longer than they need to. The local authority has responded by embarking on an ambitious three year transformation programme, with a specific focus on strengthening early intervention and improving care planning.
93. Parents can now access a good range of services, including intensive support if needed, to support their parenting and help them to make the necessary changes to care properly for their children. Improvements can be seen in the way that professionals work effectively together to assess children and young people's needs and identify risk, which means that the right decisions are now made to look after children and young people at the right time. Appropriate thresholds are applied and no cases were seen of children entering care inappropriately. Unless an emergency admission is needed, legal planning meetings are chaired by senior managers who ensure that pre-proceedings work is undertaken before decisions are made to accommodate children. This provides an additional level of scrutiny and ensures that social workers have considered all appropriate alternatives to care.
94. The Public Law Outline (PLO) is being used effectively to ensure that children's safety and welfare is secured and that consideration of future permanency is embedded in plans for all children. Letters before proceedings are well written and clearly explain to parents the assessments that will take place and what needs to change, timescales, to prevent the need for legal intervention.
95. Children and young people are benefiting from more timely court proceedings which are reducing the period that children have to wait before having some certainty introduced into their lives. In cases initiated since May 2013, government targets of 26 weeks are not being met, but the length of proceedings has reduced from 41 to 34 weeks and continues on a positively downward trajectory. Currently 11 cases are exceeding the 26 week target and robust tracking by senior managers has ensured that the reason for delays are understood and action plans in place to monitor progress closely and expedite final hearings in each case at the earliest opportunity.
96. There has been an improvement in the quality of applications before the court, and statements of evidence are more focused and analytical. When family members are identified as potential alternative carers, viability assessments are undertaken promptly by the fostering service. This means that children and young people's permanent placement needs are secured within their families at the earliest opportunity.

97. Legal planning meetings reflect improving practice in ensuring that permanence, including special guardianship, is considered for all children at the point of becoming looked after. Financial and practical support arrangements for special guardianship have not been clearly established in all cases, and this has deterred or delayed some carers considering this course of action. This has caused delay in achieving legal permanency for children and young people who are in otherwise long-term and secure placements. The local authority recognises that this is a gap and has begun to take positive action to review its policy and practice.
98. Capacity to care and 'sibling together or apart assessments' are increasingly evidenced based. This has been supported through input from the Behaviour Resource Service (BRS). This work provides clinical and therapeutic consultation to assist social workers in considering the strength and importance of children's attachments to significant people and the capacity of their parents and carers to change. Its quality has increased the court's confidence in care proceeding applications and has resulted in a reduction in the use of independent expert witnesses in care proceedings. This has benefited children by enabling proceedings to be concluded in a more timely way, thereby reducing delay in confirming future plans for them.
99. When children need to be looked after, the preference is to provide accommodation with 'in-house' foster placements. Where this is not possible, strong commissioning arrangements are used to identify placements through Independent Fostering Agencies (IFAs). Once children and young people are placed, there is no pressure to bring children and young people back in-house if the placement meets their needs. There are a number of children and young people with long-term plans in Independent Fostering Agencies (IFAs) where placements are providing stability and supporting positive transitions into adulthood. Parents express a high degree of satisfaction with their children's placements and value the support their children receive.
100. A few children have been looked after for too long because of delays in achieving their permanency plans. Senior managers have recently scrutinised all looked after children's cases and have ensured each child has an action plan with clear timescales for securing legal permanence. It is too soon however to see any impact of these plans.
101. Children are only removed from home when there is clear evidence that parents cannot change or adequately meet their needs in the long term. As a result, relatively few children return to live with their parents once they have been subject to legal intervention, as it has been established that permanence can only be achieved for them outside their immediate family. Those who do return to their parents' care are subject to sound risk assessment and support packages.

102. The vast majority of children live in long-term stable placements. Overall placement stability is good, with few (10%) children experiencing more than 3 moves in 12 months which is lower than the national average of 11%. Foster carers are well trained and well supported and recruitment and retention rates are good. BRS provides therapeutic support to foster carers to help them understand the complexities of children and young people's emotional needs and experiences and how to respond to challenging behaviour. The rate of fostering placement breakdown is therefore low, with 27 unplanned moves recorded in over 500 placements made in the past 12 months. Children and young people's achievements are regularly celebrated, and foster carers provide good opportunities for young people to experience leisure, cultural, sport and social activity. Carers are given delegated authority so that they can appropriately make decisions about children staying with friends and accessing leisure and social activities, although not all foster carers understand this well enough.
103. All looked after children and young people are allocated to qualified social workers although until recently many have experienced changes in social worker which has affected workers' ability to get to know children and young people well and develop a good understanding of their history and experiences. This is beginning to improve with more than 80% of social workers now in post for more than one year.
104. Statutory visits are mostly timely, and case file evidence demonstrates that social workers are seeing children alone where appropriate. However, they do not always evidence that visits to children have a purpose or how the visit has contributed to progress against the child's plan. Direct work with children is not well evidenced, but where it is undertaken children's wishes and feelings are clearly recorded. Life story work is underdeveloped and is not always appropriately prioritised. Therapeutic social workers from the BRS contribute to more complex life story work, but not all children and young people are supported to help them make sense of what has happened in their lives and to use this knowledge to help understanding their future plans.
105. Children and young people are not supported sufficiently to access an advocate or make a complaint. Access to an Independent Visitor is also limited, with a target of just six children to be matched this year. This target is not based by a clear needs assessment or analysis of the looked after population of 223 children and young people who are over 10 years. Despite a contract with 'No Limits', an independent provider of advocacy services, only one looked after young person has been referred to the service in the past 12 months and only two complaints from children and young people have been received in the same period. Not all looked after young people seen during the inspection knew that they could access an independent advocate or independent visitor.

106. Most looked after children and young people have a recorded and up to date care plan, but not all children's plans sufficiently address their emotional needs and family contact requirements particularly when siblings have a different plan. Expectations of carers and professionals are not defined, and it is not always clear how objectives will be achieved and what support is to be provided. The views of children, young people and their parents are not well evidenced, which means it is difficult to see how much they have influenced their plan. In some plans good attention was given to needs arising from disability, culture or ethnicity, but in a significant minority these were not clearly addressed.
107. Placement choice and quality means that most children live with their brothers and sisters where this is in their best interests, even if they are part of a large family. In most cases where appropriate, contact with brothers, sisters and family members is promoted, although this is not always reflected in written care plans. The current supervised contact service is under significant pressure due to the increasing volume of activity in the looked after system which has also seen a rise in the overall number of children looked after. This means that children and young people do not always receive continuity of supervisor or arrangements which is not in their best interests. Senior managers are aware of the capacity issues and have responded in the interim with additional resources. A review of the service is ongoing.
108. Due to capacity issues in the Independent Reviewing Officer service (IRO) children and young people are not always seen before their review by the IRO and rarely visited between reviews. The timeliness of reviews has decreased from 71% to 62% in the last quarter, and case examples were seen by inspectors of reviews being delayed or cancelled when this was not in the child's best interests. Some good examples of child centred reviews were seen, but in a minority of reviews, plans were not sufficiently tested and some previous actions were not followed up. IRO absence and turnover has also meant that a significant minority of children have not had continuity of IRO and the distribution of review records has been delayed.
109. The experience of children living out of area in residential placements is positive. Children and young people are in placements which mainly or fully meet their needs, including their education and health needs. Placement quality and safety are regularly considered and monitored. Providers commented that homes were not routinely visited by social workers before placement. The information they received prior to placement was not always comprehensive, but was sufficient to determine whether they could meet the child's needs. Information sharing post-placement was timely and reliable, with social workers responding to requests for information. Young people spoken to during the inspection reported positive relationships with their social workers and that social workers visit regularly. One young person told the inspector this made him feel safe.

110. A small minority of children's health assessments are not completed on time due to insufficient designated nurse capacity and a lack of sufficiently trained designated doctors. As a result, planning to meet these children's health needs is delayed. The integrated commissioning unit has instigated robust action to manage the backlog and is on target to complete this work by August 2014. Where health assessments are undertaken, they are robust and analytical and ensure that the health needs of children and young people are prioritised. Good multi-agency health plans help meet the needs of disabled children and children with complex health needs. BRS provides therapeutic support for children suffering from trauma and for foster carers who require support to understand children's emotional needs and how to respond to them. One looked after child told the inspector she likes going to BRS but does not like its name as her friends think she has problems because she is going to the "behaviour place".
111. Children and young people are supported well to make good progress in their learning. 78% of pupils attend good or better schools and the virtual school is increasingly effective in securing such places. Only four children are in inadequate schools and each child has an appropriate action plan in place. The virtual school are monitoring these pupils and pupil premium funding is being used to provide support. Eleven young people were following part-time time tables at the end of the summer term. Plans are in place to improve their engagement although the hours of tuition for four young people are low, (between five and eight hours per week) which will make planned progression to college challenging.
112. Children mostly make good progress in their early years and at KS1 attainment is in line with children looked after nationally for reading and above national average for writing and maths. At KS2 attainment is in line with looked after children nationally. In 2012-13 all made expected progress in maths and reading and most in writing. Despite high levels of special educational needs at KS4 almost half (44%), achieved 5 GCSE grades A*-C in 2012-13. This contributed to a significant closing of the gap in attainment between looked after and non-looked after children. Attainment is in line with young people looked after nationally but not enough are achieving qualifications in English and maths. There are no significant differences in outcomes between looked after children placed within or outside the city.
113. Overall, persistent absence levels are similar to the national and similar area averages. Only one pupil was permanently excluded over the past five years. Managed moves and targeted support have been used well. Levels of fixed term exclusions have reduced significantly, although a rate of 14% in 2012-13 was above the national average of 11%.

114. Attendance is monitored by the virtual school, but the progress information it holds is limited and impedes intervention. An electronic system has been established, but its use is not yet embedded. Personal Education Plans (PEPs) provide a good overview of health and emotional well-being and they consistently support and encourage participation in out of school activities. Overall however, targets for driving up attainment are often too general, and over half of PEPs require improvement. The virtual school is not sufficiently involved in PEP meetings, particularly with secondary aged pupils, to drive up standards and to ensure that pupil premium funding is used to best effect.
115. Children and young people benefit from the support of Educational Literacy Support Assistants (ELSAs), who are trained to deliver low level emotional interventions in school to every looked after child. They report directly to educational psychologists, who fast track children into BRS or CAMHS if they require more intensive therapeutic interventions.
116. All reports of children and young people who go missing from care are scrutinised by the police, and young people who may be vulnerable to sexual exploitation are referred to the Missing, Exploited and Trafficked Group (MET). 'Safe and well' visits are undertaken by police when a child returns to their placement. In addition, independent 'return home' interviews are undertaken via a contract with a voluntary sector provider, but information sharing from these interviews is not effective. Social workers and managers do not receive a copy of the interview nor confirmation that the visit has taken place, and therefore cannot be satisfied that return interviews are being undertaken. They are unable to analyse patterns of behaviour, trends or risk in order to develop safe care strategies or assess whether the young person found the intervention useful. Local authority managers recognise these deficits and are reviewing their commissioning and contract monitoring arrangements for this service.
117. Procedures for diverting young people from offending are beginning to have an impact. First time entrants to the judicial system have reduced by 18%, compared with the previous year. Custodial sentences have reduced from 49 in 2011/12 to 18 for 2013-14. Persistent offending is also decreasing together with the numbers of offences committed by the most persistent offenders. There is evidence of good multi agency working to support children and young people misusing substances and alcohol. Well-coordinated interventions from specialist young people's substance misuse services ensure that they are triaged quickly and that support is provided for as long as needed.

118. The Young People in Care Council (YPIC) is in its infancy and currently consists of ten young people age 17 to 19. Members of the YPIC are enthusiastic about their role and have strong support from the lead member of the local authority and senior managers. The young people have made a positive start, and have recently held a celebration event for looked after children and care leavers, and they are supporting younger looked after children to participate in leisure activities. Although they have some support to develop the YPIC, they require dedicated input from a participation officer to help structure and develop the service and plan how they can consult with other children and young people across the service and support their engagement.

The graded judgement for adoption performance is that it requires improvement

119. The local authority transformation plan recognises that the adoption service was poorly performing. There was drift and delay in achieving adoption for many children, reviews of plans were not challenging or rigorous enough, management oversight and scrutiny was poor and adopters did not receive a timely service. Robust action has been taken to address these deficits, which has led to improved performance, although this is not yet good. In the last twelve months, new leaders have established a performance culture and introduced trackers that mark the child's journey through the PLO process and the family finding stage of the adoption system. Greater management oversight is helping to improve timescales. As a result, adoption plans are now commencing at an earlier age and progressing more quickly through the adoption process.

120. However, performance measured against the 2012-13 adoption scorecard is not good. It took, on average, 691 days for a child entering care to progress to live with their adoptive family. This performance is 83 days longer than the performance threshold and above the national average of 647 days. The time taken between the courts deciding that adoption is in the best interests of a child and this authority deciding on a match is 139 days, and whilst this met the previous performance threshold performance is not improving. The trajectory of both these performance measures is heading in the wrong direction and managers in this authority do not expect to meet the thresholds when the next scorecard is published. This is because of a number of historical cases that impact performance.

121. Children are currently progressing through the adoption system more quickly than they did previously. 82% of children placed for adoption have been placed in the last 12 months. 6 children were matched within three months of the local authority receiving court authority to do so and a further 21 were matched within 6 months.
122. 30 children were adopted in 2013-14 and 11 have been adopted since April 2014. The local authority has had significant success in placing older children and sibling groups, who are considered harder to place. Whilst this is good for children it does adversely affect the scorecard performance. Seven percent of adoptions were of children aged five or older compared to the England Average of four percent.
123. Adoption is appropriately considered for all children who are unable to go home to their birth family and the authority is appropriately ambitious in aiming for adoption for children where this is in their best interests. Overall a slightly higher percentage of looked after children are adopted in Southampton than for similar areas (6% as compared with 5%). For a small number of children, however, this ambition has not led to them being adopted and they have waited too long for permanence and for suitable alternatives to be considered. Between 2009 and 2012 no children had their permanence plans changed from adoption. This historic practice means that there are a number of children for whom adoption has not been achieved but remains the plan. At the time of the inspection, 17 children had been waiting two years or more to be placed for adoption. The local authority has been actively reviewing cases where children have been waiting too long. This has led to some plans being rescinded and permanence secured with existing foster carers.
124. There are no formal arrangements for concurrent planning or fostering for adoption although a number of children have been successfully adopted by their previous foster carers. Parallel planning is not evident in historic cases but is more evident recently which, combined with more effective use of PLO processes, is reducing delay.
125. Contact arrangements are carefully considered to make sure that these are in the best interests of children. Inspectors saw good examples of assessments that considered whether siblings should be separated or stay together, and the outcomes of these assessments are reflected in placement planning so that children are not separated unless this will meet their individual assessed needs.
126. The demand for adopters currently outstrips supply; the current number of children waiting for adoption is 46 while there is a pool of only eight approved adopters. The local authority intends to use its adoption reform grant to purchase adopters from Voluntary Adoption Agencies (VAAs) and local consortia to meet demand. Leaders feel assured that this will provide sufficient adopters, but this approach does not build ongoing capacity to increase the pool of locally available adopters. Plans for a marketing campaign and to strengthen internal recruitment are at an early stage of implementation.

127. When adopters do come forward they feel well supported, but have experienced delay. One adopter said 'my individual social worker was really supportive...but the process was frustrating and slow'. Another commented that 'apart from being a bit slow it's been really positive'. Once the assessment stage starts, progress is quicker. The local authority has improved its responsiveness to initial enquiries and new adopters are now progressing more swiftly through assessment and preparation processes in line with national standards.
128. A broad range of options are pursued for family finding, including activity days. A considered approach to matching means that there have been no adoption disruptions in the past two years. The authority has had significant recent success in placing nine children aged over six and six sibling groups that total 13 children. This is a reflection of the determination and commitment of the service.
129. Family finding and management tracking does not begin at the earliest possible point, i.e. from the point that adoption is being considered, but at the point the agency decision maker ratifies the plan for adoption. Inspectors also noted in some cases examples of a number of small delays which cumulatively amount to significant time lost in achieving adoption for individual children.
130. Life story work is not always completed in a timely fashion and Life Story books are of variable quality. This means that a minority of adopted children and their adopters are not helped to fully understand their early childhood experiences.
131. The quality of work being presented to the panel is described by the independent panel chair as 'improving', in both timeliness and quality. Some helpful training was given to panel members earlier in the year, but there are not clearly established arrangements for regular training and practice updates, which would strengthen the ability of the panel to quality assure and improve practice.
132. Adoption support packages are currently being given to 11 children. Adopters value the support provided by the BRS and at the time of the inspection no children were found to be waiting for adoption support to be provided. Some 89 children are supported with financial packages, and this is contributing to stable placements. All children being adopted have adoption support plans, but the majority seen by inspectors were formulaic and did not always clearly identify set out who will provide the support, its nature and in what timescale. Counselling is offered to birth parents, but when adopted adults request support it is not always provided quickly.

The graded judgement about the experiences and progress of care leavers is that it is inadequate

133. Services for care leavers are not preparing them adequately for adulthood or to fulfil their potential. The numbers of care leavers in education, employment or training is well below the national average and very few successfully attend higher education. Housing options are too limited and, as a result, a significant minority of care leavers are living in unsuitable accommodation. These poor and unacceptable outcomes mean that services to support care leavers are inadequate.
134. At the time of the inspection around 30% of care leavers were either not in contact or assessed as not living in suitable accommodation. This included a small number (three) in bed and breakfast accommodation. Bed and breakfast accommodation is not used routinely and only as a short term, last resort. Other young people were noted to be sharing informally with friends, in houses of multiple occupancy or in hostel type accommodation which did not meet their needs. In such cases considered by inspectors there was not always a clear risk assessment or a sufficiently robust monitoring arrangement in place. As a result of these deficits in suitable accommodation arrangements, the local authority cannot be assured that all care leavers feel safe and are safe.
135. Care leavers living in foster care are encouraged and supported to 'stay put' with their carers after they reach 18. Good support is also provided for care leavers to access and sustain tenancies in privately rented accommodation. The local authority is aware of the shortfalls in current provision and has taken steps to improve this by, for example, increased use of supported accommodation provided by the Next Steps service. Plans are in place, with partners, to fully review the local authority commissioning of accommodation services.

