

Public Document Pack

Cabinet

Tuesday, 20th August, 2019
at 4.30 pm

PLEASE NOTE TIME OF MEETING

Council Chamber - Civic Centre

This meeting is open to the public

Members

Leader – Councillor Hammond
Adult Care - Councillor Fielker
Aspiration, Children & Lifelong Learning –
Councillor Paffey
Healthier and Safer City – Councillor Shields
Resources - Councillor Barnes-Andrews
Green City & Environment – Councillor Leggett
Homes & Culture - Councillor Kaur
Place and Transport - Councillor Rayment

(QUORUM – 3)

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BACKGROUND AND RELEVANT INFORMATION

The Role of the Executive

The Cabinet and individual Cabinet Members make executive decisions relating to services provided by the Council, except for those matters which are reserved for decision by the full Council and planning and licensing matters which are dealt with by specialist regulatory panels.

The Forward Plan

The Forward Plan is published on a monthly basis and provides details of all the key executive decisions to be made in the four month period following its publication. The Forward Plan is available on request or on the Southampton City Council website, www.southampton.gov.uk

Implementation of Decisions

Any Executive Decision may be “called-in” as part of the Council’s Overview and Scrutiny function for review and scrutiny. The relevant Overview and Scrutiny Panel may ask the Executive to reconsider a decision, but does not have the power to change the decision themselves.

Mobile Telephones – Please switch your mobile telephones to silent whilst in the meeting.

Use of Social Media

The Council supports the video or audio recording of meetings open to the public, for either live or subsequent broadcast. However, 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.

By entering the meeting room you are consenting to being recorded and to the use of those images and recordings for broadcasting and or/training purposes. The meeting may be recorded by the press or members of the public. Any person or organisation filming, recording or broadcasting any meeting of the Council is responsible for any claims or other liability resulting from them doing so. Details of the Council’s Guidance on the recording of meetings is available on the Council’s website.

The Southampton City Council Strategy (2016-2020) is a key document and sets out the four key outcomes that make up our vision.

- Southampton has strong and sustainable economic growth
- Children and young people get a good start in life

Executive Functions

The specific functions for which the Cabinet and individual Cabinet Members are responsible are contained in Part 3 of the Council’s Constitution. Copies of the Constitution are available on request or from the City Council website, www.southampton.gov.uk

Key Decisions

A Key Decision is an Executive Decision that is likely to have a significant:

- financial impact (£500,000 or more)
- impact on two or more wards
- impact on an identifiable community

Procedure / Public Representations

At the discretion of the Chair, members of the public may address the meeting 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.

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

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

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

Municipal Year Dates (Tuesdays)

2019	2020
18 June	21 January
16 July	11 February
20 August	18 February (Budget)
17 September	17 March
15 October	21 April
19 November	
17 December	

- People in Southampton live safe, healthy, independent lives
- Southampton is an attractive modern City, where people are proud to live and work

CONDUCT OF MEETING

TERMS OF REFERENCE

The terms of reference of the Cabinet, and its Executive Members, are set out in Part 3 of the Council's Constitution.

RULES OF PROCEDURE

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

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 of 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.

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 3.

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.

AGENDA

1 **APOLOGIES**

To receive any apologies.

2 **DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS**

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

EXECUTIVE BUSINESS

3 **STATEMENT FROM THE LEADER**

4 **RECORD OF THE PREVIOUS DECISION MAKING** (Pages 1 - 4)

Record of the decision making held on 16th July, 2019 attached.

5 **MATTERS REFERRED BY THE COUNCIL OR BY THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE FOR RECONSIDERATION (IF ANY)**

There are no matters referred for reconsideration.

6 **REPORTS FROM OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)**

There are no items for consideration

7 **EXECUTIVE APPOINTMENTS**

To deal with any executive appointments, as required.

MONITORING REPORTS

8 **2019/20 CORPORATE REVENUE MONITORING REPORT FOR THE PERIOD TO END OF JUNE 2019** □ (Pages 5 - 36)

To consider the report of the Cabinet Member for Resources detailing the 2019/20 Corporate Revenue Monitoring Report for the period to end of June 2019.

9 **CAPITAL FINANCIAL MONITORING REPORT FOR 2019/20 FOR THE PERIOD TO END OF JUNE 2019** □ (Pages 37 - 48)

To consider the report of the Cabinet Member for Resources detailing the Capital Financial Monitoring Report for 2019/20 for the period to end of June 2019.

ITEMS FOR DECISION BY CABINET

10 EXECUTIVE RESPONSE TO THE FUTURE OF WORK IN SOUTHAMPTON INQUIRY (Pages 49 - 68)

To consider the report of the Leader detailing responses to the recommendations in the Future of Work in Southampton Inquiry Report.

11 COMMUNITY CHEST GRANTS 2019/20 □ (Pages 69 - 106)

To consider the report of the Cabinet Member for Green City and Environment seeking approval on awards for the Community Chest Grants 2019/20, following recommendations from the cross-party Community Chest Grant Advisory Panel.

12 TRANSFORMING HEALTH AND CARE FOR THE PEOPLE OF SOUTHAMPTON, FIVE YEAR STRATEGIC PLAN 2019-2023 □ (Pages 107 - 138)

To consider the report of the Director of Quality and Integration seeking approval of the Transforming Health and Care for the People of Southampton, Five Year Strategic Plan 2019-2023.

13 PRIVATE RENTED SECTOR POLICY (Pages 139 - 182)

To consider the report of the Cabinet Member for Homes and Culture seeking approval of the Private Rented Sector Policy.

14 HMO LICENSING POLICY □ (Pages 183 - 222)

To consider the report of the Cabinet Member for Homes and Culture seeking approval of the draft HMO Licensing Policy.

15 JOINT COMMISSIONING BOARD - TERMS OF REFERENCE REVIEW (Pages 223 - 238)

To consider the report of the Director Quality and Integration detailing a review of the Terms of Reference for the Joint Commissioning Board.

16 PROCUREMENT OF COMMERCIAL WASTE DISPOSAL CONTRACT □ (Pages 239 - 244)

To consider the report of the Cabinet Member for Place and Transport seeking authority to procure a Commercial Waste disposal Contract.

17 TRANSPORT FOR SOUTH EAST CONSULTATION □ (Pages 245 - 274)

Report of the Cabinet Member for Place & Transport seeking approval for matters related to the consultation by Transport for South East.

SOUTHAMPTON CITY COUNCIL
EXECUTIVE DECISION MAKING

RECORD OF THE DECISION MAKING HELD ON 16 JULY 2019

Present:

Councillor Hammond	-	Leader of the Council, Clean Growth and Development
Councillor Rayment	-	Cabinet Member for Place and Transport
Councillor Fielker	-	Cabinet Member for Adult Care
Councillor Kaur	-	Cabinet Member for Homes and Culture
Councillor Leggett	-	Cabinet Member for Green City and Environment
Councillor Dr Paffey	-	Cabinet Member for Aspiration, Children and Lifelong Learning
Councillor Shields	-	Cabinet Member for Healthier and Safer City
Councillor Barnes-Andrews	-	Cabinet Member for Resources

9. REPROCUREMENT OF JOINT EQUIPMENT STORE (JES)

DECISION MADE: (CAB 19/20 24081)

On consideration of the report of the Cabinet Member for Adult Care, Cabinet agreed, subject to the decision of Council at recommendation (i) in the report, to delegate authority to the Director of Integration and Quality, following consultation with the Cabinet Member for Adult Care to undertake the re-procurement of a Joint Equipment Store provision for Southampton City up to and including conduct of the procurement process, selection and approval of preferred bidder and entering into the relevant contract(s) / agreements (s) together with any other action necessary to give effect to the re-procurement on the terms set out in this report.

10. SOUTHAMPTON LOCAL PLAN: LOCAL DEVELOPMENT SCHEME (LDS) AND STATEMENT OF COMMUNITY INVOLVEMENT (SCI)

DECISION MADE: (CAB 19/20 24081)

On consideration of the report of the Leader of the Council, Cabinet agreed the following:

- (i) To adopt the proposed documents 'Preparing our Development Plans' and 'Involving you in Planning' as set out in Appendix 1 and 2.
- (ii) To approve the proposed approach to the Local Plan Issues and Options consultation as set out in Appendix 3.
- (iii) To delegate authority to the Service Director – Growth, following consultation with the Cabinet Member for Place and Transport, to make minor amendments to the 'Preparing our Development Plans' and 'Involving you in Planning' documents before publication.

- (iv) To delegate authority to the Service Director – Growth, following consultation with the Cabinet Member for Place and Transport, to finalise the Issues and Options questionnaire prior to consultation.

11. THE FUTURE OF RESIDENTIAL CARE HOMES PROVIDED BY THE COUNCIL AT GLEN LEE AND HOLCROFT HOUSE

DECISION MADE: (CAB 19/20 23766)

On consideration of the report of the Cabinet Member for Adult Care, Cabinet agreed the following:

- (i) To consider the outcome of the staff consultation on the future use of Glen Lee and Holcroft House residential care homes.
- (ii) To re-consider Cabinet's in principle resolution to close Glen Lee and retain Council provision at Holcroft House, taking in to account the outcome of a formal staff consultation.
- (iii) To approve the closure of Glen Lee residential care home, when all of the residents have been supported to move to suitable alternative placements.

12. VOID AND NOMINATION AGREEMENTS FOR SUPPORTED LIVING SETTINGS WITHIN SOUTHAMPTON

DECISION MADE: (CAB 19/20 23892)

On consideration of the report of the Cabinet Member for Adult Care, Cabinet agreed the following:

- (i) To delegate authority to the Service Director for Quality & Integration, following consultation with the Service Director: Finance and Commercialisation to enter into void and nomination agreements in the value of up to £2million in relation to supported living settings subject to an identified budget being available and maximum void liability and all associated contractual costs and liabilities of any Agreement not exceeding £2million (total Agreement value over life of the Agreement).
- (ii) To note potential void risks and associated financial liabilities as well as potential savings which are enabled by entering into void and nominations agreements.

13. CONTRACT APPROVALS RELATED TO CAPITA TRANSFER

DECISION MADE: (CAB 19/20 24177)

On consideration of the report of the Leader of the Council, Cabinet agreed that the Service Director for Digital and Business Operations, or Service Director for Legal and Governance, are given delegated authority jointly and severally to approve, following consultation with the Cabinet Member for Resources, any new contracts required for the smooth transfer of services from Capita to the City Council which would ordinarily need Cabinet approval due to the contract value.

14. LOCAL INDUSTRIAL STRATEGY, SUBMISSION TO THE SOLENT LOCAL ENTERPRISE PARTNERSHIP

DECISION MADE: (CAB 19/20 24102)

On consideration of the report of the Leader of the Council, Cabinet agreed the following:

- (i) To note and approve the key priorities for the Southampton submission to the Solent LEP for the development of the Solent Local industrial Strategy (LIS).
- (ii) To delegate authority to the Director of Growth, after consultation with the Leader of the Council, to submit the Southampton proposition to the Solent LEP and conduct any further discussions with the LEP to support the development of the LIS.

15. THE FORMER OAKLANDS SCHOOL SITE

DECISION MADE: (CAB 19/20 24061)

On consideration of the report of the Cabinet Member Homes and Culture, Cabinet agreed the following:

Subject to the financial approvals of Council, to delegate authority to the Director of Growth following consultation with the Cabinet Member for Homes and Culture, the Service Director Finance and Commercialisation and the Service Director Legal and Governance to:

- deliver a scheme in accordance with the financial parameters of this report
- approve the submission to Homes England
- agree detailed terms and conditions
- enter into a contract with a construction company
- appoint a specialist Shared Ownership expert to deal with sourcing purchasers and delivering sales
- take any other actions required to give effect to this decision
- agree the final tenure mix prior to practical completion

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Agenda Item 8

DECISION-MAKER:	CABINET
SUBJECT:	CORPORATE REVENUE FINANCIAL MONITORING FOR THE PERIOD TO THE END OF JUNE 2019
DATE OF DECISION:	20 AUGUST 2019
REPORT OF:	CABINET MEMBER FOR RESOURCES

CONTACT DETAILS

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STATEMENT OF CONFIDENTIALITY

N/A

BRIEF SUMMARY

This report summarises the General Revenue Fund, Housing Revenue Account (HRA) and Collection Fund financial position for the Council as at the end of June 2019, and highlights any key issues which need to be brought to the attention of Cabinet.

RECOMMENDATIONS:

<u>General Revenue Fund</u>	
It is recommended that Cabinet:	
i)	Note the forecast outturn position is a net underspend of £0.63M, as outlined in paragraph 3.
ii)	Note the performance of treasury management, and financial outlook in paragraphs 4 and 5 and appendix 2.
iii)	Note the Key Financial Risk Register as detailed in paragraph 7 and appendix 3.
iv)	Note the performance against the financial health indicators detailed in paragraphs 10 and 11 and appendix 4.
v)	Note the performance outlined in the Collection Fund Statement attached at appendix 6 and detailed in paragraphs 13 to 15.
<u>Housing Revenue Account</u>	
It is recommended that Cabinet:	
vi)	Note the forecast outturn position is an underspend of £0.30M as outlined in paragraph 12 and Appendix 5.

REASONS FOR REPORT RECOMMENDATIONS

1.	To ensure that Cabinet fulfils its responsibilities for the overall financial management of the Council's resources.
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ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	Not Applicable.
DETAIL (including consultation carried out)	
	<u>FINANCIAL POSITION</u>
3.	The current forecast spending against the council's net budget for the year is projected as a favourable position overall at £0.63M (underspending). More detail, including explanations of significant variances (in excess of £0.2M), are provided in Appendix 1.
	<u>Treasury Management</u>
4.	Treasury Management borrowing and investment balances as at 30 June 2019 and forecasts for the year-end are set out in Appendix 2. After taking into account maturing and new debt requirements in year and a reduction in investment balances, there is an estimated increase in net borrowing of £41.3M for 2019/20.
5.	The Council approved a number of indicators at its meeting in February 2019. Appendix 4 includes current performance against these indicators, whilst an update on the financial outlook is within Appendix 2. The Council has operated within the agreed prudential indicators for the first quarter and is forecast to do so for the remainder of the year.
	<u>Reserves & Balances</u>
6.	The General Fund Balance is currently £10.07M with no planned drawdown during the year. The use of reserves is being monitored and there use is in line with the Financial Strategy.
	<u>Key Financial Risks</u>
7.	The Council maintains a financial risk register which details the key financial risks that face the Council at a given point in time. It is from this register that the level of balances and reserves is determined when the budget is set at the February Council meeting. The register has been reviewed and is attached as Appendix 3.
	<u>Schools</u>
8.	As at 30 June 2019 there were 14 schools reporting a deficit balance of £4.69M. This is an increase of 2 council schools and £1.04M compared with the position at 31 March 2019. These schools are working with Children's & Families to agree Deficit Recovery Plans (DRP). Additional resources have been made available from earmarked reserves to fund a school improvement officer and additional finance support. This team is working closely with these schools to develop deficit recovery plans and to monitor achievement against these during 2019/20.
9.	As previously reported there is a significant pressure within the High Needs Budget which overspent by £4M in 2018/19. That overspend was partially offset from a number of sources: £2M from General Fund Reserves as a one-off contribution, £0.53M additional High Need funding from central government in recognition of High Needs pressures nationally and the transfer of 0.5% Schools Block funding to the High Needs Block £0.7M. These contributions total to £3.23M leaving a net outturn overspend of £0.77M. The forecast for 2019/20 is for the pressure to continue at £4M however the only additional funding to offset this is a further central government contribution of

£0.53M. The Schools Forum elected not to transfer 0.5% to High Needs and the forecast is therefore for a £3.47M overspend in High Needs.

A review is being undertaken of the entire Education Service provided by the Council to identify options to meet the remaining funding gap.

It has been assumed that the above noted pressures will need to be accommodated within the Dedicated Schools Grant (DSG).

Financial Health Indicators

10. In order to make an overall assessment of the financial performance of the authority it is necessary to look beyond pure financial monitoring and take account of the progress against defined indicators of financial health. Appendix 4 outlines the performance to date, and in some cases the forecast, against a range of financial indicators which will help to highlight any potential areas of concern where further action may be required.

11. At present all indicators are green with the exception of undisputed invoices paid within terms, which is 92.3% compared with a target of 98%. This is an improving trend over the last 2 quarters following an anticipated dip in performance due to enforcement of the processing of goods received notes.

Housing Revenue Account

12. The overall forecast position for the year end on income and expenditure items indicates an underspending of £0.30M. This arises from a reduction in the forecast recharge from the Capital Assets Team, based on a review of the work undertaken for the Housing Revenue Account due to vacancies within the team. For further details see Appendix 5.

Collection Fund

13. Appendix 6 shows the forecast outturn position for the Collection Fund, with the position summarised in Table 1.

Table 1 – Collection Fund Forecast 2019/20

	Council Tax £M	NDR £M	Total £M
Distribution of previous years' estimated surplus	2.39	3.10	5.49
Other income and expenditure	(0.41)	5.21	4.80
Deficit/(Surplus) for the year	1.98	8.30	10.28
Deficit/(Surplus) brought forward from 2018/19	(1.48)	(5.36)	(6.84)
Overall Deficit/(Surplus) Carried Forward	0.50	2.94	3.44
SCC Share of Deficit/(Surplus)	0.42	1.89	2.31

14. The adverse forecast for Non Domestic Rates (NDR) income and expenditure is primarily due the forecasts for gross rates payable being £5.6M lower than estimated and empty property relief being £3.2M higher. This is partly offset by a lower forecast for write-offs (£1.7M) and release of the appeals provision to meet

	refunds (£2.0M).
15.	Any deficit or surplus on the Collection Fund will need to be taken into account at the time of setting the 2020/21 General Revenue Fund Budget.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
16.	The revenue implications are contained in the report. There are no capital implications.
<u>Property/Other</u>	
17.	None.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
18.	Financial reporting is consistent with the Section 151 Officer's duty to ensure good financial administration within the Council.
<u>Other Legal Implications:</u>	
19.	None.
RISK MANAGEMENT IMPLICATIONS	
20.	See comments within report.
POLICY FRAMEWORK IMPLICATIONS	
21.	None.

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED: All

SUPPORTING DOCUMENTATION

Appendices

1.	Explanation of Variances Qtr 1
2.	Treasury Management Qtr 1
3.	Key Financial Risk Register Qtr 1
4.	Health Indicators Qtr 1
5.	HRA 2019/20 budget versus forecast Qtr 1
6.	Collection Fund Qtr 1

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

Privacy Impact Assessment

Do the implications/subject of the report require a Privacy Impact Assessment (PIA) 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.	General Fund Revenue Budget Report 2019/20 to 2022/23 (Approved by Council February 2019)	

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Agenda Item 8

Appendix 1

OVERALL GENERAL REVENUE FUND FORECAST OUTTUN POSITION FOR 2019/20

Portfolio	Budget £M	Forecast £M	Variance £M
Adult Care	72.92	74.87	1.94 A
Aspiration, Children & Lifelong Learning	38.85	44.54	5.69 A
Green City & Environment	0.06	0.31	0.26 A
Healthier & Safer City	(4.95)	(4.91)	0.03 A
Homes & Culture	7.30	7.54	0.24 A
Leader	6.06	4.47	1.58 F
Place & Transport	24.18	23.84	0.34 F
Resources	30.08	31.61	1.53 A
Total Portfolios	174.49	182.27	7.78 A
Levies & Contributions	0.63	0.63	0.00
Capital Asset Management	15.03	5.83	9.20 F
Other Expenditure & Income	8.15	8.95	0.80 A
Net Revenue Expenditure	198.31	197.68	0.63 F
Draw from Balances	0.00	0.00	0.00
Council Tax	(101.75)	(101.75)	0.00
Business Rates	(83.29)	(83.29)	0.00
Non-Specific Government Grants	(13.27)	(13.27)	0.00
Total Financing	(198.31)	(198.31)	0.00
(SURPLUS)/DEFICIT	0.00	(0.63)	0.63 F

NB Numbers are rounded

NOTE: Within the forecast savings proposals of £6.18M for 2019/20 were approved. Of these around 78% (or £4.84M) are classified as either 'green' or 'amber' and therefore already achieved. The balance of 22% (or £1.34M) are currently not forecast to be achieved. These represent a risk until all management actions required to deliver the savings are complete.

