

LIBERAL DEMOCRAT GROUP BUDGET RESOLUTION 2014/15

It is recommended that Council :

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

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

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

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

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

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

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

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

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

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

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

GENERAL FUND 2013/14 - REVISED BUDGET

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

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

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

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

2014/15

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

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

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

EXPLANATION OF CHANGES

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

The areas that remained to be clarified were:

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

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

FINAL LOCAL GOVERNMENT SETTLEMENT

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

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

COUNCIL TAX

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

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

BUSINESS RATES RETENTION (BRR) SCHEME

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

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

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

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

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

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

FORECAST ROLL FORWARD BUDGET 2014/15

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

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

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

PROPOSED BUDGET PACKAGE 2014/15

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

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

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

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

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

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

SUMMARY OF REVENUE BIDS

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

SUMMARY OF REVENUE BIDS

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

SUMMARY OF REVENUE BIDS

| Portfolio Ref | Service Activity | Description of Item | Impact / Issues | Recurring or One Off (R or O) | 2014/15 £000's | 2015/16 £000's | 2016/17 £000's | Head of Service |
|---------------|-----------------------------------|---|--|-------------------------------|-------------------|-------------------|-------------------|-----------------|
| | <u>Resources Portfolio</u> | | | | | | | |
| NEW n | Grants to Voluntary Organisations | Investment in Grants to Voluntary Organisations | Including benefit advice and SVS family projects | R | 75 | 100 | 100 | Suki Sitaram |
| | | Resources Portfolio Total | | | 75 | 100 | 100 | |
| | | GRAND TOTAL | | | 1,045 | 1,190 | 1,190 | |

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

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

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

IMPACT OF PROPOSALS ON STAFFING

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

SUMMARY OF EFFICIENCIES, ADDITIONAL INCOME AND SERVICE REDUCTIONS

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

2014/15 GENERAL FUND REVENUE ACCOUNT

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

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

COUNCIL TAX CALCULATION 2014/15

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

BALANCES

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

COLLECTION FUND ESTIMATES 2014/15

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

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

MEDIUM TERM FINANCIAL FORECAST

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