136. Although 103 looked after young people have been involved, in recent years, in projects to engage those who are Not in Education, Employment or Training (NEET) or at risk of being NEET, the proportions of young people in education, training or employment (ETE) in years 12, 13 and 14 are not improving. Currently too many young people do not benefit from these opportunities. (65% in year 12, 55% in year 13 and 36% in year 14 respectively). Few gain level 2 or level 3 qualifications and only three care leavers are at university. The authority has committed to providing apprenticeships for care leavers, with placements due to commence in the next month, but no care leavers are currently in an apprenticeship. Individual workers do strive hard to provide advice, support and guidance to care leavers, as does the local college. As a result, some care leavers do achieve well. However support is not systemic as the role of the virtual school formally ends at 16. This means that workers cannot readily access suitably specialist knowledge and advice. There are no management processes for tracking the placement and performance of care leavers, which inhibits resources and activity being focused on young people currently or at risk of becoming NEET.
137. Looked after young people are encouraged to remain looked after until they reach 18 and can access relevant support to develop independence and life skills. In most cases seen by inspectors, however, needs assessments and pathway planning had begun too late and lacked clear analysis and action planning. As a result, it was not effective in predicting and preventing difficulties and disengagement post 18.
138. This disengagement resulted in the local authority losing contact with more care leavers than its statistical neighbours. This means that the 35 young people that the local authority are no longer in touch with, are not able to benefit from the advice guidance and support from their corporate parent. Nearly all care leavers have a pathway plan and the majority of these are reasonably up to date. Most plans provided an overview of history and current position, but are not proactive in setting out plans to promote participation in education or address other presenting difficulties. The format for pathway plans has recently been reviewed in consultation with young people and is now both simpler and more action focused. This is being used to improve the quality and impact of pathway plans and the most recent examples were of a good quality.
139. Support for health needs and health advice for care leavers is too variable. Some examples were seen of good support being provided to meet sometimes complex mental health and therapeutic needs but this was not evident in all cases where it was needed. Access to sexual health advice and health promotion is not assured, and not all care leavers had received appropriate support to access and understand their health histories. Most had not been provided with clear information about their entitlements, right to complain or information on how to access an advocate.

140. Transition arrangements for care leavers who meet adult care services criteria are clear and effective, including those for disabled young people. The local authority has ambitious plans for further developing services for young adults.
141. Workers in the Pathway Team work hard to compensate for the deficits in services for care leavers. They are young person focused and work hard to engage and support young people although this is constrained by competing demands on their time and a lack of expert knowledge and support. Young people value the support offered by their social workers and personal advisers. Inspectors saw young people benefiting from this support and the consistent relationships they had developed. However, for many care leavers this support has not been sufficient to ensure good foundations or enable a successful transition into adulthood.

Key Judgement	Judgement Grade
Leadership, management and governance	Requires Improvement
<p>Summary</p> <p>Children’s services in Southampton City have benefited from the appointment in April 2013 of a new Director of People who carries out the statutory functions of the Director of Children’s Services (DCS). She is supported by a strengthened and increasingly permanent management team who share her ambition to effect sustainable improvements to services. The DCS, supported by corporate and political leaders, has led a robust analysis and critique of services. Based on this analysis, an ambitious improvement programme has been developed and implemented. This includes a transformation programme to restructure services and establish a new working culture in order to meet children’s needs and reduce risks more effectively. An experienced, interim Head of Service is in place to support and drive the required improvements. This inspection found substantial evidence that this programme is beginning to have a positive impact in transforming practice, and that this is beginning to improve outcomes for vulnerable children in a number of key areas.</p> <p>However, the leadership management and governance of the local authority is not yet good as, despite significant progress, there are elements of improvement needed, that are not yet in place. For example, services for care leavers are inadequate; strong corporate parenting is not embedded or demonstrating impact; tracking and risk management for children missing from home and care are not robust; performance management is an improving area of work but is not yet sufficiently focused on improving quality; and the quality and frequency of professional supervision are not sufficiently consistent. Although significant success has been achieved in reducing reliance on agency social workers, challenges remain in securing a sufficiently experienced, skilled and permanent workforce throughout the organisation. Political scrutiny arrangements have not been effectively applied to key areas of children’s services.</p>	

142. The DCS acts as Director of People and this arrangement integrates management of children’s and adult’s services. An appropriate test of assurance was undertaken prior to introducing this arrangement and its recommendations were followed. The services considered by this inspection were a clear priority for the current DCS and inspectors saw consistent evidence of clear focus and leadership of these services.

143. There is effective, if not routinely recorded, communication between the Chief Executive, Lead Member, Leader of the Council, LSCB Chair, DCS and Head of Service that ensure priorities and current issues are effectively addressed. The Lead Member for Children's Services brings a good level of knowledge and experience of issues within children's services from his professional background, and the DCS commands the confidence of local leaders and partner agencies, including schools.
144. Appropriate structures are in place, including representation on the Health and Well-being Board and the Children's Trust. Effective strategic partnership working is further enhanced and delivered through strong professional relationships and the Transformation Board. Strong partnership working has supported the operation of an effective integrated commissioning unit and enabled the swift creation of Southampton's MASH and Early Intervention Teams. The Local Authority has supported and challenged the LSCB to improve its performance. The Chief Executive and DCS work effectively with the new independent LSCB Chair and welcome the Chair's independent challenge. However, regular and detailed scrutiny of children's services is not undertaken by either the Health Overview and Scrutiny Panel or the Oversight and Scrutiny Management Committee.
145. The Lead Member and senior managers have a strong understanding both of the needs of the local area and the extent to which current services are effective in meeting these. Substantial progress has been achieved in improving services and outcomes for vulnerable children in Southampton. Clear strategies are in place to further improve performance and practice.
146. Strategic commissioning arrangements within Southampton are strong. A jointly funded and managed Integrated Commissioning Unit leads on all aspects of commissioning for vulnerable and looked after children. Commissioners have a good understanding of the range of needs and priorities to be met and make good use of their pooled budget. The arrangements for the multi-agency resource panel are well advanced and a real strength, resulting in children quickly benefiting from additional specialist services when these are required to meet their needs.
147. The Joint Strategic Needs Assessment (JSNA) and sufficiency strategy are appropriately aligned. The JSNA is due for renewal, but does provide an overarching strategy for meeting the needs of children and families within Southampton. The sufficiency strategy is now effectively integrated within the joint commissioning strategy. This supports the local authority in meeting its duty to provide services that meet the needs of local children, young people and their families in need of help, care and protection; including provision of a range of appropriate placements for looked after children.

148. Leaders, both political and senior local authority managers, identify the need to improve the offer to looked after children, which is described as coming from a 'very low base'. The corporate parenting committee was re-launched in November 2013, as it was previously judged as being inconsistent and, at times, ineffective. It has, for example, failed to effectively champion the needs of care leavers who have been experiencing inadequate services for several years. The committee has identified a number of areas for improvement, including empowering foster carers to contribute more fully to PEPs and challenging the spend of the pupil premium; improving care leavers' understanding of their entitlements and access to a suitable range of accommodation; increasing children's access to advocacy; and ensuring that care leavers have access to apprenticeships and work experience opportunities within the City Council. However, these objectives remain mainly aspirational at the current time.
149. Performance management and the use of performance data is improving, with a good suite of performance information now available and being used. This is, however, an area acknowledged as requiring further improvement and embedding. For example, reliable performance information is now being produced, but this is not accompanied by a written, qualitative analysis and narrative to help all managers understand what the data is indicating and what might be the causes of performance deficits. Performance measures and case auditing does not yet focus sufficiently on evaluating the quality and effectiveness of services. Monthly case audits are now being undertaken by senior practitioners, team managers, service managers and principal officers. However only around half the target number of audits are being completed and the quality of these is too variable, with some lacking sufficient analysis. There is no system in place to gather the views of children and young people to inform the quality assurance of services. The local authority is also currently in the process of improving its action and improvement plans, so that they evaluate the extent to which intended outcomes for children have been achieved alongside whether actions have been completed or not.
150. The quality and frequency of formal case supervision and professional supervision is not of a sufficiently consistent standard. There are examples of good supervision records, but the large majority did not meet this standard. In the good supervision records, detailed case direction was provided, together with challenge and consideration of the worker's professional development and targets for the year; however, many records lacked evidence of reflective practice and challenge, and there is currently inconsistent practice in undertaking staff appraisal.

151. All workers spoken with rate highly the quality and availability of informal supervision; this includes discussion with both managers and team-colleagues. In one team, workers and their team manager have developed an effective and valued meeting called 'Team Rap' in which they provide each other with support through reflective case discussion. Managers are routinely recording their decisions using the management decision case notes. However, the quality of these records needs improving to ensure that the evidence base and rationale underpinning decision-making is clear in all cases.
152. The Lead Member, Chief Executive and DCS evidence a sound understanding of front line practice and performance issues across the service, which is gained through direct observation, casework scrutiny and performance information. This included participation in an insightful back-to-the-floor day when the Chief Executive, DCS and Principal Officers joined social workers in their work with children and families for a day during April this year. There is also positive evidence of senior leaders actively seeking learning and benchmarking opportunities from other local authorities to inform local improvement.
153. Senior managers have been successful in improving the reputation of the local authority with the Local Family Justice Board and Cafcass. Joint working is much improved in this area, and has led to reductions in timescales and delay in legal proceedings.
154. The local authority has achieved a swift transformation in its workforce, reducing the use of agency workers from around 47% to fewer than 10%. This has led to greater workforce stability and more consistency for children. Many of the new permanent social workers started as newly qualified, and they received good support and protection in this role. There has been an active and effective Assessed First Year in Employment (ASYE) programme over the past two years in Southampton and the authority have supported 50 newly qualified social workers through the programme. Of these, 80% (40) continue to be employed by the local authority.
155. Whilst a significant improvement has been achieved in staffing, and caseloads have been reduced, inspectors saw evidence of services still under workload pressure, most often due to staff absence or peaks in demand. There is little slack or flexibility within current capacity, which creates vulnerability for services in not being able to deliver to agreed standards. However, nearly all staff spoken to were positive about the changes achieved in Southampton and are enthusiastic and optimistic about the future.

The Local Safeguarding Children Board (LSCB)

The Local Safeguarding Children Board requires improvement

The arrangements in place to evaluate the effectiveness of what is done by the local authority and board partners to safeguard and promote the welfare of children require improvement.

Summary of findings

The local safeguarding children board requires improvement because:

156. Its use of data to examine the performance of partner agencies is too recent to provide a comprehensive view of strengths and weaknesses in the system.
157. It has only recently begun to audit the practice of partner agencies and how they work together, and it is too soon to see whether this will bring sustained improvements.
158. It has not provided effective scrutiny of safeguarding arrangements for children who go missing or for girls at risk of genital mutilation.
159. The Board's annual reporting has not provided a rigorous and transparent assessment of the performance and effectiveness of local services.
160. The long term impact of the LSCB training programme in improving child protection and safeguarding has not been evaluated.

What does the LSCB need to improve

Areas for improvement

Data and performance management

161. Consolidate the use of management information from partner agencies and use it systematically to understand trends, quality and performance.
162. Ensure that the annual report of the Board provides a rigorous assessment of the quality of multi- disciplinary practice with children and their families and the impact of help, protection and care on their lives and futures.

Practice and policy

163. Develop protocols and guidance to support agencies in responding effectively to the risk of female genital mutilation.
164. Ensure that multi-agency arrangements for responding to children who go missing from home and care are well coordinated and that measures are in place to gather, share and analyse information, learn lessons and improve service effectiveness.

Understanding the quality of practice

165. Carry out regular case audits to evaluate the quality of practice in all partner agencies, including those providing early help.
166. Develop effective learning and improvement plans from case audits in order to improve frontline practice and management.
167. Ensure that the experiences and views of children and young people receiving help, protection and care are clearly understood by the Board, and improvement action is taken in response to their feedback.

The LSCB's strengths

168. Formal governance arrangements are clear, with regular reporting and accountability. They are supported by a strong working relationship between the independent Chair and senior leaders in partner agencies, particularly the Director of Children's Services. Lines of reporting and accountability between the independent Chair, the local authority's Chief Executive, Leader, Lead Member and DCS are defined and well understood.
169. The sub-group structure is coherent, with clear reporting and cross-group working. Priorities are aligned with those of other strategic groups, such as the Health and Wellbeing Board and the Community Safety Partnership, for example in relation to early help and domestic abuse.
170. Where necessary the independent Chair has been forthright in raising concerns with individual agencies about their contribution to the work of the LSCB. In one instance the chair challenged an agency about proposed staffing reductions that would have had an adverse impact on child protection and this led to a positive response.
171. Board partners have recognised the significant performance deficits that lie within the system and have embarked on an ambitious programme of change. The Board is helping to ensure the co-ordination of this work and is well engaged in monitoring its impact. There are early but significant signs of success, for example in the operation of the MASH, which has a high level of multi-agency input and cooperation.
172. Members report and demonstrate a culture of transparency and candidness within the Board. This is bringing an increased willingness by members to challenge others and to be challenged about the performance of their own agencies. Members report and welcome feeling under much closer scrutiny than previously about their own agencies' contribution and performance. Minutes of meetings provide evidence of challenge.
173. A published thresholds framework is well understood and applied by practitioners and front line managers. This is beginning to ensure that children, young people and their families receive help at the right level and can move between different levels of help when necessary.

174. There are sound arrangements for considering serious incidents and determining whether a serious case review (SCR) is needed. The Board has published three SCRs in the last year. These were all historical cases that should have been the subject of serious case reviews much earlier. The decisions not to progress to SCR were challenged by the incoming DCS last year and overturned by an interim LSCB chair. These SCRs were well coordinated to ensure that common themes were recognised and lessons learned. This has been impressive, and its impact is evident not only in the training that has followed and the awareness of staff in a range of agencies, but also in the design of the MASH and in the Board's priorities. For example, work is now underway to improve the multi-agency response to neglect.
175. The Board offers a comprehensive training and development programme that is responsive to emerging need. This has included the effective dissemination of lessons learnt from serious case reviews. Training events are well attended by partner agencies, including those in the voluntary sector.

Inspection judgement about the LSCB

176. The independent Chair has brought a culture of openness and transparency to the LSCB. Members are committed to working together to ensure that the quality of child protection and safeguarding work continues to improve. Its influence is beginning to be seen, for example, in the use of learning from serious case reviews. However, many of the positive developments are at too early a stage to see full impact or measure sustainability.
177. Safeguarding is a priority for all statutory LSCB members. This is seen in the level of participation in board and sub-group meetings and activities, contributions in cash and time to the LSCB, commitment to the MASH and participation in learning events. Members of the Board are senior leaders in their own agencies, with the authority to make decisions. The Board's budget is made up of proportionate contributions from partner agencies; it is agreed on a three year cycle and is sufficient for the Board's activities.
178. Regular monitoring and evaluation of the quality of multi-agency practice has only recently been established. Its effectiveness in enabling partners to understand and improve the quality of practice is not yet evident.
179. Until recently, the only auditing by the LSCB was done by an independent consultant. While this produced learning, the LSCB view is that the auditing did not engender sufficient recognition and response by the Board and its members. Multi-agency case auditing by LSCB member agencies is now underway, but is at an early stage of development. There is no evidence yet that lessons learned are contributing to practice improvements. A recently completed thematic audit of ten core groups was focused on compliance. While this was an understandable response to the need to know that core groups are taking place and attended in line with expectations, it has not provided learning about the quality and effectiveness of practice.

180. Prior to January 2014, performance reporting to the Board was not well structured or focussed. As a result performance was not effectively monitored. Formal reporting now takes place using an agreed data set and overseen by the Monitoring and Evaluation Group. This development is very recent and its effectiveness in supporting challenge and improvement is not yet evident.
181. There has been some activity to involve children and young people in board activity. As yet, this has not included seeking their voice to help the Board to understand the quality and effectiveness of services.
182. The long term impact of the Board's training and development activities on the quality of services and practice has not been evaluated.
183. The Child Death Overview panel covers four LSCBs, including Southampton. Some of the data it produces are not broken down by local authority area. This means that possible learning that is specific to Southampton is not identifiable.
184. The most recent annual report of the Board provides a more rounded picture of its activities than the previous version and includes reports about partner agencies. However, it is still largely descriptive. The lack of sustained data analysis and audit over the reporting year means that it does not present a thorough, systematic assessment of the quality and effectiveness of single and multi-agency practice. Its value as a tool to report on how effectively children are protected and their needs met is therefore limited.

What the inspection judgements mean

The local authority

An **outstanding** local authority leads highly effective services that contribute to significantly improved outcomes for children and young people who need help and protection and care. Their progress exceeds expectations and is sustained over time.

A **good** local authority leads effective services that help, protect and care for children and young people and those who are looked after and care leavers have their welfare safeguarded and promoted.

In a local authority that **requires improvement**, there are no widespread or serious failures that create or leave children being harmed or at risk of harm. The welfare of looked after children is safeguarded and promoted. Minimum requirements are in place, however, the authority is not yet delivering good protection, help and care for children, young people and families.

A local authority that is **inadequate** is providing services where there are widespread or serious failures that create or leave children being harmed or at risk of harm or result in children looked after or care leavers not having their welfare safeguarded and promoted.

The LSCB

An **outstanding** LSCB is highly influential in improving the care and protection of children. Their evaluation of performance is exceptional and helps the local authority and its partners to understand the difference that services make and where they need to improve. The LSCB creates and fosters an effective learning culture.

An LSCB that is **good** coordinates the activity of statutory partners and monitors the effectiveness of local arrangements. Multi-agency training in the protection and care of children is effective and evaluated regularly for impact. The LSCB provides robust and rigorous evaluation and analysis of local performance that identifies areas for improvement and influences the planning and delivery of high-quality services.

An LSCB **requires improvement** if it does not yet demonstrate the characteristics of good.

An LSCB that is **inadequate** does not demonstrate that it has effective arrangements in place and the required skills to discharge its statutory functions. It does not understand the experiences of children and young people locally and fails to identify where improvements can be made.

Information about this inspection

Inspectors have looked closely at the experiences of children and young people who have needed or still need help and/or protection. This also includes children and young people who are looked after and young people who are leaving care and starting their lives as young adults.

Inspectors considered the quality of work and the difference adults make to the lives of children, young people and families. They read case files, watched how professional staff work with families and each other and discussed the effectiveness of help and care given to children and young people. Wherever possible, they talked to children, young people and their families. In addition the inspectors have tried to understand what the local authority knows about how well it is performing, how well it is doing and what difference it is making for the people who it is trying to help, protect and look after.

The inspection of the local authority was carried out under section 136 of the Education and Inspections Act 2006.

The review of the Local Safeguarding Children Board was carried out under section 15A of the Children Act 2004.

Ofsted produces this report of the inspection of local authority functions and the review of the local safeguarding children board under its power to combine reports in accordance with section 152 of the Education and Inspections Act 2006.

The inspection team consisted of seven of Her Majesty's Inspectors (HMI) from Ofsted.