EXPLANATIONS BY PORTFOLIO

1. ADULT SOCIAL CARE PORTFOLIO

KEY REVENUE ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to **over** spend by **£1.94M** at year-end, which represents a percentage over spend against budget of **2.54%**

	Forecast Variance £M	%
Portfolio Outturn	1.94 A	2.54

Service Activity	Forecast Variance Quarter 1 £M
Long Term	1.93 A
Safeguarding Adult Mental Health & Out Of Hours	0.72 A
Provider Services	0.68 F
Other smaller amounts	0.03 F
Total	1.94 A

The SIGNIFICANT movements for the Portfolio are:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Long Term	1.93 A	Increase in average care package costs offset, in part by a reduction in the number of care packages plus unachieved savings targets.

Safeguarding Adult Mental Health & Out Of Hours	0.72 A	Increase in care package costs which in previous years has been offset by Improved Better Care Funding, no longer available.
Provider Services	0.68 F	A favourable variance due to the planned closure of Glen Lee Care Home later in this year and a delayed 24/7 opening of Kentish Road. This is partly offset by enhanced staffing required at Holcroft house costing £0.22M

2. ASPIRATION, CHILDREN AND LIFELONG LEARNING PORTFOLIO

KEY ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to **over** spend by **£5.69M** at year-end, which represents a percentage over spend against budget of **13.4%**

	Forecast Variance £M	%
Aspiration, Children and Lifelong Learning	5.69 A	13.4

A summary of the Portfolio forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
Divisional Management and Legal	0.08 A
Quality Assurance Business Unit	0.18 A
Multi Agency Safeguarding Hub & Children in Need	0.23 F
Specialist Core Services	0.11 F
Looked After Children & Provision	3.81 A
Education - High Needs and Schools	0.54 A

Education - Early Years and Asset Management	1.27 A
Targeted & Restorative Services	0.15 A
Total	5.69 A

The SIGNIFICANT issues for the Portfolio are:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Multi Agency Safeguarding Hub & Children in Need	0.23 F	Due to ongoing recruitment of a number of vacant posts in the newly created Family Partnership Team.
Looked After Children & Provision	3.81 A	Due to the consistently high numbers in Residential Care and the high numbers in IFA placements. In addition the numbers of Special Guardianship Orders is rising although these placements will provide consistent stable outcomes for children. Senior management are currently putting plans in place to mitigate this adverse variance.
Education - High Needs and Schools	0.54 A	The adverse variance is due to an increase in the number of children placed in the Jigsaw service being above the numbers budgeted for. The average cost of Jigsaw placements is also rising as there are more complex needs requiring more expensive provision.
Education - Early Years and Asset Management	1.27 A	There is a forecast overspend for Home to School Transport of £0.6M due to higher demand for this service from increases in the numbers of children with High Needs above the budgeted amount. The Educational Psychologists team has a staffing cost adverse variance and reduced forecasted income from other organisations due to the level of non-income earning statutory work being undertaken reducing the resources available to sell services to other organisations

3. GREEN CITY & ENVIRONMENT PORTFOLIO

KEY ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to over spend by **£0.30M**.

	Forecast Variance £M
Green City & Environment Portfolio	0.26 A
Green City & Environment Trading Portfolio	0.04 A
Total	0.30 A

A summary of the Portfolio forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
Bereavement & Registration Services	0.30 A
Flood Risk Management	0.04 F
Fleet Services (Trading)	0.04 A
Total	0.30 A

The SIGNIFICANT issue for the Portfolio is:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Bereavement & Registration Services	0.30 A	The adverse variance in is primarily due to reduced income in Bereavement Services due to a new, privately operated crematorium opened near Romsey, which has resulted in a loss of business.

4. HOMES & CULTURE PORTFOLIO

KEY ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to **over** spend by **£0.24M** at year end, which represents a percentage over spend against budget of **3.3%**.

	Forecast Variance £M	%
Portfolio Outturn	0.24	3.3

A summary of the Portfolio forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
Leisure Client	0.08 A
Private Sector Housing	0.19 A
Cultural Services	0.02 F
Total	0.24 A

The SIGNIFICANT issues for the Portfolio are:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Private Sector Housing	0.19 A	The income forecast has been revised in line with the latest forecast for expected licence applications and revised fee structure. A reduction in the number of licenses anticipated has reduced the income forecast by £0.19M.

5. HEALTHIER & SAFER CITY PORTFOLIO

KEY ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to **over** spend by **£0.03M** at year-end, which represents a percentage over spend against budget of **0.76%**

	Forecast Variance £M	%
Healthier & Safer City	0.03 A	0.76

A summary of the Portfolio forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
Prevention & Inclusion Service	0.05 A
Other	0.02 F
Total	0.03 A

6. LEADERS PORTFOLIO

KEY ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to **under** spend by **£1.58M** at year-end, which represents a percentage under spend against budget of **26.09%**

	Forecast Variance £M	%
Resources	1.58 F	26.09

A summary of the Portfolio forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
Capital Assets	1.40 F
Chief Executive	0.13 F

Communications	0.05 F
Total	1.58 F

The **SIGNIFICANT** issues for the Portfolio are:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Capital Assets	1.40 F	Based on the work programme developed for 2019/20 there is a forecast favourable variance on planned maintenance of £0.66M. This is due to the roofing works potentially being transferred to the capital programme, and because of staff shortages within the Capital Assets Team meaning there are limited resources available to achieve the desired outcomes. The net favourable variance due to vacant posts is £0.48M and savings from supplies and services within the service is also forecast to be £0.12M favourable.

7. RESOURCES PORTFOLIO

KEY ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to **over** spend by **£1.53M** at year-end, which represents a percentage over spend against budget of **4.78%**

	Forecast Variance £M	%
Resources	1.53 A	4.78

A summary of the Portfolio forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
-----------------------------	---

Transformation	1.48 A
Business Operations & Digital	0.14 F
OD Strategy, Workforce Planning & Employee Relations	0.09 A
Finance & Commercialisation	0.09 A
Legal & Governance	0.01 A
Total	1.53 A

The **SIGNIFICANT** issues for the Portfolio are:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Transformation	1.48 A	There are unachieved digital savings.

8. PLACE & TRANSPORT PORTFOLIO

KEY ISSUES – QUARTER 1 2019/20

The Portfolio is currently forecast to under spend by **£0.34M** at year-end, which represents a percentage under spend against budget of **0.01%**.

	Forecast Variance £M	%
Place & Transport Portfolio	0.34 F	0.01

A summary of the Portfolio forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
City Services – Waste Management	0.12 A
Highways & Parking	0.08 A

Regulatory Services	0.52 F
Other	0.02 F
Total	0.34 F

The SIGNIFICANT issues for the Portfolio are:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Regulatory Services	0.52 F	Operation Albacore concluded in early 2019/20. Legal costs of £0.50M were incurred by the General Fund in 2018/19, which will be funded from the Proceeds of Crime act income. The recovery of income is taking place in 2019/20, effectively reimbursing the General Fund for costs incurred in the prior year.

9. NON-PORTFOLIO EXPENDITURE & INCOME

KEY ISSUES – QUARTER 1 2019/20

Non-Portfolio Expenditure & Income is currently forecast to under spend by **£8.40M** at year-end, which represents a percentage under spend against budget of **35.28%**.

	Forecast Variance £M	%
Non-Portfolio Expenditure	8.40 F	35.28

A summary of the forecast variance is shown in the table below:

Division / Service Activity	Forecast Variance Quarter 1 £M
Levies & Contributions	0.00
Capital Asset Management	9.20 F
Other Expenditure & Income	0.80 A
Total	8.40 F

The SIGNIFICANT issues are:

Service Area	Forecast Variance Quarter 1 2019/20 £M	Explanation
Capital Asset Management	9.20 F	The budget reflects anticipated higher future borrowing levels and costs for delivery of the capital programme and for previously forecast interest rate rises. A lower borrowing requirement than previously anticipated and the continued low interest rate environment, coupled with a prudent and careful approach of making use of internal borrowing continues to place a downward pressure on costs.
Other Expenditure & Income	0.80 A	In line with the 2018/19 outturn position, sums from the recovery of benefits overpayments are expected to be lower than budgeted due to diminishing caseloads as a result of the switch to Universal Credit.

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Treasury Management																																																																																														
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3.	After taking into account maturing and new debt requirements in year and a reduction in investment balances, there is an estimated increase in net borrowing of £41.3M for 2019/20.																																																																																													
4.	The interest cost of financing the council's long term and short term loan debt is charged to the general fund revenue account and is detailed below together with a summary of performance to date.																																																																																													
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5.	The forecast cost of financing the council's loan debt is £14.4M of which £5.4M relates to the HRA however this will be subject to movement as the need for further borrowing becomes more certain. As short term interest rates have remained low and are likely to do so for the remainder of the year, we do not anticipate taking any long term debt and will finance the 2019/20 capital programme via short term debt. This is the most cost effective way of managing treasury and also reduces risk as investments also fall. We currently have £25M in short term debt and this is expected to increase to £95M to replace maturing long term debt and to fund the current capital programme.																																																																																													

	<u>Investment</u>
6.	Balances initially increased at the beginning of the year rising from £70M to £87M in mid-April, but have since fallen back to £51M and are expected to fall further throughout the year, to an estimated £40M by the end of the year.
	<u>External Managed investments</u>
7.	The council has invested £27M in property funds as an alternative to buying property directly. As previously reported these funds offer the potential for enhanced returns over the longer term, but may be more volatile in the shorter term and 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. As at the 30 th June 2019 the sell price of our total investments were valued at £27.47M a notional “gain” of £0.47M against an initial investments of £27M. The estimated yield for the year is £1.15M if yields remain around current levels.
	Financial Review and Outlook for 2019/20
8.	A summary of the external factors, which sets the background for Treasury, is provided by the council’s treasury advisors, Arlingclose Ltd, is provided below. The low for longer interest rate outlook theme that has been at the core of the recommended strategic advice for over a decade remains.
9.	The UK economy continues to face a challenging outlook as the government negotiates the country’s exit from the European Union.
10.	With the deterioration in the wider economic environment, compounded by Brexit-related uncertainty and the risk of a no-deal Brexit still alive, the speech by Bank of England Governor Mark Carney in early July signalled a major shift to the Bank’s rhetoric and increased the possibility of interest rate cuts, rather the Bank’s previous ‘gradual and limited’ rate hike guidance.
11.	UK Consumer Price Inflation (CPI) for June 2019 was 2.0% year/year, coming in at consensus and meeting the Bank of England’s inflation target. The most recent labour market data for the three months to May 2019 showed the unemployment rate remain at a low of 3.8% while the employment rate of 76.0% dipped by 0.1%, the first quarterly decrease since June to August 2018. The 3-month average annual growth rate for pay excluding bonuses was 3.6% as wages continue to rise steadily and provide some upward pressure on general inflation. Once adjusted for inflation, real wages were up 1.7%. The MPC has downgraded its growth forecast for 2019.
12.	The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. There appears no near-term resolution of the trade dispute between China and the US. The US has also targeted other countries. With the 2020 presidential election a year away, Donald Trump is unlikely to want to display perceived weakness in trade negotiations to his supporters. Amid low inflation and a weak economy in the Eurozone Mario Draghi signalled in late June that another round of stimulus (QE) may be likely. The US and EU have also carved the path for interest rates to be cut in the future.
13.	Recent activity in the bond markets and PWLB interest rates highlight that weaker economic growth is not just a UK phenomenon but a global risk. The US yield curve inverted (10-year Treasury yields were lower than US 3-month money market rates) in March 2019 and this relationship remained and broadened throughout the period. History has shown that a recession hasn’t been far behind a yield curve inversion. Germany sold 10-year Bunds at -0.24% in June, the lowest yield on record. Bund yields had been trading at record lows in the secondary market for some time, however the negative yield in the primary market suggests that if investors were to hold until maturity, they are guaranteed to sustain a loss - highlighting the uncertain outlook for Europe’s economy.

14. Central bank actions and geopolitical risks will continue to produce significant volatility in financial markets, including bond markets.

	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50
Arlingclose Central Case	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	0.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50

Credit background

15. There were few credit rating changes during the quarter, none of which have impacted on our investment strategy.

16. **Investment Performance**

17. The council's advisors undertake quarterly investment benchmarking across its client base. As reported previously our portfolio was more diversified and at higher interest rates than the average as a result of moving into the bond programme earlier than most clients, but there is now more competition for bonds from both government bodies and other local authorities, so opportunities to replace maturing bonds are limited and we will see a fall in suitable instruments. With this in mind, and following discussions with our advisors, it was decided to move more into property funds, which are a longer term investment, and to restrict temporary borrowing and therefore run our short term investments down.

18. During the last quarter further bonds matured and our investments in bonds is now £6.02M and is expected to fall to £3.01M by the end of the year. We have maintained the property funds at £27M, with all other cash being placed in either Money Market Funds (MMF) or instant access bank accounts. As a result we had 30% (£15.6M) of our overall investment in Money Market which is in line with other Unitary Authorities for this time of year but our target is to reduce this £10m to reduce borrowing and therefore net interest costs.

19. Due to earlier investment decisions our income return on investments managed internally is 1.38% which is higher than the average of 0.85% whilst still maintaining the average credit rating of AA-. Total income return at 2.99% is also higher than the average for both unitary (1.57%) and LA's (1.41%). Our total investment return at 3.67% is again higher than both unitary (1.35%) and LA's (1.37%) across Arlingclose's client base and is mainly due to the investments made in property funds, but as previously reported the value of the funds are more volatile and can go down as well as up but are less risky than buying individual properties and do not constitute capital spend and it is the income return at 4.39% that is the driver to invest.

KEY FINANCIAL RISKS

The following table identifies the key financial risks to the council's financial position over the short to medium term together with a summary of the mitigating actions in place and planned. These financial risks are reflected in the assessment of the adequacy of estimates and reserves. The assessment of risk is based on the following risk scoring criteria:

LIKELIHOOD (Probability)	
A - Almost Certain > 95%	Highly likely to occur
B - Likely	Will probably occur
C - Possible 50%	Might occur
D - Unlikely	Could occur but unlikely
E - Very Unlikely < 5%	May only occur in exceptional circumstances

IMPACT (Consequence)	
1 - Extreme	Loss or loss of income > £20m
2 - Major	Loss or loss of income £10m < £20m
3 - Significant	Loss or loss of income £5m < £10m
4 - Moderate	Loss or loss of income £500k < £5m
5 - Minor	Loss or loss of income £10k < £500k

- Robustness of estimates**

Key Financial Risk	INHERENT RISK		Comments/Mitigating Actions in place	RESIDUAL RISK	
	Likelihood	Impact		Likelihood	Impact
FE1. Pay Inflation - underestimated in the original estimates.	Possible	Moderate	<ul style="list-style-type: none"> The MTFS model approved in February 2019 is based on a pay award of 2% over the medium term. 	Unlikely	Minor
FE2. Interest rates are underestimated.	Possible	Moderate	<ul style="list-style-type: none"> Reliance placed on market intelligence provided by Treasury Management advisors. Treasury Management Strategy is aligned with CIPFA Code and MHCLG Guidance re investing funds prudently and having regard to the security and liquidity of its investments before seeking the highest rate of return. 	Unlikely	Minor
FE3. Existing fees and charges: Projected levels of income within the period are not achieved and/or maintained.	Possible	Moderate	<ul style="list-style-type: none"> Fees and charges have been reviewed as part of the business planning process. If there are 'in year' shortfalls these form part of the budget monitoring processes. Lower risk as existing income streams are known and are therefore more predictable 	Possible	Moderate
FE4. New income streams: Projected levels of income within the period are not achieved.	Possible	Moderate	<ul style="list-style-type: none"> Income generating activity has been identified as part of current approved savings proposals. There is a risk that in light of the economic backdrop and exit from the European Union that these levels of income will not be achieved. Higher risk as it is based on new sources of income. 	Possible	Moderate
FE5. Volatility of Business Rates funding given the uncertainty around impact of successful appeals .	Likely	Significant	<ul style="list-style-type: none"> The Valuations Office undertook a reset of rateable values from 2017/18. The provision has been reviewed in light of the revaluation and known current appeals and will be reviewed on a regular basis, at present this is deemed to be adequate. Appeals can be backdated and as a consequence of this the Council has set aside a provision to deal with this element of the financial impact. In December 2014 the Government announced it was closing the appeals window and that appeals received on or after 1 April 2015 will only be backdated until this date. 	Unlikely	Minor

• **Robustness of estimates**

Key Financial Risk		INHERENT RISK		Comments/Mitigating Actions in place	RESIDUAL RISK	
		Likelihood	Impact		Likelihood	Impact
FE6.	Increase in demand led spending pressures (including impact of Welfare Reform, social care, safeguarding) over and above the current budget provision.	Possible	Significant	<ul style="list-style-type: none"> Annual budget setting process developed in consultation with service managers Monitoring of capital (quarterly) and revenue (monthly) budgets, reported to CMT and Cabinet (Quarterly). Action plans to address any significant in year budget variances are agreed with CMT with the status of the agreed actions reported to CMT on a monthly basis Action plans in place that are intended to manage/reduce the number of Looked After Children 	Possible	Moderate
FE7a.	Third party provider costs will increase as a result of the introduction of the National Living Wage	Almost certain	Moderate	<ul style="list-style-type: none"> As each contract is procured any impact of this will need to be assessed and addressed to ensure services are procured within budget. 	Possible	Moderate
FE7b.	Third party provider costs increase as result of SCC having to 'step in' in the event of potential provider failure (social care providers)	Possible	Moderate	<ul style="list-style-type: none"> ICU contract monitoring arrangements and general market oversight and intelligence 	Unlikely	Minor
FE8.	Legal challenge to savings proposals that could result in the proposal being either discontinued or revised.	Possible	Moderate	<ul style="list-style-type: none"> Robust budget consultation process in place. 	Unlikely	Minor
FE9.	Pressure on returns from investment properties in both the short and longer term.	Possible	Significant	<ul style="list-style-type: none"> There is a full and robust process around the financial and legal analysis of the individual investments. Investments are diversified and not confined to the Southampton area. 	Possible	Moderate
FE10.	Voluntary sector is either unwilling or unable to support the delivery of certain services or activities	Possible	Significant	<ul style="list-style-type: none"> Review the overall expectation and co-ordination of the services required of the voluntary sector. Consideration is given to this risk in deciding whether to design services around the voluntary sector 	Possible	Moderate
FE11.	The council's service delivery partners seek to exit an agreement or are no longer able to deliver the required service or the council seeks to reach an exit agreement.	Likely	Significant	<ul style="list-style-type: none"> Central Contracts Team monitors and work closely with the council significant service delivery partners. Contractual obligations on both parties that set out the respective roles and responsibilities. 	Possible	Moderate

- Adequacy of proposed financial reserves

Key Financial Risk		INHERENT RISK		Comments/Mitigating Actions	RESIDUAL RISK	
		Impact	Likelihood		Impact	Likelihood
FR1.	Business Rate Retention & Council Tax Growth - the council fails to collect, retain and grow business rate income	Possible	Significant	<ul style="list-style-type: none"> • The assumption built into the MTFS is based on an annualised CPI Rate reflecting the uplift set by government. • The current MTFS includes assumptions on growth which have been developed in conjunction with the Growth service area and recognise pipeline developments and their assumed operation dates. These will be monitored on a monthly basis as part of the standard monitoring. 	Possible	Moderate
FR2.	Delivery of all of the agreed savings is not achieved.	Possible	Major	<ul style="list-style-type: none"> • Progress and delivery of the overall Programme and individual projects is monitored at Service Director level, by CMT, with any non achievement forming part of the normal budget monitoring action plan process. • CMT review the validity and achievability of projects and provide approval (or not) to projects 	Unlikely	Significant
FR3.	The Government could impose a lower Council Tax referendum threshold and/or reduce or remove the Adult Social Care Levy	Possible	Moderate	<ul style="list-style-type: none"> • Assumption is that Council Tax rises were set at just below the 3% referendum limit in 2019/20 at 2.99% and future years at 1.99% (excluding the Adult Social Care Levy). • The Adult Social Care Levy was only introduced as part of the Autumn 2015 Spending Review and allowed local authorities with social care responsibilities to increase Council Tax by a further 6% over the 3 years 2017/18 - 2019/20 (3% was applied in 17-18 & 18-19 and 0% in 19-20). No further assumptions have been made beyond 2019-20 for any increase in this income over and above the 6%. • The MTFS assumes this levy will be taken in all years as the calculated increase in funding for adult social care far outweighs the income gained from this levy. 	Unlikely	Moderate
FR4.	Slippage in capital receipts (not accompanied by a slippage in spend).	Possible	Moderate	<ul style="list-style-type: none"> • Non-receipt of any planned income will require a permanent draw from reserves, additional borrowing or for savings to be found in the capital programme. • Impact reflects the cost of borrowing in short term (the interest payments). 	Possible	Minor
FR5.	If building inflation was to exceed general inflation over a prolonged period, this would have a significant adverse impact on HRA balances and, in turn, the business model in respect of the redevelopment and refurbishment of the SCC Housing stock.	Possible	Significant	<ul style="list-style-type: none"> • Surpluses are liable to change annually, either favourably or not, and this will be reflected the annual review of stock investment needs and estimated unit rates. • Monitoring and assessment of potential impact with business model sufficiently flexible to allow for reassessment of priority outcomes against available budget 	Possible	Moderate
FR6.	The level of funds within the internal insurance provisions is inadequate to meet current or future demand	Possible	Moderate	<ul style="list-style-type: none"> • The adequacy of the provision is informed by the output from periodical (at least triennial) external actuarial reviews of the funds. • The level of funding required is reviewed as part of annual budget setting process and the position, in respect of potential liabilities is reviewed on a monthly basis. 	Unlikely	Moderate