The inspection team

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Appendix 2

What the inspection judgements mean

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Action Plan in Response to Ofsted Findings

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
Priority and immediate action (3 months)						
13/14	<p>Take action to reduce the numbers of care leavers living in unsuitable accommodation and ensure that all such arrangements are robustly risk assessed and monitored.</p> <p>Ensure that all cases where care leavers are not in</p>	<ul style="list-style-type: none"> • Implement the recommendations of the Strategic Needs Review of Supported Housing: (*) <ul style="list-style-type: none"> - improve the referral process and joint-working between Pathways and supported housing providers to ensure improved and timely access and provision - Support and accommodation services to be tendered. (July 15) • Current independent and 'suitable' 	<p>3 months</p> <p>3 months</p>	<p>Integrated Commissioning Unit Nick Cross</p> <p>Integrated Commissioning Unit/ Nick Cross</p>	<p>P17 NI147 % of care leavers who are in contact and suitable accommodation</p> <p>P17 CLA48 % of care leavers still in contact with</p>	<p>All care leavers feel, and are safe in their accommodation.</p> <p>All care leavers are able to benefit from advice, guidance and the support of their corporate parent.</p>

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	<p>contact with services are regularly reviewed and that there are effective responses to all opportunities to re-establish contact.</p>	<p>accommodation to meet the needs of care leavers. Work with providers to look at current mix and to identify new accommodation options across registered providers and SCC</p> <ul style="list-style-type: none"> • As part of the current implementation of the Council's Allocations Policy ensure that Care Leavers obtain priority to access suitable Housing which best meets their Needs • Accommodation options to meet sustainability criteria (i.e. remain available for care leavers post-22) 	<p>3 Months</p> <p>3 months</p> <p>3 months</p>	<p>Nick Cross</p> <p>Integrated Commissioning Unit/Nick Cross</p> <p>Nick Cross / Fiona Mackirdy</p>	<p>social services</p>	

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>years of age)</p> <ul style="list-style-type: none"> • As part of Phase 2 Transformation develop a Housing Options model to provide targeted support as part of the Pathway Plan for Care Leavers and co-locate the Housing and Care leavers Service (*) • Ensure there are robust arrangements to identify and monitor those children who are in unsuitable accommodation and/or who are not in contact • Ensure a robust risk assessment is on the file that includes pro- 	<p>3 months</p> <p>3 months</p>	<p>Fiona Mackirdy</p> <p>Fiona Mackirdy</p>		

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>active planning to mitigate risk and to re-establish contact with every care leaver who is not in contact and/or assessed as living in unsuitable accommodation and that this is regularly reviewed.</p> <ul style="list-style-type: none"> Continue to consider Staying Put arrangements for all Young People as part of their Pathway Plan (*) 	3 months	Fiona Mackirdy		
15	Improve support for care leavers to encourage and sustain engagement in education, employment or	<ul style="list-style-type: none"> Implement recommendations for apprenticeships for Care Leavers (*) Review the remit of the 	3 months 3 months	Denise Edghill Ed Harris	P17 NI148 % of care leavers who are not in education, training or employment	The % or care leavers who are NEET has reduced by ?% by ? (Denise Edghill to set

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	training.	<p>Virtual School to consider post-16 education, employment and training support</p> <ul style="list-style-type: none"> Implement a tracking system for Care Leavers who are currently, or at risk of becoming NEET which tracks placement and performance. The Corporate Parenting Committee to receive regular reports for scrutiny. 	3 months	Denise Edghill/ Ed Harris	(NEET)	this target)
16	Ensure that information from 'return home' interviews is routinely shared and used to improve the quality of safe care	<ul style="list-style-type: none"> Ensure the new contract with the provider for Return Interviews includes a clear expectation that all information relating to return home 	3 months	Integrated Commissioning Unit / Stephanie Ramsey / Louise Drury	P17 CLA39 / CLA40 Number of CLA missing / episodes of CLA missing for 24 hours or more	Patterns of behaviour and trends in relation to children who go missing are identified so that the risks to

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	planning for children. Improve the quality and analysis of data on children going missing from home and care.	<p>interviews have been shared with the child's social worker and routinely informs the child's plan.</p> <ul style="list-style-type: none"> Routinely collect and analyse missing children from home and care data to identify risk, patterns and trends and report into the LSCB Missing, Exploited and Trafficked Subgroup (*) 	3 months	Louise Drury/Fiona Mackirdy		individual , and groups of, children are known and mitigated by safe care strategies
17.	Complete the review of children waiting for adoption and ensure that appropriate alternative plans for	<ul style="list-style-type: none"> Complete the review of children waiting for adoption and implement the recommendations arising. 	3 months	Fiona Mackirdy		Adoption is appropriately considered for all children unable to return to their birth

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	achieving permanency are implemented for the small number of children for whom adoption is no longer an appropriate option.	<ul style="list-style-type: none"> Going forward implement a rag rating system, developed and owned by the Independent Chair Service, for all CLA to measure progress against the care plan. 	3 months	Christine Robinson		families, and where this is not achievable the plan is actively reviewed at each statutory review to consider alternative permanency plans. Where the review recommendation is no longer the plan, all actions to rescind the plan are taken within 3 months.
18	This action is a repetition of action 15 and has been removed.					
Areas requiring improvement (6-9 months)						
Care leavers						
19.	Ensure appropriate	<ul style="list-style-type: none"> Virtual School to 	Feb 15	Ed Harris		By 2019 50% of

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	<p>services are available to support improved attainment of all care leavers.</p>	<p>consider post-16 education, employment and training support</p> <ul style="list-style-type: none"> • Develop consistent and high quality careers advice in schools which is proactively provided to looked after children; ensuring this is firmly in place from year 9. • Explore the development of mechanisms via the virtual school to routinely engage with the children and young people in our care to support and help shape their learning journeys; ensuring this facilitates the experiences and 	<p>April 15</p> <p>Jan 15</p>	<p>Ed Harris</p> <p>Ed Harris</p>		<p>care leavers will achieve level 2 or 3 qualifications.</p>

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>opportunities children and young people need to develop their interests, inform their decisions and add value to their learning</p> <ul style="list-style-type: none"> • All looked after children will receive a work placement arranged through their school in consultation with the Virtual School, which will provide a meaningful experience of their career aspirations • Review looked after Children's predicted grades, to ensure they are set at a level which provides appropriate challenge and 	April 15	Ed Harris		
			April 15	Ed Harris		
			April 15	Ed Harris		

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>demonstrates the high expectations placed on them</p> <ul style="list-style-type: none"> • Ensure a broader range of professional disciplines have an active interest in our looked after children's educational progress and make a positive contribution to their learning and development • Provide opportunities for looked after children to participate in other activities such as the Junior Warden Scheme which support their contribution to their local community and support school 	<p>April 15</p> <p>Dec 14</p>	<p>Nick Cross / Ed Harris</p> <p>Fiona Mackirdy</p>		

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>attendance and attainment</p> <ul style="list-style-type: none"> • As Corporate Parents the Care Leavers Service to offer practical and emotional support to all young people to access and remain engaged in education • Regularly and routinely submit reports on looked after children's educational progress and broader achievements to enable our elected members to effectively complete their scrutiny role • Ensure a culture of celebration of our 	<p>Ongoing</p> <p>12 months</p>	<p>Ed Harris</p> <p>Fiona MacKirdy/Ed Harris</p>		

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>children's achievements, which will become embedded through routine celebratory events and in our regular core activities</p>				
20.	<p>Increase the number of care leavers successfully attending higher education.</p>	<ul style="list-style-type: none"> Virtual School to consider post-16 education, employment and training support. This will include a clear and targeted early focus placed on raising and nurturing the aspirations of looked after children and the expectations of them by their carers and their education providers Virtual school to track and target individual 	<p>Immediately</p> <p>Immediately</p> <p>Immediately</p>	<p>Ed Harris</p> <p>Ed Harris</p> <p>Ed Harris</p>		<p>By 2019 10% of care leavers will attend higher education.</p>

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>children</p> <ul style="list-style-type: none"> • Continue to develop links with local universities as part of mentoring support to care leavers • All looked after children who are interested, or are showing ability to progress to higher education will be accompanied to at least 2 university open days by the Virtual school/Care Leavers Service • As Corporate Parents the Care Leavers Service to offer practical and emotional 	<p>May 15</p> <p>Dec 14</p>	<p>Ed Harris</p> <p>Fiona Mackirdy</p>		

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		support to all young people to access and remain engaged in education				
21.	Ensure that preparation for the transition into adulthood begins early enough, and is informed by a good needs assessment.	<ul style="list-style-type: none"> • Continue to implement Phase 2 transformation that will create a newly structured care leavers service and an earlier focus (14 years+) on young people's transition to adulthood (*) • Raise the quality of pathway plans • Going forward implement a rag rating system, developed and owned by the Independent Chair Service, for all CLA to measure progress 	<p>Oct 14</p> <p>Dec 14</p> <p>April 14</p>	<p>Theresa Leavy</p> <p>Fiona Mackirdy</p> <p>Christine Robinson</p>	Proxy indicator: p15 CLA 23 % of CLA with an updated care plan in the last 6 months	Each looked after child aged 16 years or over has a clear analytical needs assessment which results in an effective pathway plan that adequately prepares the child for adulthood.

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		against the care plan				
22.	Improve the availability of health promotion and advice to care leavers.	<ul style="list-style-type: none"> • Consider the contract with the looked after health service that it meets the needs of older young people and that the service is informed by young people's feed back • Ensure young people leaving care have details of their health history • Review of available health promotion service and ensure as Corporate Parents the Care Leavers Service offers practical and emotional support to all 	<p>Jan 14</p> <p>Mar 15</p> <p>Mar 15</p>	<p>Integrated Commissioning Unit / Stephanie Ramsey / Fiona Mackirdy</p> <p>Fiona Mackirdy</p> <p>Fiona Mackirdy</p>		All care leavers know and understand their health histories and receive the health and health promotion advice they need.

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		young people to access appropriate health provision				
23.	Expand the range and availability of suitable accommodation options and eliminate the use of unsuitable provision such as bed and breakfast accommodation.	<ul style="list-style-type: none"> • Implement the recommendations of the Strategic Needs Review of Supported Housing and the City Council Housing Strategy (*) • Continue to offer 'Next Steps' service which assists young people in securing tenancies (*) • As part of Phase 2 Transformation develop a Housing Options model to provide targeted support as 	<p>Mar 15</p> <p>Dec 14</p> <p>Mar 15</p>	<p>Integrated Commissioning Unit/ Fiona Mackirdy</p> <p>Fiona Mackirdy</p> <p>Nick Cross /Fiona Mackirdy</p>	<p>See also OFSTED recommendation 13: P17 NI147 % of care leavers who are in constant suitable accommodation</p>	All care leavers feel, and are safe in their accommodation.

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>part of the Pathway Plan for Care Leavers and Co-locate the Housing and Care Leavers Service (*)</p> <ul style="list-style-type: none"> • Ensure that the strategic accommodation needs of looked after children are reflected in the Homelessness Prevention Strategy and the next Council Housing Strategy • Ensure a robust risk assessment is on the file that includes proactive planning to mitigate risk and to re-establish contact with every care leaver who is not in contact and/or 	<p>Dec 14</p> <p>Dec 14</p> <p>Oct 14</p>	<p>Nick Cross</p> <p>Fiona Mackirdy</p> <p>Fiona Mackirdy</p>		

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>assessed as living in unsuitable accommodation and that this is regularly reviewed.</p> <ul style="list-style-type: none"> Implement the Staying Put Policy(*). 				
24.	Ensure that care leavers have a good understanding of their rights and entitlements.	<ul style="list-style-type: none"> Children in Care Council, IRO and Social worker to promote care leavers rights, entitlements and access to advocacy via a fact sheet. Increase advocacy take up for Children Looked After and Care Leavers (*) 	<p>Mar 15</p> <p>Mar 15</p>	<p>Fiona Mackirdy</p> <p>Christine Robinson/Fiona Mackirdy</p>		All care leavers are provided with clear information about their entitlements and right to complain and are proactively offered an advocate.
25.	Establish a comprehensive set	<ul style="list-style-type: none"> Complete review, update and improve 	Mar 15	Fiona Mackirdy / Christine		Professionals working with

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	of policies, procedures and practice standards to support social workers and personal advisors to improve the quality of services to care leavers.	accessibility to policies and procedures on the 'Child Centred Practice;' website signed off via CSLT (*).		Robinson		care leavers will have an appropriate level of knowledge, skills and guidance to ensure young people's successful transition to adulthood.
26.	Ensure that children's care plans are outcome focused and sufficiently address all of a child's assessed needs.	<ul style="list-style-type: none"> • Review the recent implementation of 'Practice Standards' for care and pathways plans in the light of Ofsted findings • New Quality Assurance Business Unit to strengthen quality assurance function of IRO's 	<p>Dec 14</p> <p>Mar 15</p> <p>Mar 15</p>	<p>Fiona Mackirdy</p> <p>Christine Robinson</p> <p>Christine</p>		All children looked after have a recorded, outcome focussed and up to date care plan which sufficiently addresses the child's needs including their emotional needs

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	looked after children who require it receive good quality and timely life story work.	<p>improvement manager to oversee and improve the quality of life-story work</p> <ul style="list-style-type: none"> • New Quality Assurance Business Unit to strengthen quality assurance function of IRO's 	Apr 15	Christine Robinson		looked after of sufficient age and understanding are helped to make sense of their histories and use this knowledge to help them understand their future plans.
29.	Ensure that all looked after children can receive support from an advocate or independent visitor.	<ul style="list-style-type: none"> • Current advocacy provider to visit social work teams and promote the advocacy service and Independent Visitor Scheme • Ensure information about advocacy and the independent scheme is included and 	<p>Feb 15</p> <p>Mar 15</p>	<p>Christine Robinson</p> <p>Christine Robinson</p>		All children looked after who are over 10 are offered advocate and/or independent visitor.

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<p>provided to all children and young people in the 'Children coming into Care' Pack</p> <ul style="list-style-type: none"> Commissioning to continue to review the contact for IV and Advocacy to ensure sufficiency provision and that identified service needs are met 		Christine Robinson/ Integrated Commissioning Unit / Stephanie Ramsey		
30.	Improve the timeliness of looked after reviews, and ensure that the records of these reviews are circulated promptly.	<ul style="list-style-type: none"> Set and manage clear performance measures with the IRO Team Implement CLA tracker to ensure timescales are met and decision and records distributed 	Sept 14 Sept 14	Christine Robinson Christine Robinson	P15 NI66 % of CLA reviewed within timescale	90% of children's care plans will be reviewed on time and the completed record circulated within 20 days.
31.	Strengthen arrangements to	<ul style="list-style-type: none"> Youth Options to continue to support the 	Dec 14	Fiona Mackirdy		The YPICC is appropriately

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	consult with looked after children and young people. This work should include consideration of the support arrangements for the Young People in Care Council and expanding the range and age of children involved in consultation.	<p>YiCC in broadening the membership especially younger looked after children.</p> <ul style="list-style-type: none"> • YPiCC to facilitate consultation days with younger looked after children. • Develop and implement a participation and engagement strategy 	<p>Mar 15</p> <p>Dec 14</p>	<p>Fiona Mackirdy</p> <p>Christine Robinson</p>		supported so that a greater age and range of children are included in consultation.
32	Increase the involvement of the virtual school in Personal Education Plan (PEP) meetings to promote the most effective use of pupil premium	<ul style="list-style-type: none"> • Virtual school to implement the recommendations from their May 2014 review report detailing how they will work with schools to drive up the quality of PEP's, to ensure the best use of 	Jan 15	Ed Harris		The pupil premium will be used to best effect for all looked after children and attainment will improve by an average of 5%

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	funding to improve the educational attainment of looked after children.	<p>the pupil premium to raise attainment.</p> <ul style="list-style-type: none"> • Create a pupil premium champion and to establish with the designated teacher a menu of commissioned services for schools. 	Jan 15	Ed Harris		at all key stages by 2016
33.	Further improve the timeliness with which children progress into adoptive placements.	<ul style="list-style-type: none"> • Appoint a project lead to drive performance improvement in adoption timeliness • Use the family finding tracker proactively to identify areas of risk of delay 	Oct 14 Dec 14	Fiona Mackirdy Fiona Mackirdy	P21 Adoption scorecard A1 average number of days taken to place a child for adoption after entering the care system	The time taken between the Court deciding that adoption is in the best interests of a child and the child being matched with adopters will improve to an average of 121 days by 2015
34.	Accelerate the rate at which adopters	<ul style="list-style-type: none"> • Implement the tasks and actions identified in 	Mar 15	Fiona Mackirdy	P21 Adoption scorecard AD14	Children for whom the plan

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	are recruited and assessed to meet the demand from children who need a permanent family.	the Adoption Recruitment and Retention Strategy			number of adopter applications at stage 1 / AD15 number of applications where stage 1 is not yet complete and will take less than 2 months	is adoption will not have to "wait" because of a lack of adopters
35.	Ensure that all relevant agencies are involved in strategy discussions and meetings, and that these discussions clearly record decisions, rationale and planning of Section	<ul style="list-style-type: none"> Undertake a programme of multi-agency workshops on strategy discussions/meetings to improve involvement and ensure that decisions and action planning is effective 	Dec 14 Dec 14	Christine Robinson Christine Robinson		When planning s47 enquiries, all decisions taken and actions planned will be underpinned by sound and full information, taken from a

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
36.	Improve the quality of assessments so that these reflect children's daily experiences.	Agree key recording points to tackle via recording workshops including: <ul style="list-style-type: none"> • Assessments to reflect the child's lived experience within the family or in their care setting. • Assessments to include a well-tested analysis that formulates an easily understood rationale to aid our recommendations. • Ensure staff comply with Paris recording guidance – including timeliness and quality of recording case work and assessments. 	Dec 14	Phil Bullingham		Assessments will clearly convey a sense of the child's life experience so that clear, specific and relevant outcomes are identified and appropriate interventions undertaken

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		<ul style="list-style-type: none"> • Chronologies that tell the child’s story, highlighting their lived experience and where strengths, concerns and outcomes are recorded. • Compliance monitored via monthly audit programme – to include evidence of learning from our QA and audit work. • Evidence of service user engagement and feedback is captured consistently within assessments and monitored via audit activity. 				

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		setting. <ul style="list-style-type: none"> • Compliance monitored via monthly audit programme – to include evidence of learning • Ensure staff comply with Paris recording guidance – including timeliness and quality of recording. 				
38.	Improve child protection plans so that they more clearly focus on key areas of risk and how this will be reduced and include contingency planning.	<ul style="list-style-type: none"> • Advanced Strengthening families training has been commissioned which will strengthen child protection planning and ensure key risks are identified and addressed • IRO/CP Service to ensure contingency 	Dec 14 Dec 14	Christine Robinson Christine Robinson		Parents of children subject to a child protection plan, and the professionals working with them, will be very clear about the risk to the child, what needs to

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		planning is always recorded in child protection plans				happen to reduce that risk and the consequences of the risk not reducing.
39.	Develop systems to identify and quantify the number of child protection cases within which adult substance misuse and mental health issues feature significantly.	<ul style="list-style-type: none"> • QA Unit to work with the Performance Team to identify how best to capture information across all children's cases including those subject to a child protection plan 	Dec 14	Ed Harris/ Christine Robinson		Families with children subject of a child protection plan, receive the help they need to reduce risk to the child and improve outcomes.
40.	Increase the participation of older children in child protection processes.	<ul style="list-style-type: none"> • Monitor and evaluate impact of new automatic referral for advocacy for children and young people at child protection conferences and take action as appropriate 	Dec 14	Christine Robinson		Children over 10 will be enabled to participate in child protection conferences about them so that their situation is

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
						better understood and more appropriate plans determined
41.	Ensure that the provision of S20 accommodation and the availability of looked after services are appropriately considered and discussed with homeless 16 and 17 year olds.	<ul style="list-style-type: none"> Review the priorities within the Homelessness Prevention Strategy to endorse the views of service users and the commitment to only use B&B as a last resort Develop and implement an updated joint working protocol for Homeless 16/17 year olds with input from service users 	Dec 14 Nov 14	Nick Cross Nick Cross /Louise Drury		Homeless 16 & 17 y.o. young people are accommodated under s20 when this provision best meets their needs
42.	Ensure that members robustly	<ul style="list-style-type: none"> Conduct induction and awareness raising 	Nov 14	Theresa Leavy		Children looked after and care

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	and consistently champion the needs of looked after children and care leavers.	<p>sessions for members of the council</p> <ul style="list-style-type: none"> • Consider whether all Southampton City Council Reports should detail the impact on Looked After Children and Care Leavers • To invite all councillors to identify those areas falling within their remit, and that of other councillors, to be reviewed in order to support the work of the Corporate Parenting Board • Corporate Parenting Committee to devise a SMART action plan to achieve their objectives 	<p>Nov 14</p> <p>Nov 14</p> <p>Nov 14</p>	<p>Dawn Baxendale</p> <p>Mark Chaloner</p> <p>Mark Chaloner</p>		leavers will receive good services which meet their needs

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
43.	Develop the role of scrutiny within the City to ensure that the wider multi-agency arrangements for the provision of early help and services to children and their families from children's social care, are routinely considered by political leaders.	<ul style="list-style-type: none"> Scrutiny arrangements will be reviewed to ensure more rigorous scrutiny of children's services. 	Nov 14	Suki Sitaram	Overview and Scrutiny 16/10/14 decided to develop a new dedicated panel to scrutinise children and family services. The new Children and Families Scrutiny panel will be set up and meet 6 times a year. In addition the OS panel will want monthly performance reports In relation to	Children's needs are effectively met by multi-agency services

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
					Children's services.	
44.	Further develop performance management arrangements to provide analysis of the quality of work being undertaken and drive improvements in service quality	<ul style="list-style-type: none"> • Performance manager to determine an action plan that includes analysis of key data and the implications for the quality of work and service provided; that can be used by teams to drive improvement in service quality • Strengthen arrangements between the Performance and Data Team and the new Quality Assurance Business Unit. 	<p>Jan 15</p> <p>Jan 15</p>	<p>Ed Harris</p> <p>Christine Robinson / Ed Harris</p>		Managers will understand what the data is indicating and what might be the cause of performance deficits resulting in an improved service to the public

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
45.	Ensure there is sufficient capacity and skills within the Independent Reviewing Service to provide consistent quality assurance and robust challenge of the work it reviews.	<ul style="list-style-type: none"> Continue to review the sufficiency of the IRO Service so that identified performance standards are met which include robust quality assurance Set and manage clear performance measures with the IRO Team and develop the requisite skills for effective quality assurance 	Ongoing Jan 15	Christine Robinson Christine Robinson		Children in care receive appropriate good quality interventions that are robustly quality assured
46.	Continue to review the sufficiency of the social care workforce so that workloads are manageable and allow front line workers and managers to meet	<ul style="list-style-type: none"> Complete the Children's Services Phase 2 Transformation agenda and implement the new Workforce Strategy (*) 	Mar 15	Theresa Leavy/ Vince James		Children receive a good quality service from the LA which meets required standards and improves outcomes

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
	required standards.					
47.	Ensure that all social workers receive consistently good quality and regular supervision that includes professional development, case reflection and appraisal.	<ul style="list-style-type: none"> • Implement the new supervision framework and ensure all managers are aware of core requirements and are sufficiently skilled to provide effective supervision (inc reflective supervision groups, management/supervision training) (*) • Identify and promote areas of existing good practice (eg Team RAP) • Training Manager (Practice Educator) to collate the learning themes identified 	<p>Jan 15</p> <p>Mar 15</p> <p>Mar 14</p>	<p>Christine Robinson</p> <p>Phil Bullingham</p> <p>Christine Robinson</p>		Children receive a good quality service from the LA which meets required standards and improves outcomes

No	Ofsted recommendation.	Action	Timescale	Lead	Performance Indicator where measured in Quarterly Scorecard	Outcome
		through the annual appraisal process and devise a departmental learning and development programme				

DRAFT

DECISION-MAKER:	COUNCIL		
SUBJECT:	CORPORATE PARENTING COMMITTEE ANNUAL REPORT 2013/14		
DATE OF DECISION:	19 NOVEMBER 2014		
REPORT OF:	CABINET MEMBER FOR CHILDREN'S SAFEGUARDING		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Fiona Mackirdy	Tel: 023 8091 7507
	E-mail:	Fiona.Mackirdy@southampton.gov.uk	
Director	Name:	Alison Elliott	Tel: 023 8083 2602
	E-mail:	Alison.Elliott@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

The Council are asked to note the attached Annual Report 2013/14, endorse the Southampton pledge promises to looked after children and care leavers.

RECOMMENDATIONS:

- (i) To note the contents of the report.
- (ii) To sign up to the pledge to looked after children.

REASONS FOR REPORT RECOMMENDATIONS

1. Primary legislation outlines in broad terms the council's responsibility to children in its care. The Children Act 1989 and the Children and Young Person's Act 2008 gives a clear message that all councils and in particular Elected Members carry responsibility for ensuring good outcomes for children currently and formerly looked after by the council.
2. This report is part of the process of ensuring that Members have sufficient information to enable them to fulfil their corporate parenting responsibilities and ensure the best possible outcomes for the children of our city. It is intended that this report will give a snapshot of our care and highlight to Elected Members and the public, the strengths, weaknesses and developments in Corporate Parenting in any given year.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. None, as this is an area of statutory responsibility.

DETAIL (Including consultation carried out)

4. This is the first such report of the work of the Corporate Parenting Committee.
5. The report considers activity in relation to the range of statutory activities of the council and its corporate parenting activity and the impact on outcomes for looked after children and care leavers.
6. Data contained in the report relates to the period to 31 March 2014, the last

full year when data was available. Education figures take account of the summer 2014 results.

7. The report contains details in section 10 of participation and feedback from young people and foster carers.

RESOURCE IMPLICATIONS

Capital/Revenue

8. There are no new resource implications arising from this report.

Property/Other

9. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

10. None.

Other Legal Implications:

11. None

POLICY FRAMEWORK IMPLICATIONS

12. The annual report details activity and outcomes for looked after children and care leavers. All council policies should be considered in the context of possible implications on the council's statutory corporate parenting responsibility for looked after children and care leavers.

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED: ALL

SUPPORTING DOCUMENTATION

Appendices

1. Corporate Parenting Committee Annual Report 2013/14

Documents In Members' Rooms

1. None

Equality Impact Assessment

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

Other Background Documents

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

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1. None	

DECISION-MAKER:	COUNCIL		
SUBJECT:	THORNHILL DISTRICT HEATING SCHEME		
DATE OF DECISION:	19 NOVEMBER 2014		
REPORT OF:	CABINET MEMBER FOR HOUSING AND SUSTAINABILITY		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Nick Cross	Tel: 023 8083 2241
	E-mail:	Nick.Cross@southampton.gov.uk	
Director	Name:	Stuart Love	Tel: 023 8091 7713
	E-mail:	Stuart.Love@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

The City Council Strategy 2014-17 makes key commitments to our residents, “Southampton – city of growth and opportunity, where everyone thrives” including aspirations for: Jobs for local people; Prevention and Early Intervention; and Good Quality and Affordable Housing. This report outlines detailed proposals for the development and implementation of a significant investment project in Thornhill which will:

- Improve the quality of over 900 homes through the provision of a new, efficient and controllable heating and provide external cladding to over 400 of those properties which are some of the hardest to heat in the city;
- Tackle the fuel poverty suffered by households in one of the most deprived wards within Southampton by giving residents more control over the cost they pay to heat their homes;
- Improve the health and wellbeing of over 900 families by improving their thermal comfort and reducing damp, mould and condensation which are all recognised to have long term impacts on health; and
- Deliver opportunities for development of skills, training and employment in the local

In November 2013 the Council approved the principle of a scheme within Thornhill for heating and insulation improvements. During the past 12 months the Council has continued to qualify the economic and operational options for a District Heating (DH) scheme for the Thornhill Estate.

The original ECO initiative was principally focused on the deployment of insulation measures across the city’s housing stock. This was principally driven by the fact that the contribution of grant funding, that was available at that time, would provide for the majority of the insulation deployment costs and thus minimal investment from SCC. There was still an interest in deploying a District Heating scheme but this was as a secondary measure compared with the scale of the insulation works.

The changes in ECO funding at the end of 2013 had a major impact on the proposed project structure. The funding available for insulation measures reduced to a fraction of that which had previously been available. In parallel there was however a change in the ECO funding mandate, that would promote District Heating as a primary funding measure.

This change saw a renewed interest from the 6 energy utility companies to provide meaningful investment in schemes such as these.

In November 2013 the Council approved the funding necessary to qualify the potential viability of a District Heating scheme for the Thornhill estate and to identify a preferred Delivery Partner (refer to Council Paper dated 20th November 2013). The scheme would be procured via the ECO Framework contract that was subsequently secured by Mitie Property Services in late November 2013.

The Council appointed Utilyx, Mitie's in-house energy specialist, to lead the combined Project Team and to undertake the assessment process that would focus on the qualification of the following key issues:

- Confirm which of the 6 energy utility companies, and their supply partners, would be able to bring the Thornhill project the greatest level of investment and delivery expertise;
- Identify what would be the most appropriate scheme configuration to bring SCC and its tenants the maximum return;
- Identification of the capital and operational cost to deliver the identified scheme; and
- Identify a contract structure, for the delivery and operation of the scheme, that would provide SCC with an appropriate level of risk transfer and return from the project.

This Project Team is now satisfied that it has sufficiently and successfully qualified each of the above and is now able to now present a final case for the Council to review and approve. This paper sets out the primary components of this case and how they were determined.

The project qualification process was funded initially by the £194,000.00 investment that was committed to at the 20th November 2013 Council review. In addition the Project Team applied for, and successfully secured, further Heat Network Development Unit (HNDU) grant funding of £215,000.00 to support the further development of the scheme. The HNDU has been set up by DECC to promote the take up of Local Authority sponsored DH networks across the UK.

Council is requested to approve the next phase of the development activity which will conclude negotiation of a 'best value' contract, with the preferred supply chain partner for the Design, Build and operate of the DH scheme over a 30 year period.

RECOMMENDATIONS:

- (i) To increase the funding on the Thornhill District Energy Scheme line, in the HRA Capital Programme, from £8,035,000 to £12,820,000 and to change the title to the Thornhill District Heating Scheme
- (ii) To remove the approved budget of £6,712,000, for the Thornhill District Energy Scheme, from the General Fund capital programme
- (iii) To delegate authority to the Director Place, after consultation with the Chief Financial Officer, to accept an ECO funding grant of £4,190,000 to part fund the scheme
- (iv) To approve, in accordance with Financial Procedure Rules, capital expenditure of £12,820,000, phased £300,000 in 2014/15, £9,365,000 in 2015/16 £2,245,000 in 2016/17 and £910,000 in 2017/18, on the Thornhill District Heating Scheme
- (v) To approve, in accordance with Financial Procedure Rules, capital expenditure of £1,200,000 phased £100,000 in 2015/16, £700,000 in 2016/17 and £400,000 in 2017/18, on works around the 3 Thornhill

tower blocks, provision for which exists in the unapproved Future Decent Neighbourhood Schemes line in the HRA Capital Programme.

- (vi) To delegate authority to the Director Place, after consultation with the Head of Legal and Democratic Services to enter into negotiations with the preferred Delivery Partner to design and build a suitable scheme that represents the best value for the residents of Thornhill, and for the Council
- (vii) To delegate authority to the Head of Legal and Democratic Services to agree and sign the relevant contracts and; to delegate authority to the Director Place, after consultation with the Head of Legal and Democratic Services to take any other action necessary to implement and operate the scheme

REASONS FOR REPORT RECOMMENDATIONS

1. This is a significant opportunity to provide a new flexible and efficient heating and hot water system to one of the Council's large housing areas of the City and in doing so to meet a number of the Council's key strategic objectives as follows:
 - Provide support to residents with the aim of responding to fuel cost rises and tackling fuel poverty;
 - Improve insulation and heating to improve the quality of its housing stock;
 - Reduce carbon emissions and contribute to a more sustainable city; and
 - Promote job creation and retention in Southampton to support the city's economic development.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None.

DETAIL (Including consultation carried out)

3. The Council wishes to address the continuing rise in energy bills affecting its tenants and leaseholders in the City. A large proportion of the Council housing stock in the City has heating systems that are inefficient, costly to run and result in relatively high Carbon emissions.
4. The Thornhill area of the City has been identified as the best starting point for developing a DH scheme, and other energy efficiency measures, for the following reasons:
 - The Thornhill area's deprivation classification allows it preferential ECO funding qualification, within the current programme criteria that is set out by DECC. This change in status means the utility companies are further motivated to participate as it contributes to one of their key ECO mandates.
 - The majority of the properties are electrically heated and a number are of 'non-traditional' construction meaning they are in need of external insulation measures. This backdrop means that the deployment of a District Heating and insulation scheme will contribute to the highest levels of CO2 savings which is the principle measure by which ECO funding values are calculated.
 - There are 3 tower blocks and a large number of walk-up blocks within the identified first phase (Phase 1) of the scheme. The close proximity and higher density of the properties means for shorter pipework routes and greatly aids the cost viability of the project.
 - The initial phase (phase 1) will extend to 904 dwellings however, within the same area, there are a number of potential additional future connections

including a further 450 housing units, schools, and the Antelope Retail Park, providing for further potential financial benefits to energy consumers and the Council. The extra dwellings would constitute a subsequent phase/s of the scheme which is not part of the detailed financial appraisal at this time. It should however be noted that the capacity of the distribution pipework has been sized such as to be able to support an expansion of the network from day one and extend to further dwellings in time.

ECO Funding

5. A principle part of the project qualification process was to determine what ECO funding may be available for the scheme, post the funding changes in late 2013. To achieve this qualification a Consultation Process was run whereby each of the 6 energy utility companies was invited to put forward their proposed funding offer along with the mechanics by which this could be secured, pre-project completion. The participants were also asked to present the operational value that their proposed engagement might bring SCC beyond the above. This was to include delivery experience, scheme variations and expected programme.
6. The Consultation Process identified a preferred bidder in the form of a partnership between npower and Vital Energi. npower/Vital were able to demonstrate a proven track record for developing similar schemes and a logical and inclusive commitment to working with SCC to finalise an offer.
7. SCC and Mitie/Utilyx have continued to work with npower and Vital through 2014 to finalise the scope of the scheme and to validate their offer to deliver and operate the assets for an extended period.

The Initial (phase 1) Scheme

8. A study has been undertaken to identify the phase 1 property list. This has combined surveying the individual property types and the verification of DH pipework route. A similar study has been completed to identify the configuration and capacities for the Energy Centre. This work has allowed an assessment to be completed of the amount of CO₂ that will be displaced by the scheme and the capital cost to build the infrastructure.
9. A detailed performance model has been developed, that has taken the outputs from the survey work, to identify the optimum initial scheme. This is as follows:
 - 904 properties to be connected to the network (694 electrically heated and 210 local gas boilers) across 54 housing blocks;
 - Creation of a centralised Energy Centre on a portion of the land currently owned by the Council on vacant land at the old Eastpoint site;
 - The DH scheme, on average, will provide a circa 20% reduction on tenants' current heating costs at the commencement of the scheme with significant opportunities for price rises to remain lower than national energy price inflation;
 - Heat will be generated by a lead 990kW wood chip boiler that will consume an estimated 3700 tonnes of locally sourced fuel per year;
 - The Energy Centre will have 3 additional conventional 2mW Gas boilers that will provide top-up heat supply capacity and resilience to the biomass boiler;
 - A 200m³ buffer vessel will be installed within the Energy Centre to ensure sufficient capacity at peak demand times and to optimise the use of the biomass boiler system;

- The pipework network will extend for over 3,800 metres and will connect to a network of risers and radial connections in each of the blocks;
 - Pre-payment heat meters will be included in all of the dwellings which will give tenants direct control of their system; and
 - The scheme will provide a saving of over 2,800 tonnes of CO₂ per annum (84,000 tonnes during the term of the agreement) compared with current system. This is the equivalent to the output of about 470 average family cars each year.
10. It was previously intended to deploy a local electrical generation capability (CHP) however the design development assessment work has confirmed that this would not provide a secure economic return to the General Fund for the scheme. For this reason the recommendation to remove the General Fund budget line has been included.
 11. The scheme will be designed and operated such that it will be entitled to receive an incentive from the government via the Renewable Heat Incentive programme (RHI). The RHI is paid on a p/kWh basis from the useful heat produced by the renewable wood chip boiler technology and is provided for the 20 years and adjusted for indexation (RPI) annually. The RHI provides a material contribution of circa £148,000 per annum to the project's economics over the term.
 12. In addition to the deployment of the DH scheme the Council will also be undertaking some further insulation measures to properties within the overall scheme which are of 'non-traditional' construction. These works are to include the deployment of External Wall Insulation (EWI) to each of the three tower blocks and to nine of the walk-up blocks. These blocks are the only ones in the scheme with full electric heating and have not had any insulation measures deployed and their inclusion in the overall project will maximise the amount of ECO funding that will be available and, for the tower blocks, provide some urgently needed external repair measures
 13. The insulation works will be completed within the main project window so that cost economies can be achieved by using a mobilised workforce, its management team and re-use of access equipment. This also ensures that the design of the replacement DH heating scheme can be designed to the new improved levels of insulation ensuring optimum sizing of the infrastructure. This project will allow for new windows and roofs to all 12 buildings and stone fibre external wall insulation which is then rendered in a coloured silicone based top coat. Full detailed costing for this part of the project has also been undertaken and will provide for a further investment of £7m. Funding is already approved and available within the HRA Capital programme for these works and will be aligned to the timescales of the project.
 14. Further, under the New Deal for Communities funding that Thornhill received a significant urban design project was undertaken called the Better Neighbourhoods project. This made significant changes to many of the public realm and open spaces around the estate and was the forerunner of the current Decent Neighbourhoods programme. However the areas around the three tower blocks in Thornhill were not included in the original scheme. The District Heating and External cladding around these tower blocks will fundamentally change the visual appearance of the buildings and have an impact on the hard surfaces around the blocks. It is therefore proposed that funding is allocated from the Future Decent Neighbourhoods unallocated capital programme in the HRA business plan of £1.2m to allow for a comprehensive redesign and improvement

of the space around the towers in partnership with the local residents. This will ensure that a significant legacy is left for the residents on completion of the overall project and this public realm is brought up to the consistent standard of other parts of the whole estate including the newly developed homes at Hinkler Parade and the former St Colman's site in Lydgate Road.

Development Template

15. Although Thornhill is seen as the best choice for an initial DH scheme, it is important to emphasise that this forms part of a much wider energy efficiency programme in the Council's housing stock.
16. The potential availability of Energy Company Obligation (ECO) funding allows the Council to deliver measures across the housing stock to maximise this available subsidy and improve the housing stock in the City. Whilst ECO funding has been reduced funding is currently available to provide a material contribution of capital funding to the project. However due to the overall reduction in funding access to these funds is very competitive and as such therefore it is important to be able to agree the project as soon as possible so as to risk prevent losing the funding available. By bringing this project for approval at this time and by having an agreed deployment model with a nominated ECO funding partnership such as npower and Vital the Council will ensure that subsequent initiatives will be faster and cheaper to deploy and represent even greater value to SCC and its tenants.