- Adequacy of proposed financial reserves

Key Financial Risk		INHERENT RISK		Comments/Mitigating Actions	RESIDUAL RISK	
		Impact	Likelihood		Impact	Likelihood
FR7.	Ad hoc or unforeseen events / emergencies.	Possible	Significant	<ul style="list-style-type: none"> • The Council's Reserves may be utilised in respect of the financial impact of such an event. • Subject to the nature of the event alternative sources of funding might be available e.g. Bellwin Scheme. 	Possible	Significant
FR8.	The cost of implementing the Care Act 2014 is greater than anticipated.	Unlikely	Moderate	<ul style="list-style-type: none"> • Current assumption is for the cost of this new burden to be met by the funding allocation provided within the Better Care Fund and the new Carers and Care Act Implementation grant • The main implications of the Care Act have been deferred beyond 2019-20. 	Unlikely	Moderate
FR9.	CCG could seek to reduce its level of contribution to the 'pooled budgeting' arrangement with SCC	Possible	Significant	<ul style="list-style-type: none"> • Ongoing relationship and dialogue with CCG re shared objectives and outcomes. 	Unlikely	Moderate
FR10.	The council is unable to quantify the financial impact on both vulnerable individuals and key council services arising from implementation of welfare reforms	Possible	Moderate	<i>The impact of Welfare Reform on all service areas will be difficult to monitor or to mitigate against.</i>	Possible	Moderate
FR11.	Inflation increases at a higher rate than anticipated	Possible	Moderate	<ul style="list-style-type: none"> • Assumptions have been made in the forecast about the likely level of general inflation that will apply in 2019/20. CPI is currently running at 1.9%. • Market intelligence provided by Arlingclose - independent treasury advisors • An amount is included in the MTF5 to cover key elements of inflation. • Beyond this provision, it would be managed as an 'in year' issue and services would be expected to absorb the difference. 	Unlikely	Minor
FR12.	Exiting the European Union - Uncertainty and economic forces, at least in the short term, within both the local business and wider business sector may have an adverse impact on investment decisions and local employment which, in turn, would impact on business rate income.	Likely	Moderate	<ul style="list-style-type: none"> • National and local modelling in respect of the future approach to business rate retention will need to reflect changes in the financial environment. • There may be either pressure or incentives for non UK owned business to move operations back to within an EU country. • Treasury Management advisors are regularly updating the Council on the economic impact of exiting the European Union, the strength of the pound, inflation and interest rates. 	Likely	Moderate
FR13.	There are unplanned and unforeseen consequences (and costs) arising from the implementation of new, or changed, systems and processes across service areas within the organisation	Possible	Moderate	<ul style="list-style-type: none"> • A Projects and Change Team has been established. A full programme management process is in place including planning and risk assessment, with significant support to major projects. 	Unlikely	Moderate
FR14.	New accounting rules for financial investments may result in adverse valuation movements being charged to the General Fund in the year that they occur.	Possible	Moderate	<ul style="list-style-type: none"> • New accounting rules require gains/losses from valuation movements for certain types of financial investments to be recognised in the year they occur, rather than when the investments are sold. The Risk Reserve will be used to manage the volatility that the timing difference may cause. • The Government has put in place legislation to mitigate the impact on the General Fund for the five years 2018/19 to 2022/23. 	Possible	Moderate

FINANCIAL HEALTH INDICATORS – QTR 1

Prudential Indicators Relating to Treasury

	<u>Maximum</u>	<u>Forecast</u>	<u>Status</u>
Maximum Level of External Debt £M	£925M	£361M	Green
As % of Authorised Limit	100%	39.03%	Green
	<u>Maximum</u>	<u>Highest YTD</u>	<u>Status</u>
Authorised Limit for external debt £M	£925M	£295M	Green
Operational Limit for external debt £M	£875M	£295M	Green
Maximum external borrowing year to date		£247M	Green
Limit of fixed interest debt %	100%	80.4%	Green
Limit of variable interest debt %	50%	19.7%	Green
Limit for Non-specified investments £M	£55M	£35M	Green
	<u>Target</u>	<u>Actual YTD</u>	<u>Status</u>
Other Treasury Performance Indicators			
Average % Rate Long Term New Borrowing	0.00%	0.00%	Green
Average % Rate Existing Long Term Borrowing	3.50%	3.45%	Green
Average Short Term Investment Rate - Cash	0.40%	0.74%	Green
Average Short Term Investment Rate - Bonds	0.50%	1.21%	Green
Average Long Term Investment Rate - Bonds	2.00%	4.06%	Green
Average Return on Property Fund	4.00%	4.39%	Green

Minimum Level of General Fund Balances

		<u>Status</u>
Minimum General Fund Balance	£10.1M	
Forecast Year End General Fund balance	£10.1M	Green

Income Collection

	<u>2019/20 Target</u>	<u>Qtr1 YTD</u>	<u>Status</u>
Outstanding Debt:			
More Than 12 Months Old (Agresso only)	<20%	10.26%	Green
Debt written off	<5%	0.12%	Green

Creditor Payments

	<u>2019/20 Target</u>	<u>Qtr1 YTD</u>	<u>Status</u>
Payment Days	20	20	Green
Undisputed invoices paid within terms	98.0%	92.3%	Amber

Tax Collection rate

	<u>2018/19 Actual Rate</u>	<u>Target Collection Rate</u>	<u>QTR 1 Collection Rate</u>		<u>Status</u>
			<u>Last Year</u>	<u>This Year</u>	
Council Tax	94.9%	94.9%	27.9%	27.6%	Green
National Non Domestic Rates	99.2%	98.7%	35.7%	35.5%	Green

Housing Revenue Account 2019/20 Budget versus Forecast

	Budget £M	Forecast £M	Variance £M
Expenditure			
Responsive repairs	11.33	11.33	0.00
Housing investment	5.19	5.19	0.00
Rents payable	0.10	0.10	0.00
Debt management	0.09	0.09	0.00
Supervision & management	23.08	22.78	0.30 F
Interest & principal repayments	6.56	6.56	0.00
Depreciation	19.97	19.97	0.00
Direct revenue financing of capital	7.94	7.94	0.00
Total expenditure	74.24	73.94	0.30 F
Income			
Dwelling rents	70.16	70.16	0.00
Other rents	1.16	1.16	0.00
Service charge income	2.28	2.28	0.00
Leaseholder service charges	0.64	0.64	0.00
Interest received	0.01	0.01	0.00
Total income	74.24	74.24	0.00
(Surplus) / Deficit for the year	0.00	(0.30)	0.30 F

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COLLECTION FUND REVENUE ACCOUNT
FOR YEAR ENDED 31ST MARCH 2020

	Current Budget 2019/20 £M	Forecast 2019/20 £M	Variance Adverse / (Favourable) 2019/20 £M
Council Tax			
Total Council Tax Income	(117.98)	(117.38)	0.60
<u>Expenditure</u>			
Total Council Tax Expenditure (incl. precepts)	120.36	119.36	(1.00)
Council Tax Deficit/(Surplus) for the Year	2.39	1.98	(0.41)
Council Tax Deficit/(Surplus) Brought Forward	(2.39)	(1.48)	0.91
Council Tax Deficit/(Surplus) Carried Forward	0.00	0.50	0.50
Business Rates			
<u>Income</u>			
Total Business Rates Income	(115.35)	(106.86)	8.49
<u>Expenditure</u>			
Total Business Rates Expenditure	118.45	115.16	(3.28)
Business Rates Deficit/(Surplus) for the Year	3.10	8.30	5.21
Business Rates Deficit/(Surplus) Brought Forward	(3.10)	(5.36)	(2.27)
Business Rates Deficit/(Surplus) Carried Forward	0.00	2.94	2.94
Total Collection Fund (Surplus)/Deficit	0.00	3.44	3.44
Council Tax (Surplus)/Deficit			
Contribution (to)/ from SCC		0.42	
Contribution (to)/ from HPA		0.06	
Contribution (to)/ from F&RS		0.02	
Council Tax Collection Fund Balance c/f		0.50	
NDR (Surplus)/Deficit			
Contribution (to)/ from SCC		1.89	
Contribution (to)/ from DCLG		1.02	
Contribution (to)/ from HF&R		0.03	
NDR Collection Fund Balance c/f		2.94	
Total SCC (Surplus)/Deficit		2.31	

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Agenda Item 9

DECISION-MAKER:		CABINET	
		CAPITAL FINANCIAL MONITORING FOR THE PERIOD TO THE END OF JUNE 2019.	
DATE OF DECISION:		20 AUGUST 2019	
REPORT OF:		CABINET MEMBER FOR FINANCE & CUSTOMER EXPERIENCE	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Maddy Modha	Tel: 023 8083 3574
	E-mail:	Madeleine.modha@southampton.gov.uk	
S151 Officer	Name:	John Harrison	Tel: 023 8083 4897
	E-mail:	john.harrison@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
NOT APPLICABLE			
BRIEF SUMMARY			
<p>The purpose of this report is to inform Cabinet of any major changes in the overall General Fund and Housing Revenue Account (HRA) capital programme for the period 2019/20 to 2023/24, highlighting the changes in the programme since the last reported outturn position to Council in July 2019. The report also notes the major forecast variances against the approved estimates.</p>			
RECOMMENDATIONS:			
It is recommended that Cabinet:			
	(i)	Notes the revised General Fund Capital Programme, which totals £158.72M as detailed in paragraph 6, tables 2 and 7, and the associated use of resources in table 8.	
	(ii)	Notes the revised HRA Capital Programme, which totals £159.96M as detailed in paragraph 6, tables 2 and 7 and the associated use of resources in table 8.	
	(iii)	Notes that the overall forecast position for 2019/20 at quarter 1 is £122.62M, resulting in a potential underspend of £0.85M, as detailed in table 4, with major variances highlighted in Appendix 2.	
	(iv)	Notes that the capital programme remains fully funded up to 2023/24 based on the latest forecast of available resources although the forecast can be subject to change; most notably with regard to the value and timing of anticipated capital receipts and the use of prudent assumptions of future government grants to be received.	
	(v)	Notes that £2.39M has been added to the programme with approval to spend, with relevant approvals. These additions are detailed in table 2, paragraph 6 and Appendix 1.	

REASONS FOR REPORT RECOMMENDATIONS

1. The capital programme is reviewed on a quarterly basis in accordance with the Council’s Capital Strategy. The forecast position is reported to the Council Capital Board with any required programme update reported to Cabinet and Council for approval. This is required to enable schemes in the programme to proceed and to approve additions and changes to the programme.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. The update of the capital programme is undertaken within the resource constraints imposed on it. No new schemes can be added unless specific additional resources are identified. Alternative options for new capital spending are considered as part of the budget setting process in the light of the funding available and the overall financial position.

DETAIL (Including consultation carried out)

CONSULTATION

3. Service Directors, Service Leads and Project Managers have been consulted in preparing the reasons for variations contained in this report. The General Fund and HRA capital programme monitoring report summarises additions to the capital programme and slippage and rephasing since the last approved programme reported as part of outturn in July 2019 to full council. Each addition has been subject to the relevant consultation process which reflects the role played by Council Capital Board. The content of this report has been subject to consultation with Finance Officers for each service.

THE 5 YEAR CAPITAL PROGRAMME

4. An initial review has been taken of the current capital programme and indicates a significant rephrasing of programme from 2019/20 into later years. We will be reviewing this position once gain in the next quarter and will continue to closely monitor the progress of current projects on a monthly basis. The capital programme remains fully funded until 2023/24.
5. Table 1 shows a comparison of the latest capital expenditure for the period 2019/20 to 2023/24 compared to the previously reported programme, and shows an increase of £2.39M.

Table 1 – Programme Comparison

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£M	£M	£M	£M	£M	£M
Latest Programme	123.47	87.17	50.09	57.90	0.05	318.68
Previous Programme	132.33	76.34	50.00	57.62	0.00	316.29
Variance	-8.86	10.83	0.09	0.28	0.05	2.39

CHANGES TO THE OVERALL PROGRAMME					
6.	Table 2 shows the changes to the individual portfolio programmes. The updated programme for the General Fund is £158.72m, whilst for the HRA it is £159.96m. Details of these changes can be found in appendix 1.				
<u>Table 2 – Changes to Portfolio Programmes</u>					
		Latest Programme £M	Previous Programme £M	Total Change £M	App 1 Ref
Adult Care		1.14	1.14	0.00	-
Aspiration, Schools and Lifelong Learning		89.20	87.34	1.86	1-5
Clean Growth & Development		2.19	2.19	0.00	-
Community Wellbeing		9.88	9.88	0.00	-
Finance and Customer Experience		5.32	5.32	0.00	-
Homes and Culture		2.23	2.03	0.20	6
Transport and Public Realm		48.76	48.68	0.08	7-8
Total GF Capital Programme		158.72	156.68	2.14	
Total HRA Capital Programme		159.96	159.71	0.25	9
Total Capital Programme		318.68	316.29	2.39	
SLIPPAGE/REPHASING					
7.	A review has been undertaken of the capital programme to ensure that all projects are accurately profiled, so that budgets are suitably aligned to anticipated works and spend. Table 3 below summarises resulting slippage and rephasing by individual capital programmes, with £11M of agreed work in 2019/20 being put back to next year or later. There is zero net effect to the budgets over the 5 year capital programme. This will be kept under review.				
<u>Table 3 – Net Slippage/Rephasing By Portfolio</u>					
		2019/20 £M	2020/21 £M	2021/22 £M	2022/23 £M
Adult Care		(0.10)	0.10	0.00	0.00
Aspiration, Schools and Lifelong Learning		(4.52)	4.25	0.04	0.23
Clean Growth & Development		(1.23)	1.23	0.00	0.00
Community Wellbeing		(0.12)	0.12	0.00	0.00
Finance and Customer Experience		0.00	0.00	0.00	0.00
Homes and Culture		(1.39)	1.39	0.00	0.00
Transport and Public Realm		(3.64)	3.64	0.00	0.00
Total GF Capital Programme		(11.00)	10.73	0.04	0.23
Total HRA Capital Programme		0.00	0.00	0.00	0.00
Total Capital Programme		(11.00)	10.73	0.04	0.23

2019/20 MONITORING POSITION				
8.	The forecast performance of individual capital programmes in 2019/20 is summarised in table 4 below.			
<u>Table 4 – Summary of the General Fund & HRA Capital Forecast 2019/20</u>				
	Approved Programme £M	Forecast £M	Forecast Variance £M	Forecast Variance %
Adult Care	0.54	0.29	(0.25)	(46.5%)
Aspiration, Schools and Lifelong Learning	25.63	25.61	(0.02)	(0.1%)
Clean Growth & Development	0.95	1.93	0.97	102.0%
Community Wellbeing	5.27	3.72	(1.55)	(29.4%)
Finance and Customer Experience	5.32	5.32	0.00	0.0%
Homes and Culture	0.85	0.85	0.00	0.0%
Transport and Public Realm	39.01	39.00	(0.01)	(0%)
General Fund Programme	77.56	76.71	(0.85)	(1.1%)
HRA Programme	45.91	45.91	0.00	0%
Total Capital Programme	123.47	122.62	(0.85)	(0.7%)
<u>Financed by</u>				
*CR - GF Borrowing	(16.14)	(16.85)	0.71	4.4%
*CR - HRA Borrowing	(11.96)	(11.96)	0.00	0.0%
Capital Receipts	(12.66)	(12.66)	0.00	0%
Direct Revenue Financing	(13.25)	(13.25)	0.00	0%
Capital Grants	(40.07)	(38.51)	(1.56)	(3.9%)
Contributions	(9.42)	(9.42)	(0.00)	(0%)
HRA – MRA	(19.97)	(19.97)	0.00	0%
Total Funding	(123.47)	(122.62)	(0.85)	(0.7%)
*CR – Council Resources				
9.	The programme is currently forecast to be underspent by £0.85M. The reasons for the major forecast variances are detailed in Appendix 2.			
CAPITAL RESOURCES				
10.	The resources which can be used to fund the capital programme are as follows: <ul style="list-style-type: none"> • Central Government Grants and from other bodies • Contributions from third parties • Council Resources - Capital Receipts from the sale of HRA assets 			

	<ul style="list-style-type: none"> • Council Resources - Capital Receipts from the sale of General Fund assets • Revenue Financing • Council Resources - Borrowing 																																
11.	Capital Receipts from the sale of Right to Buy (RTB) properties are passed to the General Fund capital programme to support the Private Sector Housing schemes within the Community Wellbeing Portfolio.																																
12.	It should be noted that the revised General Fund Capital Programme is based on prudent assumptions of future Government grants to be received. The majority of these grants relate to funding for schools and transport and are unringfenced. However in 2019/20 these grants have been passported to these areas.																																
13.	Table 5 shows the current level of available resources.																																
	<p><u>Table 5 – Available Capital Funding</u></p> <table border="1"> <thead> <tr> <th>Resource</th> <th>Balance Fwd £M</th> <th>Received to Date 2019/20 £M</th> <th>Allocated To Current Programme £M</th> <th>Available Funding £M</th> <th>Anticipated Receipts 2019/20 £M</th> </tr> </thead> <tbody> <tr> <td>Capital Receipts</td> <td>(7.57)</td> <td>(0.00)</td> <td>10.46</td> <td>2.89</td> <td>(4.04)</td> </tr> <tr> <td>CIL</td> <td>(12.59)</td> <td>(0.00)</td> <td>3.92</td> <td>(8.67)</td> <td>(2.00)</td> </tr> <tr> <td>S106</td> <td>(8.87)</td> <td>(0.13)</td> <td>5.87</td> <td>(3.13)</td> <td>(1.20)</td> </tr> <tr> <td></td> <td>(29.03)</td> <td>(0.13)</td> <td>20.25</td> <td>(8.91)</td> <td>(7.24)</td> </tr> </tbody> </table>	Resource	Balance Fwd £M	Received to Date 2019/20 £M	Allocated To Current Programme £M	Available Funding £M	Anticipated Receipts 2019/20 £M	Capital Receipts	(7.57)	(0.00)	10.46	2.89	(4.04)	CIL	(12.59)	(0.00)	3.92	(8.67)	(2.00)	S106	(8.87)	(0.13)	5.87	(3.13)	(1.20)		(29.03)	(0.13)	20.25	(8.91)	(7.24)		
Resource	Balance Fwd £M	Received to Date 2019/20 £M	Allocated To Current Programme £M	Available Funding £M	Anticipated Receipts 2019/20 £M																												
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	(29.03)	(0.13)	20.25	(8.91)	(7.24)																												
14.	The table shows that the largest resource currently available is Community Infrastructure Levy (CIL) funding. A review has been undertaken of all S106 and CIL monies to ensure that programmes of work are matched to the appropriate funding and to identify areas where business cases are required for new projects. This work will be ongoing as part of the monitoring process.																																
15.	Table 6 below shows the previous and current capital receipt assumptions, together with the actual receipts received in year for the General Fund. There has been no variation since the last reported position. It should be noted that both the previous and latest forecast positions have been adjusted to remove receipts for properties not yet on the market.																																
	<p><u>Table 6 – General Fund Capital Receipts Estimates</u></p> <table border="1"> <thead> <tr> <th></th> <th>B/Fwd £M</th> <th>2019/ 2020 £M</th> <th>2020/ 2021 £M</th> <th>2021/ 2022 £M</th> <th>2022/ 2023 £M</th> <th>2023/ 2024 £M</th> <th>Total £M</th> </tr> </thead> <tbody> <tr> <td>Latest Forecast</td> <td>7.57</td> <td>4.04</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>11.62</td> </tr> <tr> <td>Previous Forecast</td> <td>7.57</td> <td>4.04</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>11.62</td> </tr> <tr> <td>Variance</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> </tbody> </table>		B/Fwd £M	2019/ 2020 £M	2020/ 2021 £M	2021/ 2022 £M	2022/ 2023 £M	2023/ 2024 £M	Total £M	Latest Forecast	7.57	4.04	0.00	0.00	0.00	0.00	11.62	Previous Forecast	7.57	4.04	0.00	0.00	0.00	0.00	11.62	Variance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	B/Fwd £M	2019/ 2020 £M	2020/ 2021 £M	2021/ 2022 £M	2022/ 2023 £M	2023/ 2024 £M	Total £M																										
Latest Forecast	7.57	4.04	0.00	0.00	0.00	0.00	11.62																										
Previous Forecast	7.57	4.04	0.00	0.00	0.00	0.00	11.62																										
Variance	0.00	0.00	0.00	0.00	0.00	0.00	0.00																										
OVERALL CAPITAL PROGRAMME																																	

16.	Table 7 and 8 show capital expenditure by portfolio and the use of resources to finance the programme up to and including 2023/24, including amendments that will be requested as part of the budget update.																																																																																																																																												
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17.	Table 8 demonstrates that the most significant amount for funding for the General Fund programme is provided by Council Resources, which at present, will be mainly through borrowing. Borrowing costs are in the main met within a central																																																																																																																																												

	provision. The HRA programme is primarily funded by Major Repairs Allowance (direct revenue contribution).
18.	Included within the overall capital programme are projects totalling approximately £60.00M which contribute towards SCC's Green City Charter. These projects are split across a number of portfolios and over the next 5 years it is anticipated that we will spend in the region of £36M improving HRA homes to be more energy efficient, £9M on reducing road congestion, £8M improving cycle ways, £3M investment in public transport and £4M on smaller projects including improving our green spaces and investing in electric vehicles.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
19.	This report principally deals with capital and the implications are set out in the main body of the report. However, the revenue implications arising from borrowing to support the capital programme are considered as part of the General Fund revenue budget. In addition any revenue consequences arising from new capital schemes are considered as part of the approval process for each individual scheme.
<u>Property/Other</u>	
20.	There are no specific property implications arising from this report other than the schemes already referred to within the main body of the report.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
21.	Financial reporting is consistent with the Chief Financial Officer's duty to ensure good financial administration within the Council. The Capital Programme update is prepared in accordance with the Local Government Acts 1972 – 2003.
<u>Other Legal Implications:</u>	
22.	None directly, but in preparing this report, the Council has had regard to the Human Rights Act 1998, the Equality Act 2010, the duty to achieve best value and statutory guidance issued associated with that, and other associated legislation.
RISK MANAGEMENT IMPLICATIONS	
23.	None.
POLICY FRAMEWORK IMPLICATIONS	
23.	The update of the Capital Programme forms part of the overall Budget Strategy of the Council.
KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	NONE
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	GF & HRA Programme Changes Since Outturn Position.
2.	GF & HRA Forecast Variances as at June 2019.

Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Social Impact Assessments (ESIA) to be carried out.	Yes/No
Privacy Impact Assessment	
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) 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)

GF & HRA Programme Changes Since Outturn Position.

1.	<u>Weston Shore Infants New Roof - Addition £0.71M in 2019/20</u> This addition is to fund the cost of replacing the roof at this school due to it unsafe and poor condition. This will be funded by Government Grant.
2.	<u>Sure Start Sholing Year R Springwell - Addition £0.25M in 2019/20</u> This addition is to fund expansion to provide a further 16 places in Year R for children with autism and other High Needs. This will be funded by Government Grant.
3.	<u>Bitterne Park Autism Resource Base - Addition £0.50M in 2019/20</u> This addition relates to a variation in works to provide additional capacity by providing modular accommodation for autistic children from September 2019. This will be funded by Government Grant.
4.	<u>Great Oaks (Additional Interim Capacity at Woodlands) - Addition £0.25M in 2019/20</u> This addition is to provide increased capacity for children with Special Educational Needs and to refurbish Great Oaks facilities at City Farm. This will be funded by Government Grant.
5.	<u>Healthy Pupil Capital Fund - Additional £0.15M in 2019/20</u> This is to fund improved access to facilities in schools such as kitchens, dining facilities, changing rooms, playgrounds and sports facilities to improve childrens health. This will be funded by Government Grant.
6.	<u>God's House Tower - Addition of £0.20M in 2019/20</u> A Capital loan of £0.20M to help fund the renovation of God's House Tower which is a grade 1 scheduled monument in Southampton Old Town. It is due to reopen to the public in 19-20 following an extensive refurbishment project which will create a permanent exhibition on the Tower's history, two new art galleries, a café, a library, a shop and an events space.
7.	<u>Rapid Response Vehicle - Addition £0.02M in 2019/20</u> This addition is to fund the purchase of a 4x4 vehicle to provide robust resilience to the Emergency Planning & Rapid Response (EPRR) Team, which in turn will support the service continuity and identified critical services within SCC during an incident. This will be funded by Council Resources and an external contribution.
8.	<u>Eddies Trail Play Area - Addition £0.06M in 2019/20</u> This addition is to purchase and install new play equipment. This will be funded by external S106 contributions and council resources.
9.	<u>HRA Capital Digital Improvements – Addition of £0.25M across 2019/20-2023/24.</u> To procure a new mobile platform to enable better communication with tenants and improved ways of working for staff delivering new systems and equipment to work with.

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GF & HRA Major Forecast Variances as at June 2019.

1.	<p><u>Telecare Equipment (£0.25M forecast underspend)</u></p> <p>Project expected to underspend in line with underspend reported in 2018/19 due to an average 60% successful conversion rate of Adult Social Care referrals for service users to have connected care technology installed.</p> <p>In addition there has been recycling of existing connected care equipment for new service users which has also contributed to the reduced spend on the project.</p> <p>Referrals were expected to increase through more telecare awareness drop in sessions with Adult Social Care teams but the implementation of connected care equipment is not suitable for all referred service users which has resulted in reduced forecast of spend on this project.</p>
2.	<p><u>Studio 144 (£0.97M forecast overspend)</u></p> <p>The overspend to the scheme has been driven by the award by the Contract Administrator in regard to Extension of Time claims submitted by the Fit-out Contractor. The award for the South Building is primarily referencing the substantial flooding of the South Building, substantial alterations to the Gallery Wall construction and the consequences of the building contractor being on site at the same time as the fit-out contractor. The award for the North Building is primarily referencing the issues with the design of the Primary Containment, issues with lift installations and the subsequent impacts to the fit-out contractor.</p> <p>Discussions on the final contract costs are currently taking place based on valuations provided by quantity surveyors. There is no defined contractual obligation to conclude the final account within a fixed time and at current progress is positive. A final settlement is expected to take place within the 2019/20 Financial Year.</p>
3.	<p><u>Disabled Facilities Grant (DFG) (£1.55M forecast underspend)</u></p> <p>This project is proceeding as anticipated and this forecast underspend does not relate to a project reduction. A review of the guidance for the use of DFG funding, which changed in 2018/19 to allow greater flexibility, is being undertaken with a view to implement a range of approaches to support to our residents. Therefore it is anticipated this underspend will be used to fund a new project.</p>

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DECISION-MAKER:		CABINET	
SUBJECT:		EXECUTIVE RESPONSE TO THE FUTURE OF WORK IN SOUTHAMPTON INQUIRY	
DATE OF DECISION:		20th AUGUST 2019	
REPORT OF:		THE LEADER OF THE COUNCIL	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Sajid Butt	Tel: 023 80 832128
	E-mail:	sajid.butt@southampton.gov.uk	
Director	Name:	Denise Edghill	Tel: 023 80 834095
	E-mail:	denise.edghill@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
Not Applicable			
BRIEF SUMMARY			
<p>The Future of Work in Southampton Scrutiny Inquiry took place between September 2018 and March 2019, to consider how the City could maximise the opportunities created by artificial intelligence (AI), automation and technological changes whilst seeking to mitigate the potential disruption to the labour market.</p> <p>The Future of Work in Southampton Scrutiny Panel Inquiry sessions received advice, insights and examples from world and nationally recognised experts such as Dame Wendy Hall (the Government’s AI champion) and Andrew Carter, Chief Executive of Centre for Cities. The subsequent report from the Scrutiny Inquiry Panel was presented at the Cabinet meeting on 16 April 2019. In line with the Council’s Constitution, the Executive has now prepared its response to the recommendations set out in the report.</p> <p>The Executive proposes that all 19 recommendations are approved by the Cabinet to meet the City’s growth ambitions in order to support residents and employers to benefit from the opportunities technological advancements bring to the quality of civic and economic life.</p> <p>The Inquiry and the proposed response demonstrates the agility of the City Council in responding to the challenges and opportunities presented by new technologies as well as representing the significant work already undertaken to keep the City economy and its citizens thriving. The additional resource requirements identified in the action plan will be considered as part of the business planning process for inclusion in the overall medium term financial strategy for Southampton City Council.</p>			
RECOMMENDATIONS:			
	(i)	To approve the response to the Future of Work in Southampton Scrutiny Inquiry recommendations as set out in the Action Plan attached as Appendix 1.	
	(ii)	To delegate authority to the Director of Growth, after consultation with the Leader of the Council, to include funding	

		requirements as part of the annual budget setting process as highlighted in Section 4 of this report and detailed in the Future of Work in Southampton Action Plan.
	(iii)	To delegate authority to the Director of Growth, after consultation with the Leader of the Council, to establish a citywide steering group to oversee the implementations of the recommendations set out in the Future of Work in Southampton Action Plan. The Steering group will report back to the Council in September 2021.

REASONS FOR REPORT RECOMMENDATIONS

1.	The Overview and Scrutiny Rules in part 4 of the Council’s Constitution requires the Executive to consider all inquiry reports that have been endorsed by the Overview and Scrutiny Management Committee (OSMC), and to submit a formal response to the recommendations.
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ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2.	DO NOTHING – Whilst the City’s economic performance continues to improve, underlying issues remain in relation to labour market inactivity, productivity of the working age population, graduate retention, business survival rates, wage rates of the local population and proportion of residents with high skills. Thus it is incumbent to adopt recommendations set out in the Scrutiny report with the due injection of resources and strategic partnership working to ensure Southampton remains at the forefront in adopting innovative solutions for its future growth, prosperity and wellbeing of its citizens.
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DETAIL (Including consultation carried out)

3.	<p>Forecasts indicate that the job market will look very different in 2030. Advances in ‘smart automation’ and a range of digital technologies have the potential to bring a range of socio –economic benefits to the City.</p> <p>Whilst new, high value-high skilled jobs will be created in the realm of technology, analysis suggests that up to 30% of UK jobs could potentially be at high risk of automation by the early 2030s. The risks appear highest in sectors such as transportation and storage, manufacturing and wholesale and retail, but lower in sectors like health and social work. Further, a recent report from the Learning and Work Institute (2019) forecasts that Southampton and Portsmouth will experience a surplus of low / intermediate skills and a shortage of high skills by 2030. The loss of economic output across both cities is estimated to be between £1.1bn and £2bn by 2030 due to skills shortages.</p> <p>Given the importance of the issue, local labour market dynamics and the potential impact of ‘smart automation’ on Southampton’s economy, the Overview and Scrutiny Management Committee recommended ‘The Future of Work in Southampton’ as an appropriate subject for a scrutiny inquiry at the July 2018 meeting. The objectives of the Inquiry were:</p> <ul style="list-style-type: none"> • To develop understanding of the potential opportunities and risks to the Southampton economy generated by smart automation. • To consider the existing plans and proposals in place to maximise the opportunities and mitigate the risks in Southampton.
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- To identify what is being done elsewhere to prepare economies for the impact of smart automation.
- To identify what initiatives could be introduced in Southampton to upgrade the skills mix of the workforce, support digital sectors that can generate new jobs, target new opportunities and seek to ensure that the benefits of this technological revolution are felt by all across the city.

The Scrutiny Inquiry Panel undertook this brief over five evidence gathering meetings between September 2018 and February 2019 and received expert advice, insights and examples from a variety of organisations and individuals. This included representatives from both universities, Solent Local Enterprise Partnership, local colleges, businesses, representatives from the UK and local tech sector, the Leader of the Council and the Cabinet Member for Aspiration, Schools and Lifelong Learning as well as Southampton City Council officers.

The subsequent report from these evidence gathering meetings contains nineteen recommendations to guide the Council in taking a lead role to capitalise on the opportunities created by artificial intelligence, automation and technological changes, whilst seeking to safeguard local jobs, increase the growth prospects of businesses and continuing to raise the aspirations of all citizens. In response to the Inquiry Panel's report, attached as Appendix 1, is a high-level Action Plan for Cabinet approval detailing proposed solutions against each recommendation.

A major recommendation set out in the Future of Work in Southampton report is the Cities of Learning (CofL) project. CofL is an initiative from the US but adapted for the UK by the Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA) that brings together learners, learning, employers and key civic institutions to form purposeful city-wide networks. These networks are supported by a digital platform that connects learners to a wealth of learning opportunities through digital 'open badges', an online system of learning, to support opportunities for employment and lifelong learning. The key outcomes in Southampton becoming a CofL are:

- Increasing participation in (purposeful, certified) lifelong learning and thereby addressing social mobility and wider inequalities;
- Establishing progressive pathways to higher learning, the world of work, and continued self/professional development; and
- Increasing pride and opportunity in the City.

Given the long-term, transformational nature of the CofL project a detailed, costed project and implementation plan, containing all deliverables and outputs, will be prepared for Spring 2020.

External funding will be sought to develop the programme, including establishing the virtual platform and the digital credentials to support learning / employment pathways for citizens. Council funds will, however, be necessary to prototype the CofL model.

	<p>Whilst much of the current effort and resourcing will be geared towards developing the skills base and improving employment outcomes for residents, equal effort will go into:</p> <ul style="list-style-type: none"> • Growing the tech sector, which is currently experiencing higher rates of growth than Reading, Bristol and Bournemouth according to a report by Tech Nation (2018); and • Increasing the digital absorption of all employers i.e. their capacity/capability to adopt new technologies into business practices that generate higher productivity, innovation and ability to recruit/retain top talent. <p>Hence, the City Council is pursuing a number of initiatives (subject to largely external funding requirements) with partner support. For example, establishing a dedicated AI centre in the City/region, the roll out of a regional programme to assist SMEs in their digitalisation journey and improving the positioning/promotion of the City as a ‘tech destination’.</p>
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RESOURCE IMPLICATIONS

Revenue

<p>4.</p>	<p>There are resource requirements for the delivery of all nineteen recommendations in the Future of Work in Southampton action plan.</p> <p>Much of the resource will be absorbed through existing staff capacity and external project funds, approximately £250,000 pa (a mixture of core SCC and external project funding) to support this programme over the next two years (£500,000 in total). However, additional resource is required to cover a shortfall of funds where existing staffing and/or external project funds cannot support:</p> <ul style="list-style-type: none"> • Cities of Learning piloting – non recurring revenue costs amounting to £60k required to procure the analytical / technical skills from a credible provider to: map local skills ecosystem & networks, develop the CofL business model, design and test digitised skills certification, form learning pathways aligned to the City’s / employers priorities, pre-pilot and pilot planning support. We seek to raise £200k from external sources to support CofL piloting. • Developing a skills-based/digitally enriched curricula – needed to increase performance of the City’s educational institutions – including Ofsted rating – to secure better outcomes/progression for children and young people into the realm of work. Revenue costs amounting to £45k over a two-year period needed for teacher training, curriculum resources and developing a citywide strategic education/post-16 framework in light of changing labour market/economic conditions to meet the City’s growth ambitions. • Digital diagnostics – an audit of employer readiness for digitalisation e.g. digital capability, infrastructure and capacity for change. Carried out by a credible provider, this benchmarking exercise will give employers a route to enhance/expedite their digital transformation with proven tools and resources. Revenue costs totalling £40k to
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pilot this work over a two-year period with additional external funds sought to ensure sufficient sectoral coverage, beginning with education (to support digital literacy in schools/colleges) and the creative and cultural sector (to support the City of Culture bid).

- Digital masterclasses – delivery of bespoke, employer-responsive digital skills training in key technical / occupational areas (e.g. software engineers, software developers, cyber security professionals and network specialists) where the City is experiencing acute recruitment gaps. This will boost local residents’ access to tech related ‘live vacancies’ from local employers. Revenue costs over a two year period totalling £10k needed with employer / learner contributions. Future delivery model self-funded from employers and learners.
- Learning and Skills role - to improve performance, quality of provision/transition (between KS4 and KS5 as well as KS5 and KS6) and progression outcomes to ensure young people have the skills and relevant qualifications/credentials to meet future employers’ needs. In doing so, the City Council can fulfil its ‘enabling role’ as there is no current resource to do this. This is a full time role costed at £55k pa (including on costs – revenue, recurring) to 2025 for the duration of the medium term financial strategy.

	2020/21	2021/22	2022-2025	TOTAL
Piloting CofL model	£60,000	0	0	£60,000
Skills-based curricula (for schools and FE providers) including digital skills	£10,000	£35,000	0	£45,000
Digital diagnostics (across creative & cultural sector, green economy, education)	£10,000	£30,000	0	£40,000
Digital masterclasses	£5,000	£5,000	0	£10,000
Grade 10 post for learning and skills	£55,000 (inc. on costs)	£55,000 (inc. on costs)	£165,000 (inc. on costs)	£275,000
TOTAL	£140,000	£125,000	£165,000	£430,000

Consideration of these funding requirements will be made within the council’s annual budget setting process, and well as exploring opportunities to attract external funding for these programmes.

Property/Other

5. Use of local assets for hosting new business start-ups and/or delivering adult learning will be part of ongoing feasibility studies.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

6. Local Government Act 2000 and Section 1 of the Localism Act 2011

<u>Other Legal Implications:</u>	
7.	NONE
RISK MANAGEMENT IMPLICATIONS	
8.	<p>Based on national economic forecasts and local labour market intelligence, to do nothing in response to the rise in use of automation and digital technology would leave the City's economy and its citizens in a weaker position, in terms of having the required skills to match the future labour market and the decline of the tech sector due to lack of required infrastructure, talent and business support.</p> <p>This ambitious programme will require external funding. Whilst it is considered that this should be achievable due to current regional and government priorities, this cannot be guaranteed and without this the programme could not achieve all its goals.</p>
POLICY FRAMEWORK IMPLICATIONS	
9.	<p>The proposals contained within this report and the Appendix are in accordance with the Council's Policy Framework. The recommendations in this paper support the delivery of the following Council Strategy 2016-2020 outcomes:</p> <ul style="list-style-type: none"> • Strong, sustainable economic growth • Children and young people get a good start in life.
KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Future of Work in Southampton action plan
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out?	No
Other Background Documents	
<p>Other Background documents available for inspection at: https://www.southampton.gov.uk/modernGov/ieListMeetings.aspx?Committeeld=703</p>	
Title of Background Paper(s)	Scrutiny Inquiry Panel - Future of Work in Southampton

APPENDIX 1: FUTURE OF WORK – ACTION PLAN

This action plan sets out the Executive’s approach to each recommendation contained in the Future of Work in Southampton Inquiry report. Against each recommendation is a brief description of what this entails as set out in the report. In this Action Plan, there are new undertakings for the City Council so baseline measures and KPIs will be introduced. Hence this action plan is an iterative process and will be subject to regular review by the proposed Future of Work Steering Group.

RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
ADDRESSING THE SKILLS CHALLENGES FACING SOUTHAMPTON TO KEEP AHEAD OF THE ROBOTS				
1. Develop a Southampton focussed contribution to the Solent Industrial Strategy: <i>“Southampton develops its own action plan that outlines key initiatives to support future growth of the city.”</i>	EDT	Produce a Citywide Local Industrial Strategy (LIS) proposition to attract further investment that capitalises on the City’s strengths, aligns to place-making strategies and generates transformational growth over the long term. Citywide LIS proposition linked to the Solent LIS and the new Southampton Skills Strategy.	LIS proposition submitted for July 2019 Cabinet Final submission to Solent LEP in Summer 2019. Ongoing influencing role throughout 2019/20	Existing internal resource used to develop Citywide LIS proposition in consultation with SCC colleagues and other stakeholders. Resourcing meeting with Solent LEP in September 2019.

KEY FOR LEAD ROLE: EDT – Economic Development Team; HOD – Head of Organisational Development; SAH – Solent Apprenticeship Manager; SDD – Service Director, Digital and Business Operations; SDG – Service Director, Growth; SLE – Service Lead for Education; SSM – Strategic Skills Manager

RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
<p>2. Adapt and actualise the RSA Cities of Learning (CofL) model for Southampton: <i>“Cities of Learning is a new approach for activating a grassroots, city-based, mass-engagement movement around learning and skills. It seeks to close gaps in opportunity and empower places to promote lifelong learning as core to their cultural and civic identity. This would complement Council discussions on establishing an Education Quarter.”</i></p>	<p>SSM</p>	<p>Hold stakeholder workshops to develop CofL model aligned to local assets, needs & priorities.</p>	<p>Stakeholder workshops held between November and December 2019.</p>	<p>Existing internal resource to lead on stakeholder engagement, project / implementation planning and strategic modelling.</p>
		<p>Map existing platforms facilitating lifelong learning across Southampton and ways to improve access, higher rates of progression and increased job outcomes.</p>	<p>October 2019</p>	<p><u>One-off funding costs of £60k sought to assist in piloting and modelling of CofL by delivery partner.</u></p>
		<p>Establish tripartite working arrangements with key partners, such as RSA and Institute of Coding (IoC).</p>	<p>Spring 2020.</p>	<p>Additional external funding sought to establish a virtual platform that can accommodate scale, complexity and progression pathways for CofL. This includes developing a suite of digital credentials, business modelling, testing, monitoring & evaluation.</p>
		<p>CofL model, project and delivery plan ready with digital credentials designed.</p>	<p>Piloting starts June 2020 and complete May 2021.</p>	<p>Sustainability of CofL requires securing external funding.</p>
		<p>Piloting open badge accreditation for creative and cultural sector, to inform CofL delivery / City of Culture bid.</p>	<p>Evaluation complete July 2021. CofL model activated September 2021.</p>	
<p>Piloting / external evaluation to inform citywide rollout.</p>				

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RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
3. Develop and implement a Skills Strategy for Southampton: <i>“The strategy should be a bridge between different policy themes at the Council and benchmark, for example, the ‘fit’ between educational provision to future skills’ requirements to ensure a seamless, high-value, progressive journey for every learner...establish how human capital development and employee performance and wellbeing in the realm of work and entrepreneurship is optimised. The Skills strategy should also be fully cognisant of a desire to: a) Generate strong, rewarding, sustained jobs growth b) Tackle social mobility c) Achieve inclusive growth”</i>	SSM	Draft skills strategy for consultation. Skills strategy consultation.	Jan 2020 Consultation period Feb 2020 to Apr 2020. Skills Strategy – including digital skills - published in June 2020 aligned to Solent Local Industrial Strategy.	Existing internal resource to develop Citywide skills strategy and associated design / marketing activity / consultation costs.
	SLE	Develop a skills-enriched curriculum offer, including digital skills, across all educational phases to complement new Ofsted inspection framework.	Project brief agreed with Southampton Education Forum in October 2019. Initial assessment of curriculum provision undertaken between January and March 2020. Piloting new curriculum from September 2020. Teacher CPD & curriculum resources ready for implementation September 2022 with the aim of generating higher levels of participation, achievement and progression from learners.	SLE and SSM to co-develop project brief with methodology. Contribution to project costs of £45k sought with match from partners, including businesses Proposed Grade 10 role for the City Council crucial to the coordination, management and impact monitoring of skills-based curricula.

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RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
<p>4. Simplify the Adult Learning Landscape: <i>“Increase the accessibility of learning opportunities by simplifying the adult learning landscape for employers and residents...develop a virtual platform that informs employers about training courses available in the city, and the proactive support that the Council and partners can give to businesses as they look to upskill their workforce, as well as provide residents comprehensive information about training opportunities available.”</i></p>	SSM	Part of Recommendation 2: Cities of Learning		
<p>5. Digital Skills: <i>“Deliver the commitments in the Digital Strategy, namely to:</i></p> <ul style="list-style-type: none"> <i>• Commission adult education to support digital inclusion and digital literacy in the city;</i> 	SSM	<p>Embed digital skills in Southampton Skills Strategy</p> <p>Embed Essential Digital Skills Framework in commissioning framework for Adult and Community Learning (ACL).</p>	<p>Ongoing</p> <p>New ACL framework ready by May 2020.</p>	Existing internal resource to coordinate activities and lead on stakeholder engagement with relevant external partners.

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<ul style="list-style-type: none"> • <i>Work with universities and other partners to attract and retain digital talent;</i> • <i>Work closely with schools to maximise the digital skills of all children.</i> <p><i>Options available include the creation of a partnership similar to the West Midlands Digital Skills Partnership to improve local digital skills.”</i></p>		<p>Develop proposition for Southampton becoming an Augmented Virtual Reality (AVR) Cluster Centre.</p> <p>Undertake a digital diagnostic exercise across a sample of education providers and employers</p> <p>Inaugural Tech Talent event</p> <p>Coordinate skills providers and employers to deliver digital masterclasses to boost pipeline of work-ready talent to fill current vacancies.</p>	<p>Value proposition / business case for an AVR Cluster Centre ready for October 2019. The Centre will develop a pipeline of talent skilled in teaching, learning and applying AVR technology in the realm of education and work across all sectors.</p> <p>Project brief for digital diagnostic agreed October 2019 and pilot complete by March 2020. Aim is to assess robustness / future proof of digital infrastructure, staff capability and quality of CPD/ resources to improve levels of digital literacy, learning pathways and the application of learning.</p> <p>April 2020</p> <p>May 2020</p>	<p>Contribution towards ‘digital diagnostic’ exercise is £40k, with additional funds sought from external partners.</p> <p>Contribution of £10k for initial series of digital masterclasses, match funded by employers and learner fees.</p>
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		<p>Launch of digital literacy framework in educational settings from KS2 to KS5, including digital apprenticeship provision.</p> <p>Launch of Solent Digital Skills Partnership, under the Tech Talent banner, to generate new and agile ways to boost digital literacy and digital talent across the region.</p>	<p>September 2020</p> <p>April 2021</p>	<p>Additional external funds sought to support digital literacy programme in educational settings and digital credentials to validate/certify new skills' acquisition from learners.</p> <p>External funds sought to support partnership working, piloting new digital skills solutions and celebrate success / promote good practice.</p>
RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
<p>6. Apprenticeship Levy: <i>"To help address specific skills gaps and build supply chain capability across key sectors and occupations, use the Levy Transfer mechanism to increase productivity levels, revenues and prospects for business growth."</i></p>	<p>SAH</p>	<p>Liaise with key partners such as West Midlands Combined Authority (WMCA) to develop project methodology based on labour market intelligence & employer demand.</p> <p>Launch Levy Transfer programme initially with 50 employers across key sectors, to strengthen supply chain and improve knowledge transfer.</p>	<p>October 2019</p> <p>Increased focus on digital apprenticeship solutions for employers across the region due to increased digital skills requirements.</p>	<p>Internal resource to project manage with associated marketing/communications and events costs.</p>

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RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
7. Leadership & Management Training: <i>“Improve the quality, coherence and subsequent roll-out of leadership and management training to cultivate a dynamic leadership culture that can help achieve the City’s ambitions over the medium to long term.”</i>	SSM	‘Map and gap’ models for increasing Leadership & Management (L&M) capability across the City’s employers that will generate high performing workplace cultures, smarter ways of working and increase knowledge flows between leaders and managers across the City.	‘Mapping and gapping’ exercise completed by December 2019. Toolkit of L&M options complete by April 2020 and made available to employers through existing channels and virtually hosted on the CofL platform.	External funds sought to pilot L&M models such as 70:20:10 delivery across the Solent with Southampton as lead.
8. Establish a better platform for residents, especially young people, to access accurate information on career opportunities	SSM	<p>Undertake analysis of Careers Education, Information, Advice and Guidance (CEIAG) provision for residents to improve pathways to higher learning / employment opportunities.</p> <p>Recruit lead officer for shaping impactful provision and outcomes to capitalise on DfE’s Travel to Learn Review.</p>	<p>Review complete by March 2020 to inform piloting of CofL model and changes to Access:Southampton website for it to form part of the eventual CofL platform.</p> <p>Lead officer starts in April 2020</p>	Grade 10 post at £55k pa (inc. on costs) from 2020/21 to 2024/25 .

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RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
9. Support and encourage Southampton businesses to adopt the Investors in People Tool, Jumpstart: <i>“...generate better employee engagement, improve performance and to consolidate high standards of HR practices.”</i>	SSM	Support Investors in People (IiP) in promoting their products and services to the City and wider Solent employers through existing networks, forums and partnerships.	Ongoing	Existing internal resource to deliver on this commitment.
10. Southampton City Council to Lead by Example: <i>“Ensure that appropriate training is provided to SCC employees, and Councillors, to ensure the workforce has the required mix of skills to succeed and make an enhanced economic impact over the long term.”</i>	HOD	<p>Continue roll-out of smarter working; including flexible working practices, adopting 5 Ways to Wellbeing etc.</p> <p>Transfer of services from Capita to SCC, including the Learning and Development (L&D) function/system.</p> <p>Benchmark SCC HR & L&D systems and processes against IiP standards to enhance quality assurance mechanisms, increase impact and inform smarter working policy and practice.</p>	<p>Ongoing</p> <p>December 2019</p> <p>Spring 2020</p>	Existing internal resource to lead on this recommendation. Additional resource secured by HR to temporarily aid the Capita transfer with pro bono support secured from Barclays for its Digital Eagles project.

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		Scope redesign & upgrading of the L&D function/system across SCC. Work with Barclays on their Digital Eagles project to assist in SCC digital strategy implementation.	New L&D function/system ready for implementation August 2020. Digital Eagles delivery between Sept and Dec 2019.	
SUPPORTING THE GROWTH OF THE TECH SECTOR				
RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
1. Deliver the commitment in the Digital Strategy to secure external investment in ultra-fast fibre, Wifi and 5G connectivity	EDT	Support the providers of high speed broadband and other digital communications networks in their roll out across the City, ensuring coverage of more than 100,000 premises (homes and businesses).	Ongoing - first customers to 'go live' on TOOB's network by end Dec 2019. TOOB broadband coverage complete by end of 2021. Southampton announced nationally in second wave of 5G cities being delivered by Vodafone. Secure Virgin Media's proposal to introduce its Gigabit City programme to Southampton in 2019.	Existing internal resource to manage relationships between delivery partners and ensure a tactical approach to high speed / 5G roll out. £50m investment from TOOB with ducting managed by Balfour Beatty.
2. Reflecting the heritage of the city create a 'Digital Shipyard' in the	EDT	CBD, now re-named as Mayflower Quarter, to be subject to a masterplanning	Masterplanning activity starting Autumn 2019.	Consultants to be appointed for masterplanning activity

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<p>proposed Central Business District: <i>“Southampton could have a digital shipyard to showcase the strengths and innovation in Southampton. This could bring together businesses and incubators on one site acting as a hub of activity where entrepreneurs, academics, students, and corporates can collaborate, inspire, and be inspired.”</i></p>		<p>activity, which will consider the ‘Digital Shipyard’ concept.</p>		<p>using existing SCC resources.</p>
RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
<p>3. Actively encourage the development of ‘alternative’ spaces for the creative sector to work from: <i>“...encourage the utilisation of... industrial locations that Southampton has to offer to increase the vitality of the sector.”</i></p>	EDT	<p>SCC to scope, develop and commercialise ‘alternative’ spaces to germinate and grow the creative sector, including ‘Digital Shipyard’ concept.</p>	<p>Barclays NETWORK Eagle Lab opened in May 2019.</p> <p>Current development / conversion of space at Gods House Tower. Wider scoping exercise is ongoing, including potential of other premises such as City Wall House and 1A Bugle Street.</p>	<p>Existing internal resource developing co-investment opportunities with external partners.</p>
<p>4. Tech in the City events:</p>	EDT	<p>Coordinating and supporting a range of high profile, high impact events to position</p>	<p>Schedule of events in development and complete by September 2019. :</p>	<p>Externally funded through sponsorship with likely SCC contribution from</p>

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<p><i>“Promote existing tech events and work with local tech businesses and TechUK to stage a number of events in the city showcasing the tech sector and raising the profile of the industry and the diverse range of career opportunities it supports.”</i></p>		<p>Southampton as the ‘Tech Capital of the South’.</p> <p>Monitor success / impact of events to identify gaps and new ideas that require follow-up support and interventions with external partners.</p>	<p>EDT working with external partners to deliver events e.g. Tech Solent (June 2019), Bash Festival (Aug 2019) Hampshire Games Festival (May 2020), STEAM Festival (July 2020), Venturefest South (March 2020)</p> <p>Partners include Barclays NETWORK Eagle Lab, FutureWorlds, Solent Growth Hub, Etch UK Ltd.</p>	<p>existing budgets, including £6000 towards Venturefest South 2020.</p>
RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
<p>5. Embark on new, cross-sectoral partnerships to resolve societal problems using technological solutions: <i>“Through the Connected Southampton project there is an opportunity to bring the tech sector together, raise the profile and encourage clusters to</i></p>	<p>EDT</p>	<p>Develop a suite of activities with partners such as Geovation (part of OS) and Innovate UK.</p> <p>Utilise the implementation of SCC’s own digital strategy via the Task Group to drive forward technology based projects that benefit services to the community.</p>	<p>Programme to be launched in November 2019.</p>	<p>Existing internal resource to coordinate a series of events that will be externally funded.</p> <p>Resourcing to be assessed on project by project basis.</p>

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<i>develop by fully engaging with them to help achieve the ambition to address societal challenges through the application of AI and innovation.”</i>		Exploit existing connections with Innovation UK to identify and implement initiatives that contribute towards delivery of the SCC Digital Strategy. Support the Southampton Marine and Maritime Institute proposal to UKRI Strength in Places Fund.	EOI to be submitted in October 2019.	Existing internal resource. Existing internal resource.
RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
6. Seek to secure long term funding for Creative Growth Southampton	EDT	Assist in bidding opportunities to develop a programme of business support to micro and small enterprises in the Creative & Cultural sector to strengthen City of Culture bid.	Ongoing – including potential bids to Arts Council and LEP to match PUSH contribution for 2020/2021 of £20k.	Existing internal resource.
7. Improve the branding, promotion and packaging of Southampton: <i>“Improve the narrative about what the city’s tech sector has to offer, how the city is promoted and to raise the profile and status of the</i>	EDT	Develop a clear, comprehensive, integrated presentation of the City to maximise investment, engagement and partnership opportunities for residents, visitors and businesses.	Citywide branding and identity project currently underway. Technology narrative to link into this higher level piece of work as well as the promotion of the Mayflower Quarter and a proposition for Southampton as a destination for tech investment. Timing	Budget for extra resources to carry out this exercise to be considered as part of the business planning process for inclusion in the medium term financial strategy in order to deliver a strategic approach to the branding,

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<i>tech sector in Southampton.”</i>			dependent upon completion of the upper level strategic branding work in progress.	promotion and packaging of Southampton that meets multiple aspirations and ambitions e.g. Mayflower Quarter, City of Culture, CofL, Tech Solent etc.
RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
8. Utilise the assets and support available to grow the tech sector: <i>“To deliver the ambitions in the Digital Strategy Southampton must utilise all its assets and offers of support to grow the tech sector and with it the economic prosperity of the city.”</i>	EDT	Build upon the existing intelligence of the tech sector, use the Tech Solent brand to further strengthen the co-ordination of business support through a robust programme of business engagement / development.	Incorporated within the business engagement strategy, which will launch in November 2019.	Existing internal resource to develop business engagement and ensure increased alignment with external funding e.g. the ERDF ‘Solent Business Support’ project and the Solent LEP Growth Accelerator programme.
	SDG	Develop proposition for Southampton establishing an AI centre and incorporate within the wider branding work set out above	Initial meeting in Autumn 2019 with Dame Wendy Hall and key local, regional and national stakeholders.	Led by Web Sciences Institute at University of Southampton in partnership with SCC.
	SSM	Launch region-wide roll out of the Future of British Manufacturing Initiative (FOB Mi) ‘Digital Catalysts’ programme to retain digital		Fully funded with no cost transactions. Aim is to replicate the model with IoC and other corporate / technology partners.

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		talent and enhance digital capability / absorption of businesses across the Solent.		External funding sought to support growth and innovation across all sectors to increase their rate of digital absorption and enhance digital capability. Further funding sought to support business growth through increased use of technology, knowledge transfer and upskilling.
RECOMMENDATION	LEAD	KEY ACTIONS	TIMESCALE / OUTCOME	RESOURCE
9. Develop a clear offer to grow the Tech sector and a vision as to how technology can help to improve outcomes in Southampton: “...enable a ‘smarter’ approach, using technology, to improve wellbeing, quality of life and achieve sustained inclusive growth.”	SSM	Define ‘smart city’ features.	Completed February 2019	
	SDD	Engage FutureGov in helping SCC to reshape design/delivery/impact assessment of public services through use of digital technologies.	Workshop scheduled in Sept 2019 to align with start of ‘Connected City’ project.	‘Connected City’ project part of Corporate Programme ‘25 for 2025’.
	SSM	Ensure CofL has inclusion as a core principle underpinning its design/delivery.	Ongoing	

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DECISION-MAKER:		CABINET	
SUBJECT:		COMMUNITY CHEST GRANTS 2019/20 ROUND 1	
DATE OF DECISION:		20 AUGUST 2019	
REPORT OF:		CABINET MEMBER FOR GREEN CITY AND ENVIRONMENT	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Joanne Hughes	Tel: 023 8083 4067
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Director	Name:	Stephanie Ramsey	Tel: 023 8029 6941
	E-mail:	stephanie.ramsey@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None			
BRIEF SUMMARY			
<p>Community Chest is the council's small grant scheme and currently awards grants of up to £2,500 to community groups in the city. Grants are awarded twice a year by the Cabinet Member for Green City and Environment, following recommendations from the cross-party Community Chest Grant Advisory Panel. The budget for the year is £100,000, which is divided approximately equally between the two rounds.</p>			
<p>Early in 2019 it was decided to offer mini-grants for community celebration events as a sub-section of Community Chest. The Celebration Grants offers grants up to £500 and applicants may apply for both the Community Chest and Celebration grants, providing it is for different events/activities.</p>			
<p>Applications for both grants are accepted from local community groups and small voluntary organisations for a wide range of projects which contribute at least one of the council's four priority outcomes.</p>			
RECOMMENDATIONS:			
	(i)	To agree the recommendations for 2019/20 round 1 grants made by the cross-party Community Chest Grant Advisory Panel as set out in appendix 1.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	All the applications have been considered by the cross-party Community Chest Grant Advisory Panel, which has made recommendations on which should receive funding. All applications recommended for funding contribute to at least one of the council's priority outcomes and will enable the applicants to continue to provide activities for the benefit of their communities.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
2.	The option of not recommending funding was considered and rejected as it would not meet the council's aims of supporting local people to engage in community action.		
DETAIL (Including consultation carried out)			
3.	Community Chest is the council's small grants scheme and has been running for more than 30 years. It is periodically reviewed to ensure it continues to		

	meet the needs of local community groups. Projects/activities must contribute to at least one of the council's four priority outcomes.
4.	In January 2019, it was decided to temporarily offer a smaller grant within the Community Chest grant scheme and budget. The Celebrations Grant offered grants up to £500 for one-off community events held to celebrate recognised local, national and international events. The scheme proved popular with local community and voluntary groups and it was decided to continue offering the Celebrations Grants in 2019/20, following the same timetable and decision making process as the rest of the Community Chest grants.
5.	Both grant schemes have two rounds this year, six months apart, with the budget split roughly equally between both rounds. In 2019/20 the overall budget available is £100,000. The decision maker for both grant schemes is the Cabinet Member for Green City and Environment, following recommendations by the cross-party Community Chest Grant Advisory Panel.
6.	Each application is first checked by a technical appraiser to ensure both the project and the applicant meet the Community Chest or Celebrations Grant criteria and minimum standards for grant funding. Further information or clarification is requested where necessary. All applications are then submitted to the cross-party Community Chest Grant Advisory Panel for consideration.
7.	Applications for round one of the 2019/20 Community Chest and Celebrations grant schemes were submitted by 30 April 2019. In total 30 applications were received – 25 for Community Chest and 5 for the Celebrations Grant. The total requested was £50,640. The Community Chest Grant Advisory Panel met on 18 July 2019 to consider all 30 applications.
8.	The Grant Advisory Panel has recommended full or partial funding for 22 applications, totalling £36,195. Of the 8 applications that are not being recommended for funding: <ul style="list-style-type: none"> • 1 application was transferred to another grant scheme (where it was fully funded) • 4 applications are recommended to be deferred to the next round • 3 applications are recommended to be declined due to missing documents, poor value for money and activities having already taken place before the grant decisions are made.
9.	A list of all applications with full details of the recommendations and reasons why for each one is attached at Appendix 1.
10.	The second round of both the 2019/20 Community Chest and Celebrations grant schemes are open for applications, with a deadline of 31 October 2019.
11.	After Round 2 of the 2018/19 Community Chest grants there was a remainder of £21,229. In addition to this, one previous Community Chest grant recipient returned their funding after their project fell through, leaving £23,569 Cabinet agreed (15 January 2019) to delegate authority to the Director of Quality and Integration to award the remainder of the 2018/19 Community Chest budget. Applications were invited for the Celebrations Grant and some additional Community Chest grants. A list of the grants awarded is available in Appendix 2 and is also publically available on the council website within the 'grants awarded' database: http://www.southampton.gov.uk/people-places/grants-funding/grants-awarded.aspx

RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
12.	The total Community Chest budget for the year (including the Celebrations Grant) is £100,000, split approximately equally between two rounds. The recommendations for round one total £36,195, leaving £63,805 for the second round of grants. This is within the allocated budget.
<u>Property/Other</u>	
13.	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
14.	The legal power for the Council to establish, administer and make awards from the Community Chest grant fund is provided by the Localism Act 2011. Subject to certain statutory restrictions, none of which apply in this case, Section 1 gives the Council “power to do anything that individuals may do” which includes making grant funding contributions to worthwhile projects and activities that supports the work of the Council and / or contributes to the well being or benefit of the community or city residents.
<u>Other Legal Implications:</u>	
15.	In awarding grants under this scheme the Council has had regard to the requirements of the Equalities Act 2010, including the need to assess all applications having regard to the public sector equality duty set out in s.149 of the Act and to ensure that the application process is fair, transparent and designed to eliminate unlawful discrimination against those who have protected characteristics. Grants are also assessed having regard to s.17 Crime & Disorder Act 1998 and the extent to which they contribute to the elimination of crime and disorder in the City together with all other relevant legislation.
RISK MANAGEMENT IMPLICATIONS	
16.	The risks of fully funding, part funding or not funding each application were considered as part of the Grant Advisory Panel’s discussions. The recommendations listed in Appendix 1 are considered to be low risk.
POLICY FRAMEWORK IMPLICATIONS	
17.	The recommendations in this paper support the delivery of the Sustainable Community Strategy (City Strategy), the Council Strategy 2016-2020, key partnership strategies such as the Safe City Strategy and the Health and Wellbeing Strategy as well as Level 1 strategies of the Council.
KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	List of recommendations for Community Chest grant 2019/20 Round 1

2.	List of Celebrations Grants and invited Community Chest grants awarded 2018/19
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Documents In Members' Rooms

1.	Approach to Voluntary Sector Funding, Equality and Safety Cumulative Impact Assessment – updated July 2019
2.	Data Protection Impact Assessment – updated July 2019

Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	Yes
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	Yes
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Other Background Documents

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.	