Project Timescales

17. Subject to the appropriate approval from Council it is the intent to negotiate and finalise the respective supply chain contracts during a time period from the end of November 2014 and through to the end of January 2015. In parallel, the DH and Insulation work designs will continue and planning applications will be submitted for both activities. It is expected that the EWI measures will be approved in mid-January 2015 and that construction works on this element will commence in February 2015. It is anticipated that the contracts for the DH works may be completed and signed at the end of January 2015 but they will still be subject to securing the appropriate planning approvals and operating permits. This is expected to be concluded by early May 2015.
18. It is forecast that the DH network will be brought into operation in a phased approach. The initial heating change-over will commence towards the end of Q1 2016 with a full deployment by the end of summer 2016.
19. The EWI works will be coordinated around the DH works and will all be completed within the overall project window.
20. The Decent Neighbourhoods work will follow the completion of the DH and cladding with a view to commencing autumn 2016.
21. A detailed project programme for the DH scheme has been developed.

Take-up and ongoing Service Provision

22. All tenants will be required to take the replacement heating system being provided by the Council as a landlord's fixture
23. Of the 904 dwellings 210 have existing gas boilers and these tenants will have this system replaced by the DH scheme. Based on feasibility work these residents will have lower fuel bills, initially, and also into future. As existing pipework and radiators will be retained in the gas properties there will be minimal disruption to these residents from the switch over

24. Electrically heated homes will require the installation of radiators and heating pipes along with a Heat Interface Unit (HIU) which is a local heat exchanger of approximately the same size as a gas boiler.
25. Works to both the electrical and gas properties will provide savings to the long term HRA business plan through the reduction in ongoing servicing and boiler or heating replacements. This is modelled in the Resources section later in the report
26. In addition to the 904 tenant dwellings there is also an additional 72 leaseholders who exist within the targeted blocks, who could also be included. The Council will develop a Heat Supply Agreement with a costing structure for those who are interested in connecting to the scheme.
27. The Council will need to operate the scheme in balance and it will need to set its charges to a minimum required to fully recover its costs. For example, if costs increase, charges to tenants would also need to increase accordingly to reflect this. It should be noted, however, that due to the increased efficiencies of district heating over individual systems and the ability for the Council to negotiate commercial rates for fuel, the cost for tenants for heating are likely to remain lower than the price individual domestic customers could negotiate for gas or electricity.
28. This charging policy will be an important part of the future management of the scheme. Tenants on the scheme will no longer have the ability to go elsewhere for their energy so the Council must endeavour to ensure that charges to tenants and leaseholders are kept below other domestic alternatives. Further details of arrangements will be developed in conjunction with the operation and maintenance options for the scheme to be determined during the next 2 – 3 months.
29. The table below shows a comparison of heating costs the tenants can expect in year one of the proposed scheme compared to their projected heating costs under their existing arrangements:

Table 1

Currents Source of Heating	Projected Cost Per Annum Under the Existing Arrangements	Projected Cost Per Annum Under the Proposed Scheme
Electric	£1,197	£931
Gas Boiler	£1,045	£931

Resident Engagement

30. An early programme of limited resident engagement has taken place in the Thornhill area based on the proposals to provide the new heating scheme and insulation measures. This has included an introductory letter to all residents as part of the original proposal in the area and attendance at the Thornhill Block Rep Forum. The local housing office and the Block Rep Forum have been briefed on the outline scheme proposals. A project team will be set up to oversee the projects, support the communication and consultation elements and assist in the delivery of the scheme in particular the complex access arrangements to individual properties during the works. A further programme of engagement is planned for appropriate stages in the development of the scheme and will include detailed engagement with residents in the tower blocks on the Decent Neighbourhoods project.

31. The initial response from tenants has been positive for the provision of lower cost more controllable heat combined with insulation works to their properties. Due attention will be paid to the Housing Act requirements on formal consultations and responding to any comments. Consultation will also take place with leaseholders affected. Planning discussions will involve wider consultation with neighbours and will be linked to the tenant liaison process.

Employment, Skills and Training

32. This project represents a significant investment on behalf of the City Council in Thornhill and the wider Southampton area. As part of the ECO Partnership Mitie have made a commitment to supporting opportunities for skills, training and local employment both direct and within their supply chain. As part of the formation of the project an Employment and Skills plan will be developed to ensure the greatest possible benefits are brought to the local economy.

Risk and Responsibilities

33. During the project qualification process a number of contracting models were considered that provide SCC with a range of risk and reward positions. These include the following three principle options:
1. Own and operate - whereby SCC would benefit from the maximum return from the assets but also carry the maximum performance and operational risk.
 2. Full ESCo – whereby SCC would transfer all operation risk to a third party but would see a considerable dilution of overall project savings.
 3. Hybrid (ESCo Lite) – SCC would retain specific project risks that it will be able to sufficiently manage and transfer others to the delivery partner
34. Option 1 gives the Council the best potential return on capital and revenue investment however requires the significant risk to the Council of having to manage a complex set of plant and machinery which is an area where there is no expertise. The Council would also be responsible for the replacement of the assets in the energy centre at the end of their life and would require significant contingencies or sinking fund arrangements.
35. Option 2 would see the council pass all risk to a third party but in return give up any rights to income generation from the scheme and more importantly the Council would give up the ability to control the prices charged to residents. This would leave the very real possibility of diminished savings to residents on their heating bills undermining the key principles of the scheme.
36. Option 3 is the one that has been identified to offer SCC the most appropriate level of risk and return and whilst the specific details will be agreed in the next development and negotiation stage the principle responsibilities, and owners, are

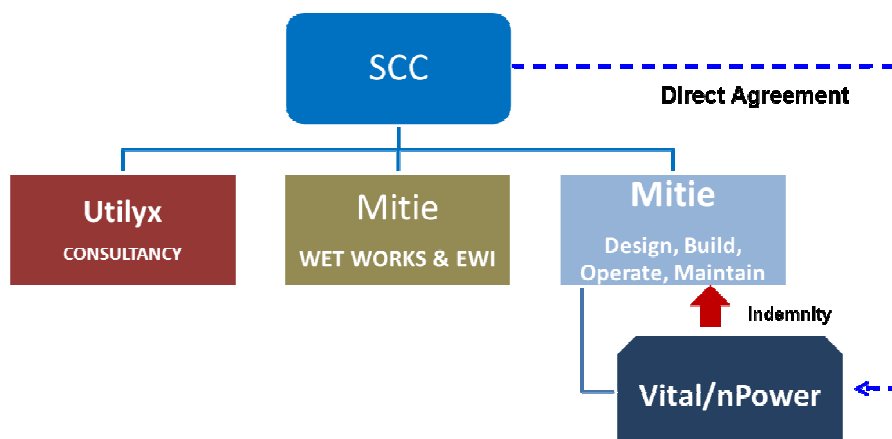
summarised in the table below.

Risk \ Owner	SCC	Delivery Partner
Planning	✓	
Design and Build		✓
Construction cost		✓
Take-up	✓	
Bad-debt/Continued service	✓	
Funding	✓	✓
Government incentives	✓	
Fuel supply/Management	✓	✓
Operation and Maintenance		✓
Asset performance optimisation		✓
Asset replacement		✓

37. SCC principle responsibilities would be a commitment to take the heat delivery for the contract term, provide the necessary funding for the scheme and take the primary fuel supply and price risk (Wood chip and Gas). In turn the delivery partner would be incentivised through gain share arrangements to maximise the ongoing efficiency of the plant and heat generation and seek opportunities for expansion of the scheme to other third parties.

Contract Structure

38. With the above in mind Bevan Brittan Solicitors have been commissioned to develop a contract structure that will be able to bind the respective counter parties into an agreement that will satisfy each entity and ensure that the risk allocation, identified above, is appropriately allocated. The proposed structure is indicated below.



39. Heads of terms have already been drawn up on this basis and are currently being reviewed by the respective parties. Delegated Authority is being sought to allow the Council to enter into the appropriate legal arrangements over the next two

months.

RESOURCE IMPLICATIONS

Financial Appraisal

40. A detailed financial evaluation has been undertaken by Utilyx and has seen the creation of a financial model for the Thornhill scheme that has enabled scenario testing for different technologies and capacity configurations. The Utilyx study was a key element of the feasibility process to determine the appropriate scheme configuration and then to verify delivery costs and funding offers from both Vital and npower.
41. Whilst npower has completed calculations to determine the ECO funding that they are able to provide the project, the actual offer can only be confirmed once the final contracts are completed (target for end of January 2015). The principle risk during this period would be one of regulatory or policy change, to the ECO programme, between now and contract closure. Whilst National ECO Policy has been the subject of a number of changes over the last 12 months in it not felt at this time that a further change in the next couple of months is likely. However if there was a change it may have an impact on the viability of the project. As part of the contract npower have agreed an ECO offer of £4.19m and the final grant received will be subject to verification of the final carbon displacement that the scheme would bring, and this can only be undertaken upon completion of the network. However under this proposed arrangements this risk would be assessed and borne by Vital as part of the delivery structure outlined above.
42. Likewise the offer from Vital is still subject to some further specified conditions, such as additional scheme modifications imposed by planning requirements and unknown cost risks associated with still to be completed ground surveys. Contingencies are contained within the Capital cost to allow for most foreseeable impacts.
43. Utilyx has undertaken a comparison analysis of the capital cost structure and Operation and Maintenance (O&M) fees to ensure that the project represents value to SCC. This comparison has included a value engineering exercise on the principle plant components to ensure appropriate and market based supply rates. It is worth noting that there has been no prescribed change in the plant schedule. Vital will be committing to the operating the plant at an agreed performance level for the full term of the agreement and as such should be able to nominate their equipment to effectively achieve this. The value analysis has been completed specifically to verify costs. The model has been fully reviewed by the Council's finance team.
44. The ongoing O&M costs have been committed to by Vital. These include an annual and fixed indexation rise through the term of the agreement. The only variable on the O&M component is the cost of the primary fuel supply for both Biomass and gas and which continues as SCC risk through the term. The wood chip feed stock price has been benchmarked against known prevailing market supply rates and indexation testing against that of the DECC forward energy increase scenarios. Gas inflation has likewise been tested against the same DECC curves. Prudent assessments have been made within the model to provide a level of comfort in the sensitivity analysis undertaken
45. Construction funding will be provided by the HRA. There will be a draw down schedule plotted across the construction phase of the project and factored into the

HRA business plan. The maximum funding will be equivalent to that of the overall capital value of the project because the ECO grant funding will not be paid to the Council until Practical Completion of the project. If the project construction phase is extended beyond the current programme costs are likely to increase without a corresponding increase in the grant making the cost to the Council greater and this would have to be accommodated in the business plan.

46. The profile for the Capital spend, grant funding and the SCC revenue streams, contained within the Utilyx financial model, have been fed into the HRA 30 Year business plan approved by full Council on the 12th February 2014. The base case uses the DECC September 2013 Reference Scenario to inflate the energy related cost and income lines and assumed RPI increase of 2.5% for the other lines. The base case assumes grant funding of £4.19M and a total capital cost of £12.820M. Sensitivities have been run looking at lower levels of energy inflation and reduced levels of consumption by residents. The results from the base case and sensitivity analysis are detailed below.

Table 2

Scenario	Increase / (Decrease) in HRA 30 Year Business Plan Surplus ¹	Savings over 30 years to SCC Tenants
	£000s	£000s
Base case	9,822	12,399
Energy Inflation set at RPI	(1795)	7,378
Energy Inflation set at RPI Plus 2%	2,144	10,864
5% Reduction in Consumption by Tenants	8,847	10,397
10% Reduction in Consumption by Tenants	7,865	9,931

¹ This represents the savings to the business plan due to reduced capital replacements costs for existing boilers and heating systems and the RHI payments.

Capital/Revenue

47. There are sufficient funds available within the HRA Capital budget to meet the requirements of the proposed scheme. The existing line in the HRA Capital programme assumed that any ECO grant would be paid directly to the ECO partner. The recommendations contained within this report assume that the full Capital cost will be charged to the Council and the Council will then claim the grant once the District heating Centre is performing within the prescribed parameters. For this reason the recommendations to increase the provision within the HRA capital programme and to delegate authority to accept the ECO grant has been included within this report. The proposed scheme does not contain any General Fund component so the recommendation to delete the Thornhill District Energy Scheme budget line from the General Fund capital programme has been included.
48. The grant funding is dependent on external wall insulation (EWI) being applied to 3 high rise tower blocks and 9 walk-up blocks. Budgetary provision to carry out this work is already contained within the existing HRA capital programme.
49. The borrowing required to support the scheme can be contained within the HRA borrowing cap, while also still providing adequate surpluses to tackle unforeseen pressures in the HRA should they arise.

50. In summary the total cost and benefits of the scheme are as follows:
- Total cost of District Heating for 904 and cladding for 400 properties = £19.82m less grant of £4.19m = total net cost to SCC of £15.63m.
 - Total savings to SCC capital programme and RHI Payments = £9.822m
 - Total savings to tenants in reduced heating bills = £12.399m
 - Overall financial benefit of scheme = £6.591m

Staffing resources

51. A key learning from the recent project undertaken at International Way is that the Council needs to allocate a small team of dedicated staff to oversee the project. This is particularly important to ensure good communication with residents during the course of the project which is likely to run for around 2 years. In Weston some staff had hours allocated to support the project however this had to be augmented by other staff through overtime and reprioritising at key parts of the project.
52. The Thornhill Project will be almost twice the size of International Way in terms of numbers of properties and budget and therefore it is proposed that a small dedicated project team is set up to oversee the various elements of the project for both residents and contractors and in particular support and manage the engagement, communication and access arrangements for the different phases of work. It is therefore proposed that the following posts are established to oversee the project:
- Project Manager (Technical) – to be the client technical project manager on all property related aspects of the project and the lead conduit with the contractor on the construction elements of the project.
 - Project Manager (Housing Services) – to manage the day to day co-ordination of Housing resources to support the project and lead on tenant consultation for all elements including the Decent Neighbourhoods project.
 - Project Officer – to oversee and co-ordinate the access process for residents; and
 - Programme Support Officer – to provide local support to the project.
53. These roles will need to be funded from the project from January 2015 and it is anticipated they will need to be in place until post completion in early 2017. The cost is anticipated to be in the region of £140,000 per annum and will be part of the capital cost of deliver the scheme.

Property/Other

54. The provision of ECO funding and Council capital funding will significantly improve the standard of the relevant housing stock in the Thornhill estate, reduce fuel poverty and improve the health and well-being of tenants.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

55. Section 1 of the Localism Act 2011 permits the Council to do anything that any other person or private body could do (the 'General Power of Competence') subject to complying with any other statutory requirements such as the Housing Act 1985. The use of the power is also subject to a number of pre and post

commencement limitations, none of which are considered to apply in this case.

56. The Housing Acts 1985 gives the council the powers to undertake these changes. Under s105 of the Housing Act 1985 the Council is permitted to introduce changes to the management of the housing service following a period of consultation with residents. Where Leaseholders may be affected by any changes the Council will be required to undertake consultation under the Commonhold and Leasehold Reform Act 2002. A consultation plan will be developed alongside the further development of the proposal.

Other Legal Implications:

57. The Thornhill DH project will be delivered in accordance with Finance and Contract procedure Rules and any procurement and subsequent delivery of the project will be subject to compliance with the requirements of the Equalities Act 2010, in particular the Public Sector Equality Duty and having regard to the need to reduce crime and disorder in accordance with S.17 of the Crime & Disorder Act 1998

POLICY FRAMEWORK IMPLICATIONS

58. As mentioned in the main body of the report the delivery of a District Heating scheme in Thornhill satisfies a number of Council policies and key objectives, which are included in the provisions of the Southampton Connect Plan, and the Council's housing and property strategies.
59. The Council approved the development of a Strategic Energy Action Plan (SEAP) in December 2012 as a response to the priority issues of energy cost, energy security and CO2 reduction, as well as other key priorities such as jobs and economic growth. One of the main SEAP project streams is to secure Energy Company Obligation (ECO) funding which is currently available from the energy utilities to support the delivery of insulation and to fully or partly fund new heating installations in selected Council owned housing areas of the City.
60. In March of 2013 DECC published its strategy for heat, which sets out a framework for delivery which accords with the proposals outlined in this report: A link to the strategy Low Carbon Heating in the UK. is provided below:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/190149/16_04-DECC-The_Future_of_Heating_Accessible-10.pdf

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED: Bitterne

SUPPORTING DOCUMENTATION

Appendices

1. Offer Letter from Vital Energi
2. Offer Letter from npower

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

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.	

Head of Housing Services
Southampton City Council
Ground Floor West Wing
Civic Centre
Southampton
SO14 7LY

FAO: Nick Cross

Date: 27/10/14

Our ref: VQ13335

Dear Sirs,

Re: Thornhill Community Heating Network

We are pleased to provide our proposal for the design, build, operation and maintenance of a new biomass and natural gas fired community heating network for the Thornhill community in Southampton, as follows:

1. Consortium

This proposal should be read in conjunction with proposals provided separately by our consortium partners: -

- MITIE Property Services, who will be undertaking the internal heating system installations or heating system modifications to serve 904 properties. For clarity the price for these MITIE Property Services heating system works have been included within this proposal letter.
- nPower who will be providing ECO funding for the project and will also provide certain sub-contractor / supplier services, working as a sub-contractor to MITIE Property Services or Vital Energi. For clarity the price for works to be undertaken by nPower have been included within this proposal letter, but the ECO contribution towards the project has not been shown in this proposal letter.

2. Scope

The scope of our proposal includes: -

- > Design, supply, installation and commissioning of a new energy centre building including foundations, building, roadways, and boundary fencing, all on the plot of land adjacent to the Eastpoint Centre, Bursledon Road, Thornhill, Southampton
- > Design, supply, installation and commissioning of an energy centre including 1 No wood chip fired biomass boiler rated at 990kW, 3 No gas fired boilers rated at 2MW, 2 No 100m³ thermal stores, building management system, circulation pumps, pressurisation unit, flues and chimney, associated mechanical and electrical works
- > Design, supply, installation and commissioning of an underground heating network, consisting of pre-insulated pipework to connect to 54 No apartment blocks
- > Design, supply, installation and commissioning of primary heat substations for the P1 blocks only
- > Design, supply, installation and commissioning of riser and lateral pipework to connect to serve 904 properties
- > Internal heating systems within the properties will be designed by Vital Energi, but installed and commissioned by MITIE Property Services, to serve 904 properties

- > Supply of heat interface units with integral heat meter for installation by MITIE Property Services, but commissioning onto the network by Vital Energi
- > Supply, installation and commissioning of Tenant pre-payment systems
- > Operation and maintenance services for a 30 year term: -
 - o Including operation, planned and reactive maintenance, life cycle repairs and replacements, metering and billing
 - o Our operation and maintenance scope includes the energy centre, the heat network, risers and laterals up to and including the HIUs and heat metering systems
 - o We have excluded maintenance of the heating systems within the flats

3. Charges

Our charges will be: -

- > For the design, supply, installation and commissioning works detailed above £12,459,465 (twelve million, four hundred and fifty nine thousand, four hundred and sixty five pounds)
- > For operation and maintenance services £310,363 per year (three hundred and ten thousand three hundred and sixty three pounds)

Our charge for design, supply, installation and commissioning works includes some provisional sums, as detailed in Appendix 1.