Appendix 1 - List of Recommendations for Community Chest Grant 2019/20 Round 1

No.	Organisation	Towards	Requested	Nbr beneficiaries	% Soton beneficiaries	Ward	Aims and objectives of organisation (from application form)	Declarations of interest	Panel Comments	Panel Recommended Amount	Suggested Conditions
2. Children and young people get a good start in life											
1	Pound for Pound Showground	Towards the costs of a project to train teenagers in boxing, as both participants and coaches, as a diversionary activity. Working with No Limits and YMCA.	£2,500	40-70	100%	City wide	We utilise contact sports to improve the lives of others. Amateur boxing, is more popular now than ever and we have managed to engage schools, colleges and universities in the local area. We believe boxing improves the physical and mental well being of the individual and has a positive social impact on the surrounding area. Boxing encourages self control, self esteem, self worth and mind set.		Recommendation: defer to next round Application was incomplete and receipts from their previous grant have not been submitted. The Panel are supportive of the project and recommend deferring the application to the next round to allow for the missing documents to be submitted.	defer	
2	Southampton Opportunity Group	Towards general running costs and equipment for the Saturday morning group (insurance, Ofsted, safeguarding and first aid training, advertising, stationery, mobile phone, camera and healthy snacks for the children).	£1,593	45	100%	City wide	We support pre-school children (and their families) who have additional needs by providing structured play sessions that will enhance their development. As parents are able to leave their children with our qualified staff we also provide vital respite that can dramatically reduce stress in the family environment.		Recommendation: Fully fund A good application that will support disabled children and their families.	£1,593	
3	New Dawn Child Contact Centre	Towards the costs of venue hire for the contact centre (at Shirley Baptist Church) every other week for 1 year.	£2,496	55-60	99%	City wide	We provide a safe, friendly and impartial space where children of dysfunctional separated/divorced parents can have supported contact with their non-resident parent and other relations. Volunteers are present throughout the contact to ensure appropriate communication and we provide toys, games, crafts and refreshments to facilitate quality time together.		Recommendation: Fully fund A good application, supporting children to keep in touch with both parents after a relationship breakdown.	£2,496	Reminder this grant is for an occasional boost and not regular funding, as they received a grant for the same costs 2 years ago.
4	Royal Southampton Yacht Club Trust	Towards the costs of a programme of taster activities (dinghy sailing, paddle-boarding, kayaking and small keel boat sailing).	£2,500	42	100%	City wide	Our aim is to provide opportunities to disadvantaged young people to go sailing or take part in other on-the-water activities. We have a current focus on young carers aged between 8 and 18. We aim not only to introduce them to water activities but to have an ongoing involvement on the water with our support.		Recommendation: Fully fund A good application that gives young carers an opportunity to try sailing and other water activities.	£2,500	
5	Friends of Peartree Green	Towards the costs of ecology and educational events for local residents, inc. insurance, promotion, equipment, schools sessions and ecology services.	£2,500	500-1,000	100%	Peartree	The Friends Group in 2018 achieved local nature reserve status for Peartree Green. We run a variety of conservation and engagement activities such as litter picks, path/scrub clearing to improve access and for ecology management, and guided walks. Our school events aim to encourage, enhance and promote ecology awareness.	Panel member Councillor Houghton is a councillor for the Peartree Ward and also a committee member of this group. He did not take part in the discussion or recommendation for this application. The main contact for this applicant, Mr Keogh, is also a city councillor for the Peartree Ward. However, the application is made in a personal capacity in his position of Treasurer of the Friends of Peartree Green.	Recommendation: Fully fund A good application, but needs to amend the schools sessions element slightly to ensure they are within the Community Chest criteria.	£2,500	Need to amend the schools sessions slightly to fully comply with the Community Chest criteria. Officers can advise on this.
6	The Players Theatre Group	Towards the costs of a lighting desk and audio mixer for show performances.	£2,376	300	99%	East	To promote the arts of drama, music and dance through performance of plays, pantomimes and musical shows. To improve the skills and knowledge of its members. To promote community cohesion through public performance by being an inclusive organisation that supports individuals of all ages, abilities and backgrounds.		Recommendation: Fully fund A good application that will support the group to put on high quality, affordable community performances.	£2,376	
7	Free Cakes for Kids Southampton	Towards the costs of publicity for the project and volunteer expenses (ingredients, boards/boxes and delivery).	£776	2,000+	100%	City wide	We bake and deliver birthday cakes for families who, for reasons such as illness, disability or financial problems, are unable to provide their child with a birthday cake to celebrate their birthday. We work with charities and community organisations across the city to publicise the service and also refer the families to us.		Recommendation: Fully fund A good application that will support families in need to fully celebrate their child's birthday.	£776	

Appendix 1 - List of Recommendations for Community Chest Grant 2019/20 Round 1

No.	Organisation	Towards	Requested	Nbr beneficiaries	% Soton beneficiaries	Ward	Aims and objectives of organisation (from application form)	Declarations of interest	Panel Comments	Panel Recommended Amount	Suggested Conditions
8	Wynter Road Community Group	Towards the costs of two pairs of freestanding football goals to replace the old worn out ones on Wynter Road Playing Field.	£2,500	405	100%	Harefield	Represent the interests of the users of the Pavilion, and the pitches, as well as the local community.	Panel member Councillor Laurent is a councillor for Harefield ward.	Recommendation: Fully fund A good application that will help increase the use of the pitches.	£2,500	
9	Southampton Hub	Towards their Branch Up programme for 7-11 year olds (a mentoring project between university students and local children), 12x activity days throughout academic year. Costs inc. food/drink, volunteer t-shirts and DBS checks, re-useable plastic cups/plates/cutlery, marketing and activities costs.	£1,685	30	100%	City wide	Southampton Hub champions student-powered social action, connecting 200+ university students to opportunities to create social impact in Southampton through long-term volunteering programmes and project incubation, empowering students to become active citizens for life. We work in partnership with the University of Southampton and are a local branch of Student Hubs.		Recommendation: Fully fund A good application that will support disadvantaged children in the city to aim for university or other further/higher education.	£1,685	
10	Families First Southampton	Towards supporting existing dads/carers and grandparents/carers groups to continue and expand, inc. insurance, room hire, training, DBS checks, advertising, accountancy and phone costs.	£1,636	135	100%	City wide	The Dads/Carers and Grandparents Project brings struggling families together particularly in geographical areas with high social isolation and deprivation. We reach out to families and undertake support groups. 1. In Swaythling we run Dads Lego Breakfast once a month. 2. Weston Family Lego Building Club twice monthly. 3. Carers Café for grandparents, St James Park Shirley		Recommendation: Fully fund A good application that will support dads, granddads and other male carers struggling to care for children.	£1,636	Reminder to review their safeguarding policy, in line with their own review timetable.
11	Colne Avenue Baptist Church	Towards the costs of 'The Good Grub Club' supporting families to eat well cheaply, inc. training, food packs, equipment, publicity, health and wellbeing activities.	£1,560	50	100%	Redbridge	Colne Avenue Baptist Church is a church set in a community with a high level of deprivation. Surrounded by vulnerable people who are isolated in the community. We have opened our doors to serve the community with local partners and invite the community to use our venue in a variety of ways.	Panel Member Councillor McEwing is a councillor for the Redbridge ward.	Recommendation: Fully fund A good application that will support families to eat well cheaply.	£1,560	Submit a new copy of their safeguarding policy once it has been updated. Link up with the Southampton Holiday Provision Steering Group.
12	Burgess Road Library Management Team	Towards the costs of furniture and equipment for the library.	£2,459	20,000 +	100%	Central	We are responsible for the operation of the library service at Burgess Road Library. We train and supervise a team of volunteers to run this service for 26 hours per week. We also run several community activities (including for children, such as Rhyme Time & Story Time) within the library. We also are looking to create a space that accommodates our great diversity within the community.		Recommendation: Fully fund A good application that will support the library volunteers to continue to provide an active and vibrant library service.	£2,459	Reminder this grant is for an occasional boost and not regular funding, as they received a grant for the similar items 2 years ago.
2. Children and young people get a good start in life			£24,581						Recommendations sub-total	£22,081	
3. People in Southampton live safe, healthy, independent lives											
13	Bitterne Community Corner Ltd	Towards the costs of a notice board for Bitterne precinct to promote community events and activities.	£764	4,000	100%	East	A not-for-profit company formed to own and operate a small piece of land in Bitterne which has been donated free of charge for community use. We are also the organising body for the Bitterne Festival 2019 to be held in August, taking over the Bitterne precinct for a community festival.	Panel member Councillor Houghton is on the committee of this group. He did not take part in the discussion or recommendation for this application.	Recommendation: Fully fund A good application that will enable local groups to advertise their activities.	£764	
14	Footprints Project	Towards the costs of recruiting and training 10 more volunteers to work with offenders.	£1,825	30	100%	City wide	We train local members of the community to work with offenders returning to their community, helping them with housing, employment, training, mental and physical health and substance misuse and maintaining their motivation to desist, building bridges between the offender and their community and reducing the likelihood of reoffending.		Recommendation: Part fund A good application to support ex-offenders to re-engage in community life. Application included £570 for staffing costs, which are not eligible under the Community Chest criteria. Recommend funding all other requested project costs.	£1,255	

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Appendix 1 - List of Recommendations for Community Chest Grant 2019/20 Round 1

No.	Organisation	Towards	Requested	Nbr beneficiaries	% Soton beneficiaries	Ward	Aims and objectives of organisation (from application form)	Declarations of interest	Panel Comments	Panel Recommended Amount	Suggested Conditions
15	Creative Options	Towards the costs of room hire and tutors for floristry, art, crafts, music and photography sessions, also minibuss transport.	£2,337	25+	100%	City wide	We are a member and peer-led grass-roots organisation offering support for people with mental health issues living in the community of Southampton offering a main drop-in and a range of activities across the week in different venues across the city.		Recommendation: Fully fund A good application that will help provide peer-led mental health support.	£2,337	
16	Milan Asian Elders Group	Towards the costs of yoga chair exercises, insurance and basic stationery.	£1,100	25-30	100%	Central	We support older Asian women from the local community to come together and feel part of a community. This enables them to improve their mental health and wider wellbeing. The activities we carry out include coffees and tea breaks as well as other activities that help to keep the group mentally and physically active, such as talks from partner organisations and light physical work such as yoga.		Recommendation: Fully fund A good project, but it needs to be more financially sustainable to continue beyond the grant funding. Suggest they charge a small session fee from the start and build up funds to continue subsidised classes after the grant has ended.	£1,100	Suggest they charge a small session fee from the start and build up funds to continue subsidised classes after the grant has ended.
17	Mums in Mind	Towards the costs of venue hire, materials and refreshments for 12 craft workshop sessions and mental health first aid course.	£1,342	15	100%	City wide	Mums In Mind provides three sessions each month for mothers experiencing postnatal illnesses or struggles in Southampton. Sessions provide mums with a safe, nurturing environment and a chance to share experiences whilst doing an activity with facilitated peer support. Mums are given the opportunity to share without judgement.		Recommendation: Fully fund A good application that will support women experiencing post-natal issues.	£1,342	
18	UK Shaolin Temple Ltd	Towards setting up Tai Chi and Qi Gong exercises classes for older people.	£2,484	80-100	98%	City wide	Our organisation shares Chinese culture and the activities of the Shaolin tradition with people in the UK. This includes health and wellbeing activities such as Shaolin Kung Fu, Tai Chi and Qi Gong. Also included are cultural activities like meditation, language studies, Chinese art and philosophy particularly Chan Buddhism.		Recommendation: defer to next round The Panel felt the concept of exercise classes for older people was good, but had concerns about the costs of the equipment and whether all of it was necessary. The application did not seem to offer good value for money. Suggest they revise the application and re-submit it next round.	defer	
3. People in Southampton live safe, healthy, independent lives			£9,852						Recommendations sub-total	£6,798	
4. Southampton is an attractive and modern city where people are proud to live and work											
19	Parklife CIC	A contribution towards the costs of shutters to prevent further vandalism of windows and doors.	£2,500	6,000	90%	Shirley	As a community hub and café, we aim to welcome and bring together, people of all abilities, ages and backgrounds by providing a friendly, safe and affordable environment for people to enjoy. Our community room has a wide range of current users from vulnerable adult groups to various classes and parties.		Recommendation: Fully fund A good application that will prevent further vandalism of this community facility.	£2,500	
20	The Three Rivers Community Rail Partnership	Towards the costs of developing the community garden at Woolston train station, inc. a new shed, skip hire for removing rubbish and promotion of activities.	£1,330	50+	100%	Woolston	We provide a link between the railway industry and communities to deliver social benefit. We carry out activities to improve station facilities and services, enhance information and integration with other forms of transport and create a better, more sustainable local railway using volunteers from local areas.	Panel Member Councillor Blatchford is a councillor for the Woolston ward. Panel member Councillor Laurent has some involvement with this group, but had no involvement with this application.	Recommendation: Fully fund A good application that will improve the green space at the Woolston station.	£1,330	

Appendix 1 - List of Recommendations for Community Chest Grant 2019/20 Round 1

No.	Organisation	Towards	Requested	Nbr beneficiaries	% Soton beneficiaries	Ward	Aims and objectives of organisation (from application form)	Declarations of interest	Panel Comments	Panel Recommended Amount	Suggested Conditions
21	Southampton Keep Our NHS Public (SKONP)	Towards the costs of creating 4 short films celebrating the history of and contribution of local people to the NHS in Southampton. Also to cover the cost of annual business insurance (public liability insurance) for SKONP.	£2,500	3,000 +	80%	City wide	We support the founding principles of the NHS. We act as a critical friend of the NHS. We provide accessible information about local health issues to the general public, on which we inform ourselves by inviting to our meetings managers of Trusts, CCG, scrutiny agencies and others, or attending theirs.		Recommendation: defer to next round The proposed project does not contribute to the group's constituted aims and objectives and therefore cannot be funded. The Panel recommends deferring this application to the next round. The group will need to either amend their constitution or withdraw the application.	defer	
22	Friends of the Maritime Archaeology Trust	Towards the costs of developing a 3D model and animated online tour of the Mayflower memorial (Western Esplanade), inc. surveying, creation, web hosting and publicity. In support of Mayflower 400.	£2,400	20 direct, plus thousands via website	100%	City wide	The aim of the group is to help raise awareness of maritime archaeological heritage and support the Maritime Archaeology Trust (MAT) in safeguarding the resource for future generations to enjoy. In furtherance of this aim the Friends of the MAT will, 1. Promote public awareness, 2. Promote archaeological projects, and 3. Support training and education.		Recommendation: Fully fund A good application that will digitally preserve the Mayflower memorial and make it available online.	£2,400	Link with the citywide Mayflower 400 activities.
23	Friends of Weston Shore	Towards the costs of public liability insurance and room hire for general meetings.	£286	130	90%	Woolston	Supports the Weston Shore management team in keeping the area safe and clear of litter and rubbish. Promotes the area importance as a Site of Special Scientific Interest, and education resource and an area for healthy outdoor pursuits. Encourages volunteering by holding an annual 'Big Beach Clean' event.	Councillor Blatchford is a councillor for the Woolston ward.	Recommendation: Fully fund A good application that will support the group to continue their activities.	£286	
24	Sholing Valleys Study Centre	Towards general running costs, including utilities, bouncy castle MOT, business rates and insurance.	£2,451	2,500	95%	Sholing	Sholing Valleys Study Centre was set up to preserve the Miller's Pond Local Nature Reserve and to educate the public about this unique environment and the wildlife that can be found there. We hold regular events, ensuring our engagement with the public. Our conversation days, Naturewatch (educational sessions for children and young people), guided nature walks, talks and lectures, and Open Day and Family Fun day events form the bulk of this work. Local groups including a Forest School, Scouts and Guides and the local Police also use the facilities.		Recommendation: defer to next round The application was submitted late and incomplete. Applicant did not respond to requests for missing information until it was too late to consider the application. They will re-submit the application for the next round.	defer	
25	Cultural Media Enterprise Ltd (Unity 101)	Towards the costs of the 'Derby Run' community fun run on 7 July 2019.	£2,500	2,000 +	100%	Bevois	Unity 101 is a not-for-profit organisation registered in 2003 as a voluntary organisation. Our objective is to encourage positive understanding and interaction within and in relation to Southampton's minority communities by promoting and sharing traditions and cultures of the city's Asian and ethnic communities on air and all the outreach work we do, connecting communities.		Recommendation: decline Event applied for was ineligible as it was before the grant decision would be made. Officers worked with applicant to find an alternative suitable event or activity, but were unable to do so in time for application to be considered this round. Applicant will be invited to apply for another event or activity next round.	£0	
4. Southampton is an attractive and modern city where people			£13,967						Recommendations sub-total	£6,516	
Celebrations Grants											
Ca	Bitterne Community Corner	Towards the costs of the Bitterne Festival 2019. Event date: 8 August 2019	£264	4,000	100%	Bitterne	A not-for-profit company organising the Bitterne Festival 2019 on 8 August. This will be a free or very cheap day out for families during the summer holidays but will also bring together various groups to inform families of the support that is available to them.		Application transferred to Events and Festivals Grant This application was transferred to the Events and Festivals Grant due to delay to the Community Chest decision. Full funding was awarded.	n/a	

Appendix 1 - List of Recommendations for Community Chest Grant 2019/20 Round 1

No.	Organisation	Towards	Requested	Nbr beneficiaries	% Soton beneficiaries	Ward	Aims and objectives of organisation (from application form)	Declarations of interest	Panel Comments	Panel Recommended Amount	Suggested Conditions
Cb	Creative Options	Towards the costs of three events 1) a 'Keeping the Hope' suicide prevention and awareness conference on 9th Sept. 2) a commemorative event at the peace fountain on 10th Sept for World Suicide Awareness and Prevention Day. 3) a 'walk of hope walk from darkness to light' on the common on 11th Sept. Event dates: 9/10/11 September 2019	£500	75-100	100%	City wide	We are a member and peer-led grass-roots organisation offering support for people with mental health issues living in the community of Southampton offering a main drop-in and a range of activities across the week in different venues across the city.		Recommendation: Decline While supportive of activities to raise awareness and prevent suicide, the Panel felt these events are not community celebrations and therefore did not meet the criteria of the Celebrations Grant.	£0	
Cc	Caraway	Towards the costs of a tea dance to celebrate International Day for Older Persons. Event date: 1 October 2019	£500	100	100%	City wide	Celebrating the richness and wisdom of old age, Caraway is a charity that aims to promote the well-being of older people in Southampton. It's aims are to: Combat loneliness and social isolation, Create community, Support those living in Care Homes and Assisted Living and Address the needs of those living with dementia and their carers.		Recommendation: Fully fund A good application that will bring people together for a fun event.	£500	
Cd	UK Shaolin Temple Ltd	Towards the costs of a health and wellbeing event for World Mental Health Day. Event date: 10 October 2019	£500	50-80	100%	City wide	Our organisation shares Chinese culture and the activities of the Shaolin tradition with people in the UK. This includes health and wellbeing activities such as Shaolin Kung Fu, Tai Chi and Qi Gong. Also included are cultural activities like meditation, language studies, Chinese art and philosophy particularly Chan Buddhism.		Recommendation: Decline While supportive of activities to raise awareness of mental health issues, the Panel felt this application had high costs and did not represent good value for money.	£0	
Ce	Active Kids Active Neighbourhoods (IKAN)	Towards the costs of a cross-cultural party for young people to celebrate International Children's Day. Event date: 20 November 2019	£476	100	100%	Bevois	Vision: A happy and safe community for children and young people Mission: Provide access to facilities and positive support services that stimulate, entertain, encourage and enable active participation of children in their own health and wellbeing. We hope to reduce inequalities in our societies by reducing social gradient and providing/encouraging equal access to fun and social activities that stimulates and entertain all especially children and young people regardless of their ages and gender.		Recommendation: Part fund A good project that will bring children and young people together. Food is not within the grant criteria as it is expected that attendees will bring food to share.	£300	
Celebrations Grants			£2,240						Recommendations sub-total	£800	

Priority	Requested	Panel Recommendation
1	n/a	n/a
2	£24,581	£22,081
3	£9,852	£6,798
4	£13,967	£6,516
C	£2,240	£800
T	£50,640	£36,195
	Annual budget	£100,000
	Returned money	£0
	Recommended R1	£36,195
	Remainder for R2	£63,805

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Appendix 2 - List of Celebrations Grants and invited Community Chest grants awarded 2018/19

No.	Organisation	Towards	Event	Requested	Nbr beneficiaries	% beneficiaries who are Soton	Ward	Aims and objectives of organisation (from application form)	Main Priority	Grant Awarded
65	Gambia Kaffo CIC	Towards the costs of bouncy castle hire, cultural drumming and food for community event.	St George's Day	£500	200	95%	City wide	Support the Gambian community in Southampton to integrate and make a meaningful socio-economic contributions to the local community. We also facilitate and organise annual cultural festivals in the city sponsored by art council. This event brings together different ethnic groups together to celebrate our diverse cultures.	4. Southampton is an attractive and modern city where people are proud to live and work	£500.00
66	YMCA Fairthorne Group	Towards the costs of a Great Get Together event, inc. music and food from multiple countries, reflecting the local communities.	Great Get Together	£500	200	99%	Bevois	YMCA provides a range of services. We work in, and with, communities to support individuals, children and young people to develop the skills, experiences, relationships and behaviours to become successful and contributing adults. We achieve our purpose through combining People, Places and Programmes. We believe that through the creation of spaces, people can come together, connect and create impact.	4. Southampton is an attractive and modern city where people are proud to live and work	£0.00
67	Friends of Freemantle Lake Park	Towards the costs of a Great Get Together event, inc. decorations, seating, promotion, arts activities and volunteer expenses	Great Get Together	£496	100	100%	Freemantle	To work in an apolitical way to preserve, maintain, promote and improve Freemantle Lake Park for educational, recreation and leisure purposes and for the well-being and pleasure of all residents and visitors to the city. Constructively work with Southampton Council to support and improve the natural environment of the park.	4. Southampton is an attractive and modern city where people are proud to live and work	£496.00
68	Maybush Growing Buddies	Towards the costs of a garden party, inc. food, drinks and cups.		£45	50+	100%	Millbrook	The gardening club provides sustainability, introduces local area for residents, enhancing the area, sharing skills and knowledge, shaping an area to meet, creating community spirit, combatting loneliness for all ages, growing fruit and veg.	4. Southampton is an attractive and modern city where people are proud to live and work	£0.00
69	The United Voices of African Associations (TUVAA)	Towards the costs of a Great Get Together street party, inc. music, food, arts and crafts.	Great Get Together	£495	200	99%	City wide	Bring communities together, promote culture and diversity and enables Africans to integrate - Bring various African communities together and strengthen their position in the community - enables Africans to contribute positively in the communities live, work and play - enables the communities to have access to information and support through our Newtown support centre - Reducing isolation and loneliness through our Newtown support centre activities - Organise fun days and network events that enables interactions, friendships facilitating community cohesion	4. Southampton is an attractive and modern city where people are proud to live and work	£495.00
70	Sholing Valleys Study Centre	Towards the costs of a Bat Walk in April, inc. equipment.	St George's Day	£500	100	90%	Sholing	We preserve the Miller's Pond Local Nature Reserve (LNR) and educate the public about this unique environment and the wildlife. Public engagement with events (conversation days, Naturewatch, guided nature walks, talks and lectures, and Spring Fayre). Local Forest School, Scouts and Guides and the Police also use the facilities.	4. Southampton is an attractive and modern city where people are proud to live and work	£500.00
71	Hazaras Women's Community	Towards the costs of a Great Get Together event, inc. bouncy castle, insurance, food and PA system.	Great Get Together	£468	160	90%	Shirley	To support the Hazaras women community in Southampton, help them to integrate and make significant socio-economic contribution to the local community. We equally facilitate to celebrate and share our culture and heritage with the city.	4. Southampton is an attractive and modern city where people are proud to live and work	£468.00

Appendix 2 - List of Celebrations Grants and invited Community Chest grants awarded 2018/19

No.	Organisation	Towards	Event	Requested	Nbr beneficiaries	% beneficiaries who are Soton	Ward	Aims and objectives of organisation (from application form)	Main Priority	Grant Awarded
72	Friends of Town Quay Park	Towards the costs of a Great Get Together event, inc. decorations, jazz band, arts activities, volunteer expenses and tables/chairs hire.	Great Get Together	£408	70+	99%	Bargate	FTQP is a community group with 100 members aiming to a) preserve & improve Town Quay Park (TQP) & its heritage b) encourage activities in the park that promote community cohesion, inclusion, health & wellbeing. We have a group of 20 gardening volunteers and we organise events for the wider community – such as picnics, games, yoga, carol singing.	4. Southampton is an attractive and modern city where people are proud to live and work	£408.00
73	Friends of Hinkler Green	Towards the costs of a Big Lunch picnic in the park, inc. promotion, gardening activities and craft activities. The event will be run in partnership with St Christopher's Church, Thornhill Community Library and Thornhill Baptist 'Messy Church' Group.	Big Lunch	£375	250	100%	Bitterne	We are a Friends group who oversee the upkeep of Hinkler Green and seek to promote its use as a green space and play area within our local community.	4. Southampton is an attractive and modern city where people are proud to live and work	£375.00
74	Leaside Way Tenants & Residents Association	Towards the costs of a Great Get Together event, inc. food, taxi's, promotion and a brass band. At Bassett Green Court.	Great Get Together	£303	60	100%	Swaythling	We work to represent and involve local tenants and residents, especially supported housing, in our meetings and activities. We do not charge a membership fee. We work to stop discrimination and isolation.	4. Southampton is an attractive and modern city where people are proud to live and work	£303.00
75	Friends of Portswood Rec	Towards the costs of a Great Get Together event, inc. PA hire, music licence, games and activities.	Great Get Together	£495	350	100%	Portswood	The Friends group works with Southampton Council, to maintain and improve the physical, social and natural environment of Portswood Rec. We are a voluntary community organisation, and fundraise for improvements, organise events, gardening and litter working parties to build community spirit and encourage participation in recreation, sport and conservation activities.	4. Southampton is an attractive and modern city where people are proud to live and work	£495.00
76	Southampton Coalporters Rowing Club	Towards the costs of a community event for the Big Lunch, inc. silent disco, games hire, hall hire, decorations, plates/cutlery.	Big Lunch	£500	80	100%	City wide	Local rowing club set within the community at Northam - a deprived area of Southampton. We have a diverse membership between the ages of 12-80. Members are from different backgrounds and areas of Southampton.	4. Southampton is an attractive and modern city where people are proud to live and work	£500.00
77	Parklife CIC	Towards the costs of an event for the Big Lunch, inc. decorations, reusable seat pads and crockery.	Big Lunch	£500	50-100	90-100%	Shirley	As a community café we aim to bring together people of all abilities, ages and backgrounds by providing a friendly environment (with affordable food and drink) for people to come together and also by providing groups, services and events that meet the needs of many vulnerable groups as well as the general community.	4. Southampton is an attractive and modern city where people are proud to live and work	£500.00
78	Lordshill Church	On behalf of Cluster 2 Local Solutions Group. Towards the costs of a Big Lunch event, inc. publicity, decorations and volunteer expenses.	Big Lunch	£498	100+	95%	Coxford	Cluster 2 Local Solutions Group is an association created through the Better Care Agenda to support the local people to come together to develop community involvement in their local area. Cluster 2 covers the Lordshill, Lordswood and Coxford areas of the City. Lord's Hill Church hosts their meetings, free of charge.	4. Southampton is an attractive and modern city where people are proud to live and work	£498.00
79	Southampton Voluntary Services	Towards the costs of a community lunch and open day at the Community Roots allotment.	St George's Day	£280	40	100%	City wide	Southampton Voluntary Services is an umbrella organisation providing voluntary groups working in our communities with independent support, and an independent voice. The Community Roots Project which is a volunteer supported project which assists people currently experiencing homelessness, mental health issues, supported learning needs and substance and alcohol misuse.	4. Southampton is an attractive and modern city where people are proud to live and work	£280.00

Appendix 2 - List of Celebrations Grants and invited Community Chest grants awarded 2018/19

No.	Organisation	Towards	Event	Requested	Nbr beneficiaries	% beneficiaries who are Soton	Ward	Aims and objectives of organisation (from application form)	Main Priority	Grant Awarded
80	St Mark's Church	Towards the costs of a Great Get Together event, inc. decorations, catering equipment, transport, and entertainment.	Great Get Together	£493	80+	100%	Bargate	St Mark's is a Church of England parish church.	4. Southampton is an attractive and modern city where people are proud to live and work	£493.00
81	Communicare in Southampton	Towards the costs of a St George's Day lunch at Meon Court (east side of the city), inc. hall hire, decorations and entertainment.	St George's Day	£400	35	95%	East	Communicare aids disadvantaged members of the Southampton community, (regardless of age, background, gender, religion or race) by extending a helping hand to those who experience limitations in their lives for a variety of reasons. Volunteers help with home visiting, shopping, transport, DIY, gardening, trips out, lunch clubs & tea parties.	4. Southampton is an attractive and modern city where people are proud to live and work	£400.00
82	Communicare in Southampton	Towards the costs of a St George's Day tea party at Peartree Church (east side of the city), inc. hall hire, decorations and entertainment.	St George's Day	£400	35	95%	East	Communicare aids disadvantaged members of the Southampton community, (regardless of age, background, gender, religion or race) by extending a helping hand to those who experience limitations in their lives for a variety of reasons. Volunteers help with home visiting, shopping, transport, DIY, gardening, trips out, lunch clubs & tea parties.	4. Southampton is an attractive and modern city where people are proud to live and work	£400.00
83	Communicare in Southampton	Towards the costs of a St George's Day tea party at Highfield Church (west side of the city), inc. hall hire, decorations and entertainment.	St George's Day	£400	35	95%	East	Communicare aids disadvantaged members of the Southampton community, (regardless of age, background, gender, religion or race) by extending a helping hand to those who experience limitations in their lives for a variety of reasons. Volunteers help with home visiting, shopping, transport, DIY, gardening, trips out, lunch clubs & tea parties.	4. Southampton is an attractive and modern city where people are proud to live and work	£400.00
84	Communicare in Southampton	Towards the costs of a Great Get Together lunch at St Mark's Church (west side of the city), inc. hall hire, decorations and entertainment.	Great Get Together	£400	35	95%	East	Communicare aids disadvantaged members of the Southampton community, (regardless of age, background, gender, religion or race) by extending a helping hand to those who experience limitations in their lives for a variety of reasons. Volunteers help with home visiting, shopping, transport, DIY, gardening, trips out, lunch clubs & tea parties.	4. Southampton is an attractive and modern city where people are proud to live and work	£400.00
85	Communicare in Southampton	Towards the costs of a Great Get Together lunch on the east side of the city (venue TBC), inc. hall hire, decorations and entertainment.	Great Get Together	£400	35	95%	East	Communicare aids disadvantaged members of the Southampton community, (regardless of age, background, gender, religion or race) by extending a helping hand to those who experience limitations in their lives for a variety of reasons. Volunteers help with home visiting, shopping, transport, DIY, gardening, trips out, lunch clubs & tea parties.	4. Southampton is an attractive and modern city where people are proud to live and work	£400.00
								Celebrations Grants total		£8,311.00
	Invited Community Chest applications									
86	Southampton Street Pastors	Towards the costs of refurbishment of their new office at St Mary's Fire Station.	n/a	£2,500	Thousands	90%	City wide	We offer reassurance safety and support through listening, caring and helping. We are a uniformed service operating in the NTE (Friday and Saturday's), in the evenings in Millbrook (Saturday) and with three senior schools (Upper Shirley High (Wed), Redbridge Community (Fri) and Cantell schools (Wed)).	3. People in Southampton live safe, healthy, independent lives	£2,500.00
87	Shirley Men's Shed	Towards the costs of insurance, materials and water connection to establish the Men's Shed behind St James Road Methodist Church, Shirley.	n/a	£2,500	50	100%	Shirley	We will provide and run a Men's Shed - a place mainly for men, where people can share their skills, learn new skills and have social contact. We particularly aim to support older men who might otherwise feel isolated and/or undervalued.	3. People in Southampton live safe, healthy, independent lives	£2,500.00

Appendix 2 - List of Celebrations Grants and invited Community Chest grants awarded 2018/19

No.	Organisation	Towards	Event	Requested	Nbr beneficiaries	% beneficiaries who are Soton	Ward	Aims and objectives of organisation (from application form)	Main Priority	Grant Awarded
88	SoCo Music	Towards the costs of the Umbrella Arts Festival 23rd March, with Healthwatch, NST and other partners.	n/a	£2,252	500	90%	City wide	SoCo Music Project works with communities, organisations and partnerships to support people, often those that are the most vulnerable, to improve their health and wellbeing through music and arts. As well as running a diverse programme of creative activities SoCo provides support to emerging arts organisations with a social purpose. The Umbrella Arts Festival, is an event bringing together a range of agencies, artists, academics and health care providers to showcase the broad offer in the city, focusing on how the arts can transform health and wellbeing.	3. People in Southampton live safe, healthy, independent lives	£2,252.00
89	Friends of Portswood Rec	Towards the costs of establishing a parks forum (application on behalf of all the 'Friends of' parks groups).	n/a	£2,500	Thousands	100%	City wide	The Friends group works with Southampton Council, to maintain and improve the physical, social and natural environment of Portswood Rec. We are a voluntary community organisation, and fundraise for improvements, organise events, gardening and litter working parties to build community spirit and encourage participation in recreation, sport and conservation activities.	4. Southampton is an attractive and modern city where people are proud to live and work	£2,500.00
90	Richard Taunton Sixth Form College	Towards the costs of a cricket festival for local junior schools on the west side of the city, inc sports centre hire, equipment, t-shirts for participants and trophies/certificates.	Cricket World Cup, 25 June 2019	£2,500	200	100%	West	We are a Sixth Form College in the heart of Southampton.	2. Children and young people get a good start in life	£2,500
	Old Netley and Highfield Cricket Club	Towards the costs of a cricket festivals for schools on the east side of the city, inc. equipment, promotion and trophies for participants.	Cricket World Cup, 12 June 2019	£2,500	80	100%	East	To provide access to cricket within the surrounding community open to all ages, genders and abilities.	2. Children and young people get a good start in life	£2,500
Invited Community Chest grants total										£14,752

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Budget	
Starting budget	£100,000
Returned money	£2,340
Awarded R1	£40,327
Awarded R2	£38,444
Unallocated	£23,569

Awarded	
Celebrations	£8,311.00
Invited	£14,752.00
Total	£23,063.00
Remainder	£506.00

DECISION-MAKER:		CABINET	
SUBJECT:		SOUTHAMPTON CITY FIVE YEAR HEALTH & CARE STRATEGY – Transforming Health and Care for the People of Southampton 2019 - 2023	
DATE OF DECISION:		20 August 2019	
REPORT OF:		Director of Quality and Integration, Integrated Commissioning Unit	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Clare Young	Tel: 023 80725604
	E-mail:	clare.young4@nhs.net	
Director	Name:	Stephanie Ramsey	Tel: 023 80296941
	E-mail:	stephanie.ramsey1@nhs.net	
STATEMENT OF CONFIDENTIALITY			
NOT APPLICABLE			
BRIEF SUMMARY			
<p>The Southampton City Health and Care System has carried out in-depth analysis into the city’s current and future health and care challenges, including; population growth, health inequalities, disease prevalence, adult social care forecasting and urgent care hospital usage. In response to these challenges and as part of ever closer working between health and care partners in the city, the Southampton System Chiefs group agreed the need to develop a five year health and care strategy. The development of the strategy continues to reinforce the strong and inclusive partnerships between commissioners, providers, communities and citizens built painstakingly over a number of years, with a city identity as a ‘place based system of care’.</p>			
<p>The draft strategic plan sets proposes a framework to guide the activities of all Health & Care partners over the next five years (see appendix 1). This has been coproduced with health and care partners across the city. Following a discussion at the Southampton System Chiefs Group on 24 May 2019, John Richards (former Chief Executive Officer, Southampton City CCG) wrote to all system partners (see appendix 2) invited them to take the current draft strategy through their appropriate internal governance processes to secure buy-in and commitment to the strategy.</p>			
<p>The next piece of work is the development of the actions to resolve the issues highlighted in this document. This will follow the rest of the final document.</p>			
RECOMMENDATIONS:			
	(i)	<p>To endorse the strategic framework and the current draft of the emerging Southampton City five year strategic plan – Transforming Health and Care for the People of Southampton 2019-2023, and delegate authority to the Director of Quality & Integration following consultation with the Cabinet Member for Healthier and Safe City to provide a response and feedback on the proposed content of the Strategy.</p>	

REASONS FOR REPORT RECOMMENDATIONS	
1.	Transforming Health and Care for the People of Southampton 2019-2023(Health & Care Strategic Plan) reflects a whole system approach to improving health and care outcomes for this city, and sets out a framework to guide the activities of all partners over the next five years. Southampton City Council is a key partner in this as the proposed framework, including programmes and enablers, aligns with agreed council outcomes, and contributes to the achievement of council priorities and commitments.
2.	Southampton City Council formally adopted the Health and Wellbeing Strategy 2017-2025 in March 2017. The Health and Care Strategic Plan provides the delivery structure for the Health and Wellbeing Strategy.
3.	The vision of the Health and Care Strategic Plan is “One city, our city, a healthy Southampton where everyone thrives”. This reflects the city and council vision of “a city of opportunity where everyone thrives”.
4.	<p>The goals of the strategic plan are:</p> <ul style="list-style-type: none"> • Target health inequalities and confront deprivation • A strong start in life for children and young people • Tackle the city’s three ‘big killers’: Cancer, Circulatory diseases and Respiratory diseases • Improve whole-person care • Improve mental and emotional wellbeing • Build resourceful communities • Reduce variation in quality and productivity <p>These goals reflects and support the achievement of the outcomes set out in the Southampton City Council Strategy 2016-2020, “children and young people get a good start in life” and people in Southampton live safe, healthy and independent lives”. Social care is a key programme and this will ensure whole city support for the achievement of recommendations made following a number of independent reviews into adult social care.</p>
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
5.	To reject the current draft and emerging Strategy and feedback accordingly.
DETAIL (Including consultation carried out)	
6.	<p>Partners of the Southampton health and care system have met at two partnership conferences on the theme of the emerging strategy, on 29 March and 8 May 2019. A range of officers and politicians from Southampton City Council have actively participated in these events, together with a number of other organisations including NHS Southampton City Clinical Commissioning Group (CCG), Southampton Voluntary Services (SVS), University Hospital Southampton NHS Foundation Trust, Solent NHS Trust, Southern Health NHS Foundation Trust, Healthwatch and Southampton Primary Care Limited.</p> <p>The plan incorporates feedback from a number of system wise bodies including Health and Wellbeing board, Southampton Connect, Joint Commissioning board and others.</p>