The above charges will be subject to VAT at the applicable rate.

4. Basis of Proposal

Our proposal is submitted as a firm offer, however due to programme constraints we have been unable to complete all of the design activities necessary to firm up all elements of our proposal. Where necessary we have allowed our estimate of likely cost and have shown these as provisional sums within our charges above, and will firm up these up fully during the next development stages. These include:

- > Detailed site investigation to be undertaken, which could impact: -
 - o Building layout, orientation and foundation design for the energy centre
 - o Routing for the underground heat network
 - o Disposal of any contaminated excavations
- > Planning application and air dispersion modeling to be submitted, which could impact:
 - o Building design and architectural finish
 - o Chimney height
- > Utility connection applications to be submitted, which could impact: -
 - o Cost for electricity, water, sewerage and gas connections to the Energy Centre
- > Iconic architectural features or specialist landscaping requirements
- > Local Highways particular costs for 278 requirements (traffic lights/ signaling etc.)

5. Terms and Conditions

Our offer is subject to contract, and has been based on our understanding of the: -

- > Proposed contractual structure, as per our discussions with your colleague Colin Rowland, Luke Mann from Utilyx and Bevan Britten
- > Works undertaken as per programme attached as Appendix 3, assuming that works are completed in an uninterrupted period and based on a normal weekday working of 40 hours/week
- > Allocation of responsibilities and risks as shown in the risk matrix which we have shared with you previously (via Utilyx), also attached for reference as Appendix 8

We have previously issued a draft project development agreement, and we assume that this will be executed to form the basis for us to proceed with the further development works up to execution of formal design and build and O&M contracts.

6. Supporting Information

We have provided the following supporting information, which we hope you will accept is commercially sensitive. In this respect, we trust that the following appendices will not be made available publicly:

- > Appendix 1 – Capital cost breakdown
- > Appendix 2 – Operating cost breakdown
- > Appendix 3 – Indicative construction programme
- > Appendix 4 – Community heating network drawing
- > Appendix 5 – Drawing of typical heating systems layout in properties
- > Appendix 6 – Energy centre block plan layout and location
- > Appendix 7 – Schedule of properties Included in this proposal
- > Appendix 8 – Risk matrix

I hope that this document provides all of the information that you need at this stage. We would welcome the opportunity to meet with you to present our proposals. If you have any questions, please do not hesitate to contact me.

Yours faithfully



Nick Gosling
Director of Energy Strategy

M: 07887 416550

Cc: Luke Mann, Utiyx
Lee Elliott, MITIE Property Services
Nick Gardner, nPower

Appendix 1 – Capital Cost Breakdown

COMMERCIALLY SENSITIVE INFORMATION

Item	£ Excl VAT
1. Preliminaries and Design	988,321
2. Energy Centre Construction	771,863
3. Biomass Boiler System	398,498
4. Energy Centre Mechanical Works	688,121
5. Energy Centre Electrical Works	314,589
6. DH Distribution	2,838,602
7. HIUs to Dwellings	1,180,060
8. Tenant Pre-Payment system	562,695
9. Heat Sub Stations to 3 No Tower Blocks	67,355
10. Provisional Sums	265,000
11. Temporary Boiler	60,000
12. Risers and Laterals	1,672,407
13. Internal Heating Systems	2,651,954
Grand Total	12,459,465

Provisional Sums (included in table above)

Item	£ Excl VAT
1. Incoming gas supply	50,000
2. Incoming mains cold water supply	20,000
3. Incoming electricity supply	100,000
4. Incoming communications	5,000
5. Drainage	15,000
6. Architectural enhancement	75,000
Grand Total	265,000

Appendix 2 – Operating Cost Breakdown

COMMERCIALLY SENSITIVE INFORMATION

Item	£/Year Excl VAT
1. Management and Supervision	5,769
2. Operations	46,886
3. Energy Centre Maintenance	55,750
4. Heat Network Maintenance	17,071
5. HIU, Heat Meter and Pre-Payment System O&M	114,769
6. Life-cycle replacements	70,119
Grand Total	310,363

Appendix 3 – Construction Programme**COMMERCIALLY SENSITIVE INFORMATION**

Please refer to separate attachment reference: VE Thornhill Proposal Oct 2014 – Appendix 3 - Programme

Appendix 4 – Community Heating Network Drawing**COMMERCIALLY SENSITIVE INFORMATION**

Please refer to separate attachment reference: VE Thornhill Proposal Oct 2014 –Appendix 4 – DH Network Drawing

Appendix 5 – Drawing of typical heating systems layout in properties**COMMERCIALLY SENSITIVE INFORMATION**

Please refer to separate attachments reference: VE Thornhill Proposal Oct 2014 –Appendix 5.1 to 5.11, which provide schematics and layout drawing for the heating systems in the typical block constructions

Appendix 6 – Energy centre block plan layout and location**COMMERCIALLY SENSITIVE INFORMATION**

Please refer to separate attachment reference: VE Thornhill Proposal Oct 2014 –Appendix 6 – Energy Centre Drawing

Appendix 7 – Schedule of Properties Included**COMMERCIALLY SENSITIVE INFORMATION**

Please refer to separate attachment reference: VE Thornhill Proposal Oct 2014 –Appendix 7 – Schedule of Properties Included

Appendix 8 – Proposed Risk Matrix**COMMERCIALLY SENSITIVE INFORMATION**

Please refer to separate attachment reference: VE Thornhill Proposal Oct 2014 –Appendix 8 – Risk Matrix



Nick Cross
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27 October 2014

Thornhill - Community Heating Scheme

Dear Nick,

As a result of developing the proposed community heating project at Thornhill, Southampton npower would be looking to provide funding to this scheme as part of its CSCO (Carbon Savings Community Obligation part of the Energy Company Obligation).

The projects lifetime carbon savings (and hence CSCO funding) have been determined using detailed SAP analysis. Based upon this analysis npower is able to confirm that for the proposed community heating project at Thornhill it would be looking to provide CSCO funding of up to £4,19m.

The funding offer is subject to the final confirmation of the projects specification and that the anticipated level of carbon emissions reduction is achieved and approved by Ofgem.

It should be noted that this CSCO funding offer is conditional on external wall insulation (EWI) measures being completed at the following properties:

- I. EWI measures to the 3 high rise (P1) developments at Meredith, Hightown and Dumbleton Towers – (a total of 305 flats); and
- II. EWI measures to 9 of the P3 properties currently not insulated - 118 to 138 Lydgate Road, 140 to 160 Lydgate Road, 162 to 182 Lydgate Road, 226 to 246 Lydgate Road, 280 to 300 Lydgate Road, 334 to 354 Lydgate Road, 1 to 21 Tunstall Road, 23 to 43 Tunstall Road and 45 to 65 Tunstall Road - (a total of 99 flats)

We can also advise that our SAP analysis has been undertaken using SAP 2012 (this is a new Ofgem requirement where all projects scheduled for completion after March 2015 are to be determined using SAP/RdSAP 2012 software).

Finally it should also be noted that Ofgem is currently consulting on the insulation conditionality affecting district heating projects. One such outcome could have it that DECC/Ofgem may decide to

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Windmill Hill Business Park
Whitehill Way, Swindon
Wiltshire SN5 6PB

Registered in England
and Wales no. 3892782

waive the insulation conditionality highlighted above – so improving the overall economics of this project.

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Nick Gardner', with a stylized flourish at the end.

Nick Gardner

Energy Services


Equality and Safety Impact

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

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

Name or Brief Description of Proposal	Thornhill District Heating Scheme
Brief Service Profile (including number of customers)	Creation of a new District Heating Scheme in Thornhill providing heating and hot water to 904 properties across 54 Housing blocks. 694 properties are currently electrically heated which is expensive and uncontrollable. 400 ‘non-traditional’ properties will also benefit from external wall insulation, new windows and roofs to improve the thermal performance of the buildings. The public realm around the three tower blocks will also be redesigned and improved to provide for enhanced and useable public space to improve these neglected areas in keeping with other projects already undertaken. Total project budget will be approx. £21m of which £4.19m will be contributed through grant funding from the Energy Company Obligation (ECO).
Summary of Impact and Issues	<ul style="list-style-type: none"> • Improve the quality of over 900 homes through the provision of a new, efficient and controllable heating and provide external cladding to over 400 of those properties which are some of the hardest to heat in the city;
Potential Positive Impacts	

	<ul style="list-style-type: none"> • Tackle the fuel poverty suffered by households in one of the most deprived wards within Southampton by giving residents more control over the cost they pay to heat their homes; • Improve the health and wellbeing of over 900 families by improving their thermal comfort and reducing damp, mould and condensation which are all recognised to have long term impacts on health; and • Deliver opportunities for development of skills, training and employment in the local area through our ECO Partners supply chain and commitment to the local economy.
Responsible Service Manager	Geoff Miller, Housing Investment Manager
Date	6 November 2014

Approved by Senior Manager	Nick Cross, Head of Housing Services
Signature	
Date	6 November 2014

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	The scheme will include some supported housing and general needs flats occupied by residents over 60 and it will improve the ability for them to have affordable and controllable heating and hot water ensuring their health and wellbeing is supported. Keeping warm in older age significantly reduces the risk of CPD.	

Disability	<p>There will significant building work and pipe laying across the estate which may present a hazard to those with mobility issues.</p> <p>The public realm surround the tower blocks will be improved enhancing access to residents with a disability to the public space</p>	Safe systems of work and Highways standards applied to ensure trenches, holes and other hazards are appropriately fenced off.
Gender Reassignment	none	
Marriage and Civil Partnership	none	
Pregnancy and Maternity	Some of the building work will include activity that generates dust.	Agreed access arrangements with residents to ensure impacts are minimised to all vulnerable residents
Race	none	
Religion or Belief	none	
Sex	none	
Sexual Orientation	none	
Community Safety	The areas around the tower blocks will be improved to make them more attractive and safer places for residents.	
Poverty	<p>Thornhill is one of the most deprived wards in Southampton. Providing a cheaper and more controllable heating and hot water system to 904 properties will help reduce both fuel and child poverty giving residents more disposable income for their families.</p> <p>£21m investment in the local area will support significant opportunities for training, skills and employment for residents.</p>	<p>SCC will ensure that the Operate and Maintain contract for the heating and hot water retains utility costs at below those which a resident could achieve independently.</p> <p>An Employment and Skills plan will be developed to maximise the opportunities for local residents.</p>
Other Significant Impacts	Being harder to heat the 400 properties of 'non-traditional' construction tend to suffer more with damp, condensation and	

	<p>mould which are potentially detrimental to health. The new heating and insulation of these properties should dramatically reduce the incidents of such issues occurring improving the health of the residents.</p>	
	<p>There will be significant building and construction work across the estate for up to two years which will be disruptive to everyday life</p>	<p>Significant time will be invested in community consultation and engagement throughout the project and specific resources are being allocated from the Council and the Contractor to manage the access processes needed during the project with a view to keeping the disruption to the lowest level possible.</p>

DECISION-MAKER:	GOVERNANCE COMMITTEE COUNCIL		
SUBJECT:	TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS MID YEAR REVIEW 2014		
DATE OF DECISION:	17 NOVEMBER 2014 19 NOVEMBER 2014		
REPORT OF:	CHIEF FINANCIAL OFFICER		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Andrew Lowe	Tel: 023 8083 2049
	E-mail:	Andrew.Lowe@southampton.gov.uk	
Director	Name:	Mark Heath	Tel: 023 8083 2371
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STATEMENT OF CONFIDENTIALITY
N/A

BRIEF SUMMARY

The Council approved a number of indicators at its meeting of the 12 February 2014. Following the September update of the Capital Programme and an analysis of Treasury Management activity in 2013/14 and between April and September 2014, these indicators have been reviewed for 2014/15 and are reported in accordance with CIPFA's code of practice on Treasury Management, (the "CIPFA TM Code"), and in line with the approved Treasury Management Strategy (TMS).

The core elements of the 2014/15 strategy are :

- To continue to make use of short term variable rate debt to take advantage of the current market conditions of low interest rates.
- To constantly review longer term forecasts and to lock into longer term rates through a variety of instruments as appropriate during the year, in order to provide a balanced portfolio against interest rate risk.
- To secure the best short term rates for borrowing and investments consistent with maintaining flexibility and liquidity within the portfolio.
- To invest surplus funds prudently, the Council's priorities being:
 - Security of invested capital
 - Liquidity of invested capital
 - An optimum yield which is commensurate with security and liquidity.
- To approve borrowing limits that provide for debt restructuring opportunities and to pursue debt restructuring where appropriate and within the Council's risk boundaries.

With overall annual expenditure in excess of £600M and an extensive capital programme, the Council is required to actively manage its cash-flows on a daily basis. The requirement to invest or to borrow monies to finance capital programmes, and to cover daily operational needs is an integral part of daily cash and investment portfolio management.

RECOMMENDATIONS:

GOVERNANCE COMMITTEE

- i) To note the current and forecast position with regards to these indicators and endorse any changes;
- ii) To note that the continued proactive approach to Treasury Management (TM) has led to reductions in borrowing costs and safeguarded investment income during the year whilst increasing the yield; and
- iii) To endorse the increase in the non-specified investment limit for institutions falling below our minimum limit investment limit A- be increased to £5M, as detailed in paragraph 29.

COUNCIL

- i) To approve any changes to the Council's Prudential Indicators as detailed within the report;
- ii) Continue to delegate authority to the Chief Financial Officer, following consultation with the Cabinet Member for Resources to approve any changes to the Prudential Indicators or borrowing limits that will aid good treasury management. For example increase the percentage for variable rate borrowing to take advantage of the depressed market for short term rates. Any amendments will be reported as part of quarterly financial and performance monitoring and in revisions to this strategy;
- iii) To note that the continued proactive approach to Treasury Management (TM) has led to reductions in borrowing costs and safeguarded investment income whilst increasing the yield; and
- iv) To approve the increase in the non-specified investment limit for institutions falling below our minimum investment limit of A- be increased to £5M, as detailed in paragraph 29.

REASONS FOR REPORT RECOMMENDATIONS

1. The TM Code requires public sector authorities to determine an annual TM Strategy and now, as a minimum, formally report on their treasury activities and arrangements to full Council mid-year and after the year-end. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate they have properly fulfilled their responsibilities, and enable those with ultimate responsibility/governance of the TM function to scrutinise and assess its effectiveness and compliance with policies and objectives.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. No alternative options are relevant to this report.

DETAIL (Including consultation carried out)

CONSULTATION

3. The capital programme update on which this report is based has been subject to its own consultation processes.

BACKGROUND

4. The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice yearly (mid-year and at year end). The Authority's Treasury Management Strategy for 2014/15 was approved by full Council on 12 February 2014, item 87, which can be accessed on <http://www.southampton.gov.uk/modernGov/ieListDocuments.aspx?CId=122&MId=2469&Ver=4>

The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.

5. In essence TM can always be seen in the context of the classic 'risk and reward' scenario and following this strategy will contribute to the Council's wider TM objective which is to minimise net borrowing cost short term without exposing the Council to undue risk either now or in the longer in the term.
6. Treasury management is defined as *"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*
7. Overall responsibility for treasury management remains with the Council. No TM activity is without risk; the effective identification and management of risk are integral to the Council's treasury management objectives. The main risks to the Council's treasury activities are:
 - Liquidity Risk (Inadequate cash resources)
 - Market or Interest Rate Risk (Fluctuations in interest rate levels and thereby in the value of investments).
 - Inflation Risks (Exposure to inflation)
 - Credit and Counterparty Risk (Security of Investments)
 - Refinancing Risks (Impact of debt maturing in future years).
 - Legal & Regulatory Risk (i.e. non-compliance with statutory and regulatory requirements, risk of fraud).
8. This report:
 - a) is prepared in accordance with the revised CIPFA Treasury Management Code and the revised Prudential Code,
 - b) presents details of capital financing, borrowing, debt rescheduling and investment transactions,
 - c) reports on the risk implications of treasury decisions and transactions,
 - d) gives details of treasury management transactions during 2014/15 to date, and

e) confirms compliance with treasury limits and Prudential Indicators.

BORROWING REQUIREMENT AND DEBT MANAGEMENT

9. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). The CFR, together with balances and useable reserves, are the core drivers of TM Activity. This was estimated at £446M as at the 31/03/2015 when the TM strategy was approved and has been revised down to £431M following a revision of the capital programme and adjusting for 2013/14 actual position.
10. The Authority is able to borrow funds in excess of the current level of its CFR up to the projected level in 2016/17 (£439M). The Authority is likely to only borrow in advance of need if it felt the benefits of borrowing at interest rates now compared to where they are expected to be in the future, outweighs the current cost and risks associated with investing the proceeds until the borrowing is actually required.
11. The forecast movement in coming years is one of the Prudential Indicators (PIs). The movement in actual external debt and usable reserves combine to identify the Authority's borrowing requirement and potential investment strategy in the current and future years and is shown in the tables below together with activity in the year.

	Balance on 01/04/2014	Debt Maturing or Repaid	New Borrowing	Balance as at 30/9/2014	Increase/ (Decrease) in Borrowing for Year	Average Life / Average Rate %	
	£M	£M	£M	£M	£M	Life	%
Short Term Borrowing	10	(10)	0	0	(10)	23 Years	3.20
Long Term Borrowing	264	(6)	0	258	(6)		
Total Borrowing	274	(16)	0	258	(16)		

*Please note that these figures do not reflect the accounting convention of moving loans maturing in the year from long term to short term

	31-Mar-14 Actual	31-Mar-15 Approved	Current Portfolio	31-Mar-15 Current Estimate	31-Mar-16 Current Estimate	31-Mar-17 Current Estimate
	£M	£M	£M	£M	£M	£M
External Borrowing:						
Fixed Rate – PWLB Maturity	139	148	139	139	167	204
Fixed Rate – PWLB EIP	81	81	75	69	58	46
Variable Rate – PWLB	35	35	35	35	35	35
Variable Rate – Market	9	9	9	9	9	9
Long Term Borrowing	264	273	258	252	269	294
Short Term Borrowing						
Fixed Rate – Market	10	10	0	20	30	40
Other Long Term Liabilities						
PFI / Finance leases	62	61	62	67	65	62
Deferred Debt Charges	16	17	16	16	15	14
Total Gross External Debt	352	361	336	355	379	410
Investments:						
Deposits and monies on call and Money Market Funds	(66)	(40)	(73)	(40)	(40)	(40)
Financial Instruments	(3)	(3)	(6)	(13)	(13)	(13)
Total Investments	(69)	(43)	(79)	(53)	(53)	(53)
Net Borrowing Position	283	318	258	302	326	357

Public Works Loan Board (PWLB) Borrowing

12. The PWLB remains the Council's preferred source of long term borrowing given the transparency, flexibility and control it offers.

PWLB Certainty Rate

13. The Council successfully qualified for borrowing at the 'Certainty Rate', (0.20% below the PWLB standard rate) following the submission of the Certainty Rate form to the Department of the Environment, which included details of the capital expenditure and borrowing plans for the Council over the next three years. In April the Council submitted a further application along with the 2014/15 Capital Estimates Return to access this reduced rate for a further 12 month period from 1 November 2014.

Loans at Variable Rates

14. Included within the PWLB portfolio is £35M of variable rate loans, which are currently averaging 0.58% and are helping to keep overall borrowing costs down. Whilst in the current climate of low interest rates this remains a sound strategy, the Council need to review these regularly and if appropriate switching into fixed rate loans.
15. In order to mitigate these risks further, the Council approved the creation of an Interest Equalisation Reserve in 2009 to help manage volatility in the future and ensure that there was minimal impact on annual budget decisions or council tax in any single year. At that point a major debt restructuring exercise had taken place in order to take advantage of market conditions and produce net revenue savings. As reported in the outturn report in preparation of the banking regulation reform, this reserve was renamed 'Treasury Risk Reserve' to recognise the wider risk. The level of this reserve is reviewed on a regular basis.

Internal Borrowing

16. Given the significant reductions to local government funding putting pressure on Council finances, the strategy followed was to minimise debt interest payments without compromising the longer-term stability of the portfolio. The differential during 2013/14 between the cost of new longer-term debt (3.18% average rate for a 20 year PWLB fixed rate maturity) and the return generated on the Council's temporary investment returns was significant (2.4%).
17. As at the 31 March 2014 the Council used £73M of internal resources in lieu of borrowing which has been the most cost effective means of funding past capital expenditure to date. This has lowered overall treasury risk by reducing both external debt and temporary investments. However, this position will not be sustainable over the medium to long term and the Council will need to borrow to cover this amount as balances fall. Following the latest update of the Capital Programme, approved by Council in September 2014, the Council is expected to borrow up to £74M between 2014/15 and 2016/17. Of this £40M relates to new HRA capital spend (GF has no new requirement at this stage) and the remainder to the refinancing of existing debt and externalising internal debt to cover the expected fall in balances.
18. However due to the continued and increased uncertainty in the markets and the expectations of interest rates staying lower for longer it may be appropriate to

maintain the council use of internal resources for part or all of this amount; providing that balances can support it. No long term borrowing has been taken to date and is none is expected to be taken until the third quarter of the year and will be assessed in conjunction with the development of the capital programme, cash balances and advice from the Council's treasury advisor.

INVESTMENT ACTIVITY

19. The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. There has been an increase in balances since the beginning of the year (£66M), peaking at £125M in mid- May. Based on previous years balances this is expected to fall around December when we have traditionally needed to borrow short term from the money markets due to uncertainty on the capital programme and the need to borrow long term. Projected balances to the end December indicate that on present levels of spend we should have about £20m more than this time last year, around £60M, so unless there is significant capital spend between now and then, there should be no need to borrow short term unless we feel this is prudent to protect our investments in the higher returning call accounts.
20. The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council's aim is to achieve a yield commensurate with these principles. Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its TM Strategy Statement for 2014/15.
21. Counterparty credit quality is assessed and monitored with reference to: Credit Ratings. The Council's minimum long-term counterparty rating is A- (or equivalent across rating agencies Fitch, S&P and Moody's); credit default swaps; financial statements, information on potential government support and reports in the quality financial press.

Externally Managed Investments

22. On the 1 April the Council invested £5M in property funds which offer the potential for enhanced returns over the longer term, but may be more volatile in the shorter term. These funds are managed by professional fund managers which allows the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. This investment has returned an average of £20k per month, which will generate an additional £200k for the year. Consideration is also being given on whether to invest an additional £1M in the fund as the yield is attractive but this will increase our risk. The value of the fund at 30th September was £4,947,879, a "loss" of £52k against initial investment. Even allowing for this the fund still returned a yield of 3.67%.

Internally Managed Investments

23. The rolling programme of yearly investments has been stopped due to lower balances last year and the difficulty in placing at attractive rates, plus we are preparing for lower investment limits as part of the TM strategy for 2014 in anticipation of "bail in".
24. Following advice from our advisors, Arlingclose, enquires on options for longer term deposits with covered bonds / Floating Rate Notes (FRN's) and similar instruments are ongoing with a view of investing up to our £30M limit for long term investments (currently £11M, plus commitment to invest another £7M in October) to optimise

investment income. These deals will generate around £125k in a full year and about £59k for 2014/15.

25. The Authority has internally managed investments amounting to £78.5M as at the end of September and the tables below show a breakdown by credit rating and maturity and summarises activity during the year: It also shows the new committed deals

	Balance on 01/04/2014	Investments Repaid	New Investments	Balance as at 30/9/2014	Increase/ (Decrease) in Investment for Year
	£M	£M	£M	£M	£M
Short Term Investments	18.3	(24.0)	18.0	12.3	(6.0)
Money Market Funds & Call Accounts	48.1	(207.0)	219.1	60.2	12.1
Bonds	3.0	0.0	3.0	6.0	3.0
Long Term Investments	0.0	0.0	0.0	0.0	0.0
Total Investments	69.4	(231.0)	240.1	78.5	9.1

Current Investments	At 30th September 2014 £'000	Date of Maturity	Yield %	Rating
Lloyds Bank Plc	2,000	15/12/2014	0.65	A
Lloyds Bank Plc	2,000	15/12/2014	0.57	A
Nationwide Building Society	5,000	15/12/2014	0.50	A
Nationwide Building Society	1,000	01/10/2014	0.74	A
Nationwide Building Society	1,000	15/10/2014	0.76	A
Nationwide Building Society	1,000	17/11/2014	0.78	A
Money Market Funds	23,967	Call	Average 0.41	A+ to AA-
Santander UK Plc	10,000	Call	0.80	A
Bank of Scotland Plc	2,951	Call	0.40	A
Svenska Handelsbanken – A SHS	4,401	Call	0.40	AA-
HSBC Bank PLC	9,093	Call	0.80	AA-
Barclays Bank PLC	9,790	Call	0.65	A
European Investment Bank - Bond	1,000	15/04/2025	5.27	AAA
European Investment Bank - Bond	1,000	07/06/2025	5.16	AAA
European Investment Bank - Bond	1,000	07/06/2025	5.49	AAA
Yorkshire Building Society Covered Bond	3,333	12/08/2018	2.034	AA+
Committed Investments				
Volkswagen	2,007	20/08/2015	1.00	A
Rabobank Nederland	2,062	10/09/2015	0.95	AA-
Leeds Building Society	3,005	01/10/2019	3m Libor +0.36%	AAA

Counterparty Update

26. The European Parliament approved the EU *Bank Recovery and Resolution Directive (BRRD)* on April 15, 2014. Taking the view that potential extraordinary government support available to banks' senior unsecured bondholders will likely diminish within its two-year rating horizon for investment-grade entities, in April Standard & Poor's revised the Outlook of Barclays, Deutsche Bank, Credit Suisse and ING Bank from Stable to Negative (note, this is not the same as a rating review negative). In May, Moody's also changed the outlook from stable to negative for 82 European banks and from positive to stable for two European banks. The institutions affected on the Authority's lending list are Nationwide Building Society, Svenska Handelsbanken.
27. In August Moody's changed its outlook for the UK banking system from stable to negative, citing the reduction of government support for systemic banks as the reason. Although the agency believes that the stand-alone financial strength of UK institutions is improving they believed that this is more than offset by the potential bail-in risk now faced by investors. Similarly, in August S&P revised the outlooks for major Canadian banks to negative following the government's announcement of a potential bail-in policy framework.
28. Banks in the UK and EU face banks face stress tests this autumn, which may result in some institutions having to additionally bolster their capital buffers. The extent to which this might be required and the form they will have to take casts uncertainty over capital requirements in the system.
29. The UK is implementing the final bail-in provisions of the EU Bank Recovery and Resolution Directive to commence in January 2015, a year ahead of most other countries. Credit rating agencies have stated they plan to review EU banks' ratings in line with each country's implementation of the directive. Many UK banks, have standalone ratings in the "BBB" category, with uplifts for potential government support taking them into the "A" category. There is therefore a realistic risk that some major UK banks' credit ratings will fall below A- this financial year if this uplift is removed. We are not proposing to lower our counterparty to below A- to accommodate these banks but we may wish to continue investing in them through instant access as part of our non-specified investments. In order to accommodate this it is recommended that this limit be increased from the current level of £3M to £5M.

Authority Banking Arrangements

30. As reported previously following the downgrading of the Co-op bank and the end of our contract with them, the Authority has moved its banking arrangements to Lloyds Bank from 1st October 2014 with a cross over period of 3 months up to the 31st December 2014 when all banking with Co-op will cease. Until this time we will continue to mitigate our exposure to credit risk as reported in the review of Prudential Limits and Treasury Management Outturn 2013/14 submitted to council on the 16 July and can be found as item 13 via the following link:
<http://www.southampton.gov.uk/modernGov/ieListDocuments.aspx?CId=122&MId=2832&Ver=4>

BUDGETED INCOME AND EXPENDITURE

Investments

31. The Council does not expect any losses from non-performance in relation to its investments by any of its counterparties. The UK Bank Rate has been maintained at 0.5% since March 2009 and is not expected to rise this financial year. As a consequence short-term money market rates have remained at relatively low levels with new deposits being made at an average rate of 0.55%, investments in Money Market Funds and call accounts generated an average rate of 0.49%. Average cash balances were £102.5M during the quarter; these are expected to decline towards the end of the financial year as the incidence of government grant income and council tax income is skewed towards the earlier part of the year.
32. The Authority's budgeted investment income for the year was estimated at £0.3M, the Authority currently anticipates an investment outturn of £0.8M for the year based on current and committed deals. However following advice from our treasury advisors and our continued high investment balances the Authority has estimated it will have sufficient cash balances over the medium term to consider investing in further longer term financial instruments which will generate a better return.

Expenditure

33. The interest cost of financing the Authority's long term and short term loan debt is charged corporately to the Income and Expenditure account. The interest cost in 2014/15 of financing the Authority's loan debt is currently expected to be £9.8M compared with an approved estimate of £11.2M, a saving of £1.4M, of which £0.8M relates to the HRA. This is mainly due to variable interest rates being lower than those estimated, no new long term borrowing being taken in 2013/14, slippage on the HRA capital programme to 2015/16 and deferring any new borrowing to later in the year.

COMPLIANCE WITH PRUDENTIAL INDICATORS

34. All indicators to date complied with the Prudential Indicators approved by Council on 12 February 2014, item 87.

<http://www.southampton.gov.uk/modernGov/ieListDocuments.aspx?CId=122&MId=2469&Ver=4>

Details of the performance against key indicators and any proposed changes are shown below:

Capital Financing Requirement Gross and Actual External Debt

35. The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose. In order to ensure that over the medium term net borrowing will only be for a capital purpose, the Council ensures that net external borrowing does not, except in the short term, exceed the CFR in the preceding year, plus the estimates of any additional capital financing requirement for the current and next two financial years. It differs from actual borrowing due to decisions taken to use internal balances and cash rather than borrow. The table below shows the actual position as at 31 March 2014 and the estimated position for the current and next two years based on the capital programme submitted to council on the 17 September 2014.

Capital Financing Requirement	2013/14 Actual £M	2014/15 Approved £M	2014/15 Forecast £M	2015/16 Revised Estimate £M	2016/17 Revised Estimate £M
Balance B/F	433.2	430.2	425.0	431.0	438.9
Capital expenditure financed from borrowing (inc PFI)					
General Fund (GF)	10.8	10.7	7.5	0.5	0.0
HRA	0.0	23.1	16.0	21.2	3.1
GF Temporary Funding (Repayment)	(5.8)	(3.4)	(3.7)	0.0	0.0
HRA Voluntary Repayment of Debt	(5.6)	(5.1)	(5.1)	(5.1)	(5.1)
GF Revenue provision for debt Redemption.	(4.5)	(6.9)	(6.2)	(6.0)	(5.9)
Movement in Other Long Term Liabilities	(3.1)	(2.4)	(2.5)	(2.7)	(3.1)
Cumulative Maximum External Borrowing Requirement	425.0	446.2	431.0	438.9	427.9

36. The Council reports that it has not borrowed in advance of need and that it has continued the use of internal resources in lieu of borrowing as this has been the most cost effective means of funding past capital expenditure to date. In the Prudential Code (November 2011), it states '*Where there is a significant difference between the net and gross borrowing position the risks and benefits associated with this strategy should be clearly stated in the annual strategy*'. The Council has had no difficulty in meeting this requirement so far in 2014/15, nor is there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

	31/03/2014 Actual £M	31/03/2015 Approved £M	31/03/2015 Estimate £M	31/03/2016 Estimate £M	31/03/2017 Estimate £M
General Fund CFR	266.4	261.1	261.5	253.3	244.3
Housing CFR	158.6	185.1	169.5	185.6	183.6
CFR	425.0	446.2	431.0	438.9	427.9
Gross Long term Debt	342.0	351.0	335.0	349.0	370.0
Difference	83.0	95.2	96.0	89.9	57.9
Short Term Debt	10.0	10.0	20.0	30.0	40.0
Difference	73.0	85.2	76.0	59.9	17.9
Borrowing in excess of CFR? (Y/N)	N	N	N	N	N
Investments	(69)	(43)	(53)	(53)	(53)

Authorised Limit and Operational Boundary for External Debt

37. The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of their indebted status. This is a statutory limit which should not be breached. The Council's **Affordable / Authorised Borrowing Limit** was set at £760M for 2014/15 (£674M for borrowing and £86M for other long term liabilities).
38. The **Operational Boundary** is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the

additional headroom included within the Authorised Limit. The Operational Boundary for 2014/15 was set at £750M (£672M for borrowing and £78M for other long term liabilities).

39. The above limits are set to allow maximum flexibility within TM, for example a full debt restructure. Actual borrowing as detailed in paragraph 11 is significantly below this and reflects decisions taken to use internal balances and cash rather than to physically borrow and shows the position at a point in time. No new borrowing is expected to take place until later in the financial year.
40. The Chief Financial Officer (CFO) confirms that there were no breaches to the Authorised Limit and the Operational Boundary and during the period to the end of September 2014, borrowing at its peak was £274M (other long term liabilities £78M) and there is no proposal to change these limits at this time.

Upper Limits for Fixed and Variable Interest Rate Exposure

41. These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

	Limits for 2014/15 %
Upper Limit for Fixed Rate Exposure	100
Compliance with Limits:	Yes
Upper Limit for Variable Rate Exposure	50
Compliance with Limits:	Yes

42. The Upper limit represents the maximum proportion of borrowing which is subject to variable rate interest and was set at 50%, although in practice it would be unusual for the exposure to exceed 25% based on past performance, the highest to date is 15.8%. The limit was set at a higher level to allow for a possible adverse cash flow position, leading to a need for increased borrowing on the temporary market and to take advantage of the low rates available through the PWLB for variable debt. There has been no adverse cash flow to date but it is proposed that the limit remain at 50%, to allow for flexibility in case of any slippage in expected capital receipts.

Total principal sums invested for periods longer than 364 days

43. This indicator allows the Council to manage the risk inherent in longer term investments; the limit for 2014/15 was set at £30M. As detailed in paragraph 24 we currently have £11M invested in long term instruments with commitment for another £7M during October.

Liquidity

44. The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available within a rolling three month period with the view of looking to borrow short term if cash available in instant access accounts falls below £25M.

Maturity Structure of Fixed Rate Borrowing

45. This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period.

	Lower Limit	Upper Limit	Actual Fixed Debt as at 30/9/2014	Average Fixed Rate as at 30/9/2014	% of Fixed Rate as at 30/9/2014	Compliance with set Limits?
	%	%	£M	%		
Under 12 months	0	45	9.4	2.44	4.20	Yes
12 months and within 24 months	0	45	0.0	0.00	0.00	Yes
24 months and within 5 years	0	50	0.0	0.00	0.00	Yes
5 years and within 10 years	0	75	75.2	3.23	33.66	Yes
10 years and within 15 years	0	75	0.0	0.00	0.00	Yes
15 years and within 20 years	0	75	0.0	0.00	0.00	Yes
20 years and within 25 years	0	75	0.0	0.00	0.00	Yes
25 years and within 30 years	0	75	10.0	4.68	4.48	Yes
30 years and within 35 years	0	75	5.0	4.60	2.24	Yes
35 years and within 40 years	0	75	42.0	3.99	18.80	Yes
40 years and within 45 years	0	75	50.6	3.62	22.65	Yes
45 years and within 50 years	0	75	31.2	3.56	13.98	Yes
50 years and above	0	100	0.0	0.00	0.00	Yes
			223.4	3.43	100.00	

For this indicator, all of the Council LOBO loans are within the call period so the maturity date of the loans is treated as due in the year.

Credit Risk

46. The Council confirms it considers security, liquidity and yield, in that order, when making investment decisions. Credit ratings remain an important element of assessing credit risk, but they are not the sole feature in the Council's assessment of counterparty credit risk. The Council also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution (minimum A- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
- Sovereign support mechanisms;
- Credit default swaps (where quoted);
- Share prices (where available);
- Economic fundamentals, such as a country's net debt as a percentage of its GDP);
- Corporate developments, news, articles, markets sentiment and momentum;
- Corporate developments, news, articles, markets sentiment and momentum.

The Council can confirm that all investments were made in line with minimum credit rating criteria set in the 2014/15 TMSS.

Housing Revenue Account (HRA) Limit on Indebtedness

47. Local authorities are required to report the level of the HRA CFR compared to the level of debt which was imposed by the CLG of self-financing at the time of implementation. The following tables show this plus the movement in year.

HRA Summary of Borrowing	2013/14 Actual £m	2014/15 Approved £m	2014/15 Estimate £m	2015/16 Estimate £m	2016/17 Estimate £m
Brought Forward	163.8	167.1	158.6	169.5	185.6
Maturing Debt	(5.6)	(5.1)	(5.1)	(5.1)	(5.1)
New borrowing	0.4	23.1	16.0	21.2	3.1
Carried forward	158.6	185.1	169.5	185.6	183.6
HRA Debt Cap (as prescribed by CLG)	199.6	199.6	199.6	199.6	199.6
Headroom	41.0	14.5	30.1	14.0	16.0

Ratio of Financing Costs to Net Revenue Stream

48. This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs. The definition of financing costs is set out at paragraph 87 of the Prudential Code. The ratio is based on costs net of investment income. The increase in the HRA financing costs is due to the reform of HRA of council housing finance which took effect from 28 March 2012. During 2013/14 the HRA made a voluntary debt repayment of £5.6M, which has led to an increase in the financing ratio for the year. This will result in lower borrowing costs for future years. The upper limit for this ratio is currently set at 10% for the General Fund to allow for known borrowing decision in the next two years and to allow for additional borrowing affecting major schemes.

Ratio of Financing Costs to Net Revenue Stream	2013/14 Actual %	2014/15 Approved %	2014/15 Forecast %	2015/16 Forecast %	2016/17 Forecast %
General Fund	6.95%	6.96%	5.97%	7.46%	8.58%
HRA	16.24%	16.33%	14.88%	15.75%	16.01%
Total	10.28%	10.39%	9.27%	10.94%	12.19%

SUMMARY

49. In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary report of the treasury management activity up to the 30 September 2014. As indicated in this report none of the Prudential Indicators have been breached and a prudent approach has been taking in relation to investment activity with priority being given to security and liquidity over yield
50. In addition to the CIPFA's requirement to produce a mid and year end report, each quarter as part of corporate monitoring a summary of Treasury Management activity is prepared. This is presented to Cabinet as part of the Quarterly Revenue Financial Monitoring report.
51. For further information please see the following links:

Treasury Management Strategy Statement for 2014 on 12 February 2014, item 87.
<http://www.southampton.gov.uk/modernGov/ieListDocuments.aspx?CId=122&MId=2469&Ver=4>

Treasury Management Outturn Report on 16th July 2014, item 35.
<http://www.southampton.gov.uk/modernGov/ieListDocuments.aspx?CId=122&MId=2832&Ver=4>

Quarterly Revenue Financial Monitoring report, item 23 (Appendix 11)

RESOURCE IMPLICATIONS

Capital

52. The Capital implications were considered as part of the Capital Update report submitted to Council on the 17 September 2014.

Revenue

53. The revenue implications are considered as part of ongoing monitoring which is reported to Cabinet each Quarter and as part of the budget setting process.

Property/Other

54. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

55. Local Authority borrowing is regulated by Part 1, of the Local Government Act 2003, which introduced the new Prudential Capital Finance System. From 1 April 2004, investments are dealt with, not in secondary legislation, but through guidance. Similarly, there is guidance on prudent investment practice, issued by the Secretary of State under Section 15(1)(a) of the 2003 Act. A local authority has the power to invest for "any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs". The reference to the "prudent management of its financial affairs" is included to cover investments, which are not directly linked to identifiable statutory functions but are simply made in the course of treasury management.

This also allows the temporary investment of funds borrowed for the purpose of expenditure in the reasonably near future; however, the speculative procedure of borrowing purely in order to invest and make a return remains unlawful.

Other Legal Implications:

56. None

POLICY FRAMEWORK IMPLICATIONS

57. This report has been prepared in accordance with the CIPFA Code of Practice on TM.

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:

All

SUPPORTING DOCUMENTATION

Appendices

1.	Economic performance to date and outlook for Q3 and Q4 2014/15
2.	Glossary of Treasury Terms

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.	<u>TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS 2014/15 to 2016/17 – Council 12 February 2014</u>
2.	<u>REVIEW OF PRUDENTIAL LIMITS AND TREASURY MANAGEMENT OUTURN 2013/14 – Council 16 July 2014</u>
3.	<u>CORPORATE REVENUE FINANCIAL MONITORING FOR THE PERIOD TO THE END JUNE 2014– Cabinet 19 August 2014</u>

2014/15 ECONOMIC BACKGROUND

1. Economic Performance Q1 and Q2

Growth and Inflation: The recent strong performance of the UK economy continued with output growing at 0.8% in Q1 2014 and at 0.9% in Q2. The services sector once again grew strongly. On the back of strong consumption growth, business investment appeared to be recovering quickly, albeit from a low base. The annual CPI inflation rate fell to 1.5% year-on-year in August.

Revisions to the Gross Domestic Product (GDP) methodology, now compliant with the European System of Accounting 2010, mean that growth is now estimated to be 2.7% above its pre-recession peak in Q1 2008 rather than just 0.2% higher, the general theme being that the recession was not as deep and the recovery was earlier than initially estimated. In anticipation of these revisions, the MPC has forecast growth at 3.4% in 2014.

Unemployment: The labour market continued to improve, with strong employment gains and the headline unemployment rate falling to 6.2%. However, earnings growth remained very weak, rising just 0.6% for the three months May-July 2014 when compared to the same period a year earlier. The growth in employment was masked by a large number of zero-hour contracts and involuntary part-time working.

UK Monetary Policy: The Monetary Policy Committee (MPC) made no change to the Bank Rate of 0.5% and maintained asset purchases at £375bn. However, there was a marked shift in tone from the Bank of England's Governor and other MPC members. In his Mansion House speech in June Governor Mark Carney warned that interest rates might rise sooner than financial markets were expecting. Following some mixed messages from Governor Carney later in the summer, the minutes of the August and September MPC meetings revealed a split vote with regards to the Bank Rate. Ian McCafferty and Martin Weale voted to increase Bank Rate by 0.25%, arguing economic circumstances were sufficient to justify an immediate rise. The MPC emphasised that when Bank Rate did begin to rise, it was expected to do so only gradually and would likely remain below average historical levels for some time to come.

In the Bank of England's August Inflation Report the Bank forecast growth to be around 3½% in 2014, easing back thereafter to around its pre-crisis historical average rate. Inflation was forecast to remain at, or slightly below, 2% before reaching the target at the end of the 2-year forecast period.

The Bank's Financial Policy Committee also announced a range of measures to cool the UK's housing market to avert the potential of spiralling house prices derailing a sustainable economic recovery. Key recommendations included lenders stress-testing mortgage applicants can cope with a 3% rise in interest rates; putting a 15% cap on the number of mortgages at more than 4.5 times the borrower's income; and a separate Treasury pledge banning anyone applying for a loan through the Help to Buy scheme borrowing more than 4.5 times their income. The Prudential Regulation Authority also announced that it intends to consult on capital requirements for mortgages.

The result of the Scottish referendum in the end was close, but not as close as many believed it might be. However, the political upheaval set in motion (the Prime Minister's linking of a more devolved Scotland to giving greater powers to English MPs over English-only legislation, the prospect of Scotland's potential freedom to raise taxes not being

replicated elsewhere in the UK) is arguably likely to be just as problematic in the run-up to and beyond next year's general election.

Eurozone inflation continued to fall towards zero (HICP inflation registered just 0.3% in September), and there was mounting evidence that the already feeble recovery was losing pace. The unemployment rate remained stubbornly high at 11.5%. The European Central Bank lowered its official benchmark interest rate from 0.15% to 0.05%. The rate it pays on commercial bank balances held with it was also cut further into negative territory from -0.1% to -0.2% and the Marginal Lending Facility rate cut further to 0.3%. The ECB also announced a programme of acquiring Asset Backed Securities (ABS) from banks in an effort to encourage lending which was viewed as being one step away from full blown Quantitative Easing (QE) adopted by the US, UK and Japanese central banks. The minutes of the Bank of England's MPC meeting in September noted that "*weakness in the euro area had been the most significant development during the month*" and that, if it led once again to uncertainty about the sustainability of euro-area public and external debt, it could damage confidence and disrupt financial markets.

There was no change from the US Federal Reserve as the central bank kept policy on its current track with a reduction in asset purchases by \$10 billion per month. Asset purchases are expected to end by October 2014, expectations therefore turned towards the timing of rate increases. The US economy rebounded strongly in Q2 with annualised growth of 4.6%.

Market reaction: Gilt yields have continued to decline and hit a financial year low at the end of August, before ticking upwards in the run up to the Scottish referendum. What has driven yields lower is a combination of factors but the primary drivers have been the escalation of geo-political risk within the Middle East and Ukraine alongside the slide towards deflation within the Eurozone (EZ).

2. Outlook for Q3 and Q4

The stronger economic growth seen in the UK over the past six months is likely to use up spare capacity more quickly than previously assumed. Arlingclose has brought forward the timing for the first rise in Bank Rate to Q3 2015.

In addition to two MPC members having voted for a rate rise in August and September, the rhetoric from Committee members has in general become more hawkish. However, the lack of inflationary pressure is expected to allow policymakers to hold off monetary tightening for longer than the market currently expects. The near-term risk is that the Bank Rate could rise sooner than anticipated, which is captured in the 'upside risk' range of our forecast table below.

The focus is now on the rate of increase and the medium-term peak and, in this respect, expectations are that rates will rise slowly and to a lower level than in the past.

	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17
Official Bank Rate											
Upside risk	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50
Downside risk				0.25	0.25	0.50	0.50	0.75	0.75	1.00	1.00

GLOSSARY OF TREASURY TERMS

Authorised Limit (Also known as the Affordable Limit):

A statutory limit that sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities).

Balances and Reserves:

Accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure.

Bank Rate:

The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate". This rate is also referred to as the 'repo rate'.

Basis Point:

A unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent). In most cases, it refers to changes in **interest rates** and **bond yields**. For example, if interest rates rise by 25 basis points, it means that rates have risen by 0.25% percentage points. If rates were at 2.50%, and rose by 0.25%, or 25 basis points, the new interest rate would be 2.75%. In the bond market, a basis point is used to refer to the yield that a bond pays to the investor. For example, if a bond yield moves from 5.45% to 5.65%, it is said to have risen by 20 basis points. The usage of the basis point measure is primarily used in respect to yields and interest rates, but it may also be used to refer to the percentage change in the value of an asset such as a stock.

Bond:

A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The price of a bond may vary during its life.

Capital Expenditure:

Expenditure on the acquisition, creation or enhancement of capital assets.

Capital Financing Requirement (CFR):

The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need.

Capital Receipts:

Money obtained on the sale of a capital asset.

CD's:

Certificates of Deposits with banks and building societies

Comprehensive Spending Review (CSR):

Comprehensive Spending Review is a governmental process in the United Kingdom carried out by **HM Treasury** to set firm expenditure limits and, through public service agreements, define the key improvements that the public can expect from these resources. Spending Reviews typically focus upon one or several aspects of public spending while the CSR focuses upon each government department's spending requirements from a zero base (i.e. without reference to past plans or, initially, current expenditure).

Constant Net Asset Value (CNAV)

These are Money Market Funds which maintain a stable price of £1 per share when investors redeem or purchase shares which mean that that any investment will not fluctuate in value.

Corporate Bonds:

Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.

Cost of Carry:

The "cost of carry" is the difference between what is paid to borrow compared to the interest which could be earned. For example, if one takes out borrowing at 5% and invests the money at 1.5%, there is a cost of carry of 3.5%.

Counterparty List:

List of approved financial institutions with which the Council can place investments with.

Covered Bond:

Covered bonds are debt securities backed by cash flows from mortgages or public sector loans. They are similar in many ways to asset-backed securities created in securitisation, but covered bond assets remain on the issuer's consolidated balance sheet (usually with an appropriate capital charge). The covered bonds continue as obligations of the issuer (often a bank); in essence, the investor has recourse against the issuer and the collateral, sometimes known as "dual recourse."

CPI :

Consumer Price Index – the UK's main measure of inflation.

Credit Rating:

Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees.

Department for Communities and Local Government (DCLG) :

The DCLG is the UK Government department for Communities and Local Government in England. It was established in May 2006 and is the successor to the Office of the Deputy Prime Minister, established in 2001.

Debt Management Office (DMO):

The DMO is an Executive Agency of Her Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as the **DMADF**. All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign triple-A

credit rating.

Diversification /diversified exposure:

The spreading of investments among different types of assets or between markets in order to reduce risk.

Federal Reserve:

The US central bank. (Often referred to as “the Fed”).

Floating rate notes (FRNs) :

These are bonds that have a variable coupon, equal to a money market reference rate, like LIBOR or federal funds rate, plus a quoted spread (a.k.a. quoted margin). The spread is a rate that remains constant. Almost all FRNs have quarterly coupons, i.e. they pay out interest every three months. At the beginning of each coupon period, the coupon is calculated by taking the fixing of the reference rate for that day and adding the spread. A typical coupon would look like 3 months USD LIBOR +0.20%.

FTSE 100 Index:

The FTSE 100 Index is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalisation. It is one of the most widely used stock indices and is seen as a gauge of business prosperity for business regulated by UK company law. The index is maintained by the FTSE Group, a subsidiary of the London Stock Exchange Group.

General Fund:

This includes most of the day-to-day spending and income.

Gilts:

Gilts are bonds issued by the UK Government. They take their name from ‘gilt-edged’: being issued by the UK government, they are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.

Gross Domestic Product (GDP):

Gross Domestic Product measures the value of goods and services produced within a country. GDP is the most comprehensive overall measure of economic output and provides key insight as to the driving forces of the economy.

The G7:

The G7, is a group consisting of the finance ministers of seven industrialised nations: namely the US, UK, France, Germany, Italy, Canada and Japan. They are seven of the eight (China excluded) wealthiest nations on Earth, not by GDP but by global net wealth. The G7 represents more than the 66% of net global wealth (\$223 trillion), according to Credit Suisse Global Wealth Report September 2012.

IFRS:

International Financial Reporting Standards.

International Labour Organisation (ILO):

The ILO Unemployment Rate refers to the percentage of economically active people who are unemployed by ILO standard and replaced the Claimant Unemployment Rate as the international standard for unemployment measurement in the UK.. Under the ILO approach,

those who are considered as unemployed are either out of work but are actively looking for a job or out of work and are waiting to start a new job in the next two weeks. ILO Unemployment Rate is measured by a monthly survey, which is called the Labour Force Survey in United Kingdom. Approximately 40,000 individuals are interviewed each month, and the unemployment figure reported is the average data for the previous three months.

LIBID:

The London Interbank Bid Rate (LIBID) is the rate bid by banks on Eurocurrency deposits (i.e. the rate at which a bank is willing to borrow from other banks). It is "the opposite" of the LIBOR (an offered, hence "ask" rate, the rate at which a bank will lend). Whilst the British Bankers' Association set LIBOR rates, there is no correspondent official LIBID fixing.

LIBOR:

The London Interbank Offered Rate (LIBOR) is the rate of interest that banks charge to lend money to each other. The British Bankers' Association (BBA) work with a small group of large banks to set the LIBOR rate each day. The wholesale markets allow banks who need money to be more fluid in the marketplace to borrow from those with surplus amounts. The banks with surplus amounts of money are keen to lend so that they can generate interest which it would not otherwise receive.

LOBO:

Stands for Lender Option Borrower Option. The underlying loan facility is typically very long-term - for example 40 to 60 years - and the interest rate is fixed. However, in the LOBO facility the lender has the option to call on the facilities at pre-determined future dates. On these call dates, the lender can propose or impose a new fixed rate for the remaining term of the facility and the borrower has the 'option' to either accept the new imposed fixed rate or repay the loan facility. The upshot of this is that on the option exercise date, the lender could propose an extreme fixed rate, say 20 per cent, which would effectively force the repayment of the underlying facility. The borrower's so called 'option' is only the inalienable right to accept or refuse a new deal such as a fixed rate of 20 per cent.

Maturity:

The date when an investment or borrowing is repaid.

Maturity Structure / Profile:

A table or graph showing the amount (or percentage) of debt or investments maturing over a time period. The amount or percent maturing could be shown on a year-by-year or quarter-by-quarter or month-by-month basis.

Minimum Revenue Provision (MRP):

An annual provision that the Council is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.

Money Market Funds (MMF):

Pooled funds which invest in a range of short term assets providing high credit quality and high liquidity.

Multilateral Development Banks:

See Supranational Bonds below.

Non Specified Investment:

Investments which fall outside the CLG Guidance for **Specified investments** (below).

Operational Boundary:

This linked directly to the Council's estimates of the CFR and estimates of other day to day cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

Premiums and Discounts:

In the context of local authority borrowing,

- (a) the premium is the penalty arising when a loan is redeemed prior to its maturity date and
- (b) the discount is the gain arising when a loan is redeemed prior to its maturity date.

If on a £1 million loan, it is calculated that a £150,000 premium is payable on premature redemption, then the amount paid by the borrower to redeem the loan is £1,150,000 plus accrued interest. If on a £1 million loan, it is calculated* that a £50,000 discount receivable on premature redemption, then the amount paid by the borrower to redeem the loan is £950,000 plus accrued interest. PWLB premium/discount rates are calculated according to the length of time to maturity, current market rates (plus a margin), and the existing loan rate which then produces a premium/discount dependent on whether the discount rate is lower/higher than the coupon rate.

**The calculation of the total amount payable to redeem a loan borrowed from the Public Works Loans Board (PWLB) is the present value of the remaining payments of principal and interest due in respect of the loan being repaid prematurely, calculated on normal actuarial principles. More details are contained in the PWLB's lending arrangements circular.*

Prudential Code:

Developed by CIPFA and introduced on 01/4/2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.

Prudential Indicators:

Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable; they are not intended to be comparative performance indicators

Public Works Loans Board (PWLB):

This is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.

Quantitative Easing (QE):

In relation to the UK, it is the process used by the Bank of England to directly increase the quantity of money in the economy. It *“does not involve printing more banknotes. Instead, the Bank buys assets from private sector institutions – that could be insurance companies, pension funds, banks or non-financial firms – and credits the seller's bank account. So the seller has more money in their bank account, while their bank holds a corresponding claim against the Bank of England (known as reserves). The end result is more money out in the*

wider economy". Source: Bank of England.

Repo Rate:

The interest rate at which the central bank in a country repurchases government securities (such as Treasury securities) from commercial banks. The central bank raises the repo rate when it wishes to reduce the money supply in the short term, while it lowers the rate when it wishes to increase the money supply and stimulate growth.

Revenue Expenditure:

Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.

RPI:

Retail Prices Index is a monthly index demonstrating the movement in the cost of living as it tracks the prices of goods and services including mortgage interest and rent. Pensions and index-linked gilts are uprated using the RPI index.

(Short) Term Deposits:

Deposits of cash with terms attached relating to maturity and rate of return (Interest).

Specified Investments:

Term used in the CLG Guidance and Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than one year. UK government, local authorities and bodies that have a high credit rating.

Supported Borrowing:

Borrowing for which the costs are supported by the government or third party.

Supranational Bonds:

Instruments issued by supranational organisations created by governments through international treaties (often called **multilateral development banks**). The bonds carry a AAA rating in their own right. Examples of supranational organisations are the European Investment Bank, the International Bank for Reconstruction and Development.

T-Bills:

Treasury Bills are short term Government debt instruments and, just like temporary loans used by local authorities, are a means to manage cash flow. Treasury Bills (T-Bills) are issued by the Debt Management Office and are an eligible sovereign instrument, meaning that they have a AAA-rating.

Temporary Borrowing:

Borrowing to cover peaks and troughs of cash flow, not to fund capital spending.

Treasury Management Code:

CIPFA's Code of Practice for Treasury Management in the Public Services, initially brought in 2003, subsequently updated in 2009 and 2011.

Treasury Management Practices (TMP):

Treasury Management Practices set out the manner in which the Council will seek to achieve its policies and objectives and prescribe how it will manage and control these

activities.

Unsupported Borrowing:

Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.

Variable Net Asset Value (VNAV):

Redemptions and investments in Money Market Funds (MMF's) are on the basis of the fund's Net Asset Value (NAV) per share. The NAV of any money market fund is the market value of the fund's assets minus its liabilities and is stated on a per share basis. The net value of the assets held by an MMF can fluctuate, and the market value of a share may not always be exactly the amount that has been invested.

Yield:

The measure of the return on an investment instrument.