	A community engagement event was held on 20 November 2018 to support increased public participation in the development of the strategy. Alongside this, opportunities have been taken to share information and invite discussion of the emerging plans with Healthwatch, the CCG Patients' Forum, Southampton Voluntary Services and a wide variety of other community groups. Public involvement will be an ongoing feature, and include carer and user representation on a number of the supporting workstreams.
7.	The main output from the partnership conferences and the community engagement event is the draft strategic framework on page 17 of Appendix 1 - this has been widely supported and developed by partners who have agreed to work together to resolve the health and care challenges of the city.
8.	The draft strategic framework has recently been endorsed by: <ul style="list-style-type: none"> - Southampton Health and Wellbeing Board - Southampton Health Overview and Scrutiny Panel (HOSP) - Southampton Voluntary Services Executive Committee - NHS Southampton City CCG Board - University Hospital Southampton NHS Foundation Trust Strategy & Finance Committee - Solent NHS Trust Board
9.	The next phase will be to develop high level five year plans for each programme. This will lead to the development of a five year "roadmap" that sets out the key milestones in the implementation of the plan and there will be a system wide governance structure to support delivery.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
10.	NOT APPLICABLE
<u>Property/Other</u>	
11.	A 5 year estates strategy will be developed in tandem with the health and care strategy.
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
12.	S. 1 Localism Act 2011 (the general power of competence) permits the Council to work in partnership with other public and private bodies to secure the delivery of functions, services and facilities that are for the benefit or improvement of the Southampton and wider regional area.
<u>Other Legal Implications:</u>	
13.	The Health & Care Strategy relates to the proposed delivery of public services and as such those services must be delivered in accordance with the provisions of the Equalities Act 2010, the Crime & Disorder Act 1998 and the

	<p>Human Rights Act 1998. In particular all functions and services delivered under the proposed strategy must be designed and delivered having regard to s.149 Equalities Act 2010, the Public Sector Equalities Duty, which requires that a public authority must, in the exercise of its functions, have due regard to the need to—</p> <p>(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;</p> <p>(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;</p> <p>(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.</p> <p>Members must be satisfied that the Strategy, as proposed, is wholly in accordance with this duty.</p>
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RISK MANAGEMENT IMPLICATIONS

14. NOT APPLICABLE

POLICY FRAMEWORK IMPLICATIONS

15. The Five Year Health and Care Strategy is directly aligned to and supports the delivery of the Southampton Health and Wellbeing Strategy 2017-2025 (S.116A Local Government and Public Involvement in Health Act 2007), as included in the council’s Policy Framework (Article 4.01).

16. The Strategy also supports the council to deliver and achieve the following outcomes in the Council Strategy 2016-2020:

- Children and young people get a good start in life
- People in Southampton live safe, healthy, independent lives.

KEY DECISION Yes

WARDS/COMMUNITIES AFFECTED: All

SUPPORTING DOCUMENTATION

Appendices

1. SOUTHAMPTON CITY FIVE YEAR HEALTH & CARE STRATEGY 2019–2023

2. LETTER FROM JOHN RICHARDS TO SYSTEM PARTNERS

Documents In Members’ Rooms

1. N/A

Equality Impact Assessment

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

YES - this will be developed as part of the five year plans for each programme

Data Protection Impact Assessment		
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.		No
Other Background Documents		
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.	N/A	

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Draft – work in progress

Transforming health and care outcomes for the people of Southampton

Our five year strategic plan
2019–2023



Contents

Introduction	3
Chapter One Our current and future health and care challenges	7
Chapter two Our five year strategic framework	17
Chapter three Next Steps	24

Introduction: our five year strategy

Work started during the summer of 2018 on the preparation of a new five year strategy for health and care in the city. This involved detailed analysis into the health and wellbeing of the population, linked to deprivation and service use. In discussion with partners, it was agreed to develop a response to these needs that goes beyond the NHS into social care and wider, which can be owned by all of our partners in the city. It remains, nonetheless, a subset of the wider ten year strategy for health and wellbeing led by the Health and Wellbeing Board.

In early 2019, the NHS Long Term Plan (LTP) was published and it has been agreed that Southampton's strategic plan should also be the city's contribution to the wider Hampshire and Isle of Wight five year response to the LTP which is due later in Autumn.

Our strategic plan sets out a high level view of the challenges we face and proposes a framework to guide the activities of all partners over the next five years.

The strategic framework is summarised on page 17, including our proposed vision, goals, mission, programmes and enablers, and principles of working together. These have been widely supported and developed by partners.

The framework incorporates feedback from various system-wide bodies including:

- Health and Wellbeing Board
- Joint Commissioning Board (JCB)
- Southampton System Chiefs Group
- Southampton Connect
- Better Care Steering Board
- Health Overview and Scrutiny Panel (HOSP)

We have held two partnership conferences on the theme of the emerging strategy, on 29 March and 8 May 2019.

A community engagement event was held on 20 November 2018 to support increased public participation in the development of the strategy. Alongside this, opportunities have been taken to share information and invite discussion of the emerging plans with Healthwatch, the CCG Patients' Forum, Southampton Voluntary Services (SVS) and a wide variety of other community groups. Public involvement will be an ongoing feature of the way we work.

Looking back

2018/19 was the final year of the CCG's five year strategy and, similarly, of our two year operational plan. Since summer 2018, we have been undertaking a stocktake of our position and reviewing the outcomes and prospects for our population.

First, we reviewed the outcomes of our CCG strategy published in 2014. There were eight outcome indicators we set:

- Improved patient safety and user experience
- Reduced inequalities in life expectancy
- Reduced avoidable emergency admissions*
- More older people living independently (91 days after reablement)*
- Fewer permanent admissions to nursing and residential homes*
- Fewer delayed transfers of care*
- Reduced injuries due to falls in people aged over 65*
- 20% productivity improvement in elective care

*Outcomes marked with an asterisk were also outcomes we specified in the Better Care Plan



The results of our stocktake were mostly positive. We considered whether we had done what we said we were going to do, if not why not, and what had we learned in the process.

Whilst we have done relatively well on our own terms as a CCG, we wanted to focus on our challenges as a city.

We looked at what had happened to our population over the last few years. We were able to review how deprivation across the city has affected health, such as disease prevalence, and utilisation of healthcare services in the city (for example, emergency hospital admissions). This revealed a stark picture of growing inequalities across the city and gaps in life expectancy.

We also reconfirmed that the city performs poorly by comparison with our statistical neighbours and nationally. For example, Southampton is ranked second worst of our 10 comparator CCGs and 35th worst out of all 201 CCGs in terms of inequalities in the rates of emergency admissions for certain urgent care sensitive conditions. This gives us a powerful indicator of where we need to focus over the next few years.

The analysis into rates of emergency admissions is particularly useful as an indicator of need (assuming people are only admitted to hospital as emergencies if they are seriously unwell) as opposed to demand (which may be influenced by the convenience of access, for example, to A&E). We found that the most deprived areas of the city were also the places with the highest rates of emergency admissions. These admissions are probably a good indicator of where we are failing to prevent ill health or to provide planned care interventions that could have avoided an emergency admission.

Thus, if we can target what we do to focus on improving access to prevention and earlier, planned intervention in these areas of the city, we may reduce the inequalities gap and improve health outcomes overall.

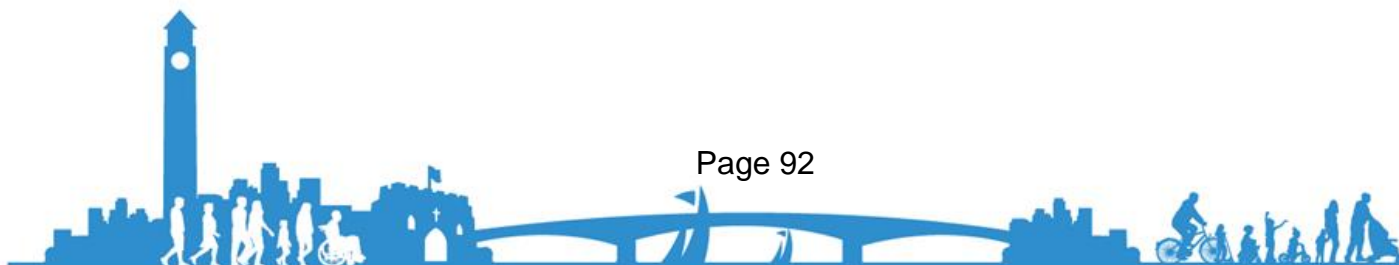
Our analysis also enabled us to see at a detailed population level how varied health and healthcare usage is across the city. We were able to break down admissions by age, gender and ethnicity for different health conditions (e.g. cardiac, respiratory, diabetes and mental health). This analysis provides each of the six health and care clusters with rich data about the particular challenges for their local populations.

We have also been able to look at population and long term conditions projections for the period ahead to help predict future healthcare demand, and demand for social care.

Broadening the scope

It has become apparent that to understand what is happening to our population in the city, we need to look wider than just health. The picture of increased deprivation and its palpable impact on health, and of widening inequalities between different communities, raises challenges about the resilience of the population as a whole. It also means we have to take a system-wide perspective in our plan for the next five years.

First, this plan has to be a plan for social care too. It is true that the quality and capacity of social care provision has an important impact on the health service. It is also argued that whilst initiatives to fund directly, or transfer funding from the NHS to social care, have tended to be focussed on initiatives to get people home from hospital, this may have skewed social care priorities. This means that the years of reductions to local government funding of social care have cut even deeper into the



provision of 'core' social care which helps to keep people healthy and independent.

But social care is not just there to support the NHS. It has a huge value in its own right as part of the fabric, the social solidarity, of society as a whole. Evidence suggests there has been a serious deterioration in the mental and emotional wellbeing of people living in the city, whereby mental wellbeing is now increasingly a factor in people's presenting needs across every aspect of healthcare. So, the plan has to be a plan for health and wellbeing.

Furthermore, we know that communities themselves, and wider civil society (including police, fire and rescue, probation, education, employment support, housing and so on) have a huge role to play in the determinants of health and wellbeing. The plan has to be relevant to and owned by communities and partners right across the city as a whole.

The NHS often struggles to comprehend the meaning of 'place', assuming instead our health planning is all about hospitals and healthcare institutions. This would be to miss the point on so many levels. This is why we are passionate about our One City approach: the importance of engaging, mobilising and galvanising a wide range of partners including citizens themselves, to develop and be part of implementing the plan for the next five years and beyond.

Looking Forward

This has generated some constructive discussions with our health and care partners and a shared intention to develop a new five year strategy for health and care in the city as a whole. At the end of March 2019, we held a partnership conference to take stock of our emerging city strategy and to invite partners to own and commit to its development.

In January 2019, we received the new Long Term Plan from NHS England which has been prepared in response to the Prime Minister's announcement in May 2018 of a five year funding settlement of £20 billion in return for which it is clear that the Government expects to see NHS provider finances restored to balance, NHS Constitution standards performance recovered, and other improvements.

Alongside the development of the new five year strategy for the city as whole, we agreed that 2019/20 would be the right time to also review the CCG's primary care strategy. With the recent publication of the new GP contract, including ambitious plans for investing in new workforce and the development of primary care networks (PCNs), primary care development will be a major focus this year.

The October 2018 Planning Letter sets out the expectation that local areas will prepare their five year plans during the first half of 2019, due in Autumn.

2019/20 begins the new period in our work to improve health and wellbeing in the city.



A photograph of a man and a baby sitting on a carpeted floor. The man is wearing a light blue denim jacket over a white t-shirt and blue jeans. He is smiling and looking towards the camera. The baby is wearing a white short-sleeved shirt with colorful patterns and a necklace. The baby is also smiling and looking towards the camera. There are several colorful toys on the floor, including a purple ball, a blue cube, a red cube, and a green cube. The background shows a window and a wooden cabinet.

Chapter One

Our Current and Future

Health and Care

Challenges

Deprivation & Health Inequalities in Southampton

Social Deprivation

The Index of Multiple Deprivation (IMD) measures deprivation for small areas at a neighbourhood level. In Southampton, there are 148 small neighbourhoods, of which each has a deprivation ranking.

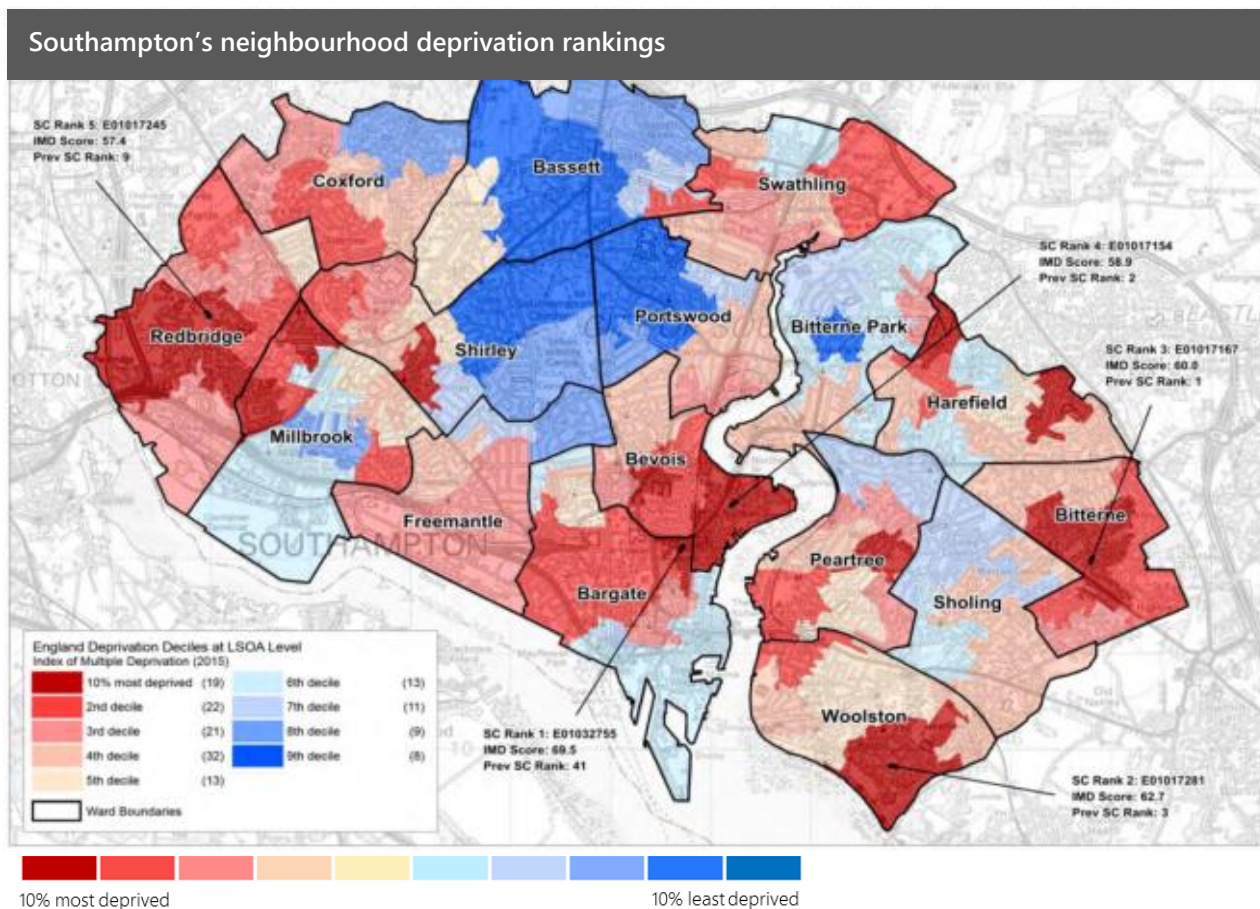
The map below show levels of deprivation across the city. The darker shades of red indicate areas in Southampton which fall into the 10 per cent most deprived neighbourhoods nationally. The darker shades of blue indicate areas in Southampton which fall into the least deprived neighbourhoods nationally.

In Southampton, 19 of the 148 neighbourhoods fall into the 10 per cent most deprived neighbourhoods nationally.

Overall, Southampton is ranked the 54th most deprived local authority out of 326 local authorities in England.

There is a common misconception that deprivation means how affluent an area is. To some extent this is true, however the IMD measures seven domains which contribute to deprivation (weightings in percentages):

- Income (22.5 per cent)
- Employment (22.5 per cent)
- Education (13.5 per cent)
- Health (13.5 per cent)
- Crime (9.3 per cent)
- Barriers to housing and services (9.3 per cent)
- Living environment (9.3 per cent)



Inequalities across the life course

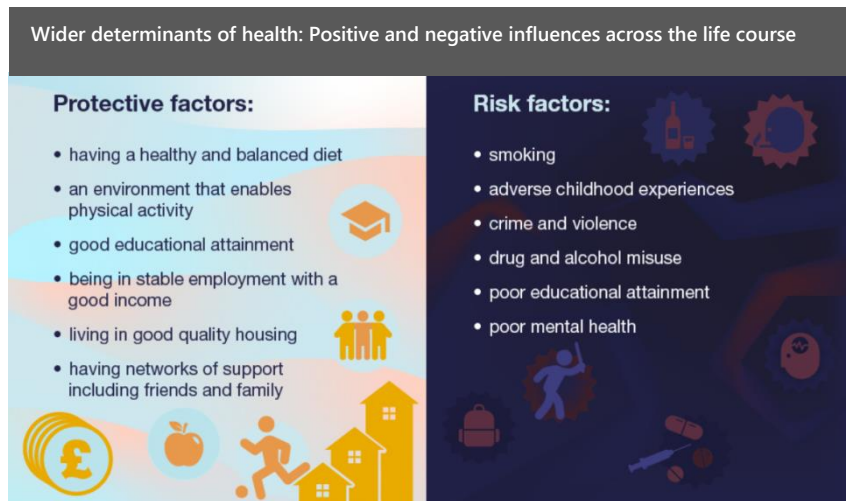
“Inequalities are a matter of life and death, of health and sickness, of wellbeing and misery. The fact that in England today people in different social circumstances experience avoidable differences in health, well-being and length of life is, quite simply, unfair. Creating a fairer society is fundamental to improving the health of the whole population and ensuring a fairer distribution of good health.”

The Marmot Review, 2010

In Southampton, social deprivation and health inequalities are inextricably linked; inequalities in health arise from inequalities in society – in the conditions in which people are born, grow, live, work, and age. In a fair society, health outcomes would be equal for people living in the most and least deprived areas of the city.

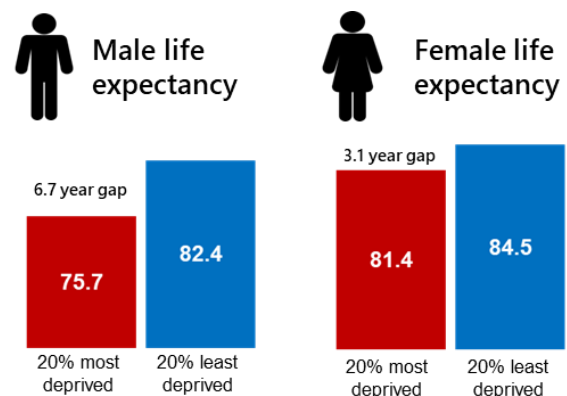
However, there is a social gradient in health – the lower a person’s social position, the worse his or her health is. The existence of health inequalities in Southampton means that the right of our residents to the highest attainable standard of physical and mental health is not being enjoyed equally across the population.

A person’s physical and mental health and wellbeing are influenced throughout life by the wider determinants of health. These are a diverse range of social, economic and environmental factors, alongside behavioural risk factors, which often cluster in the population. All of these factors can be categorised as protective factors or risk factors.



Source: Public Health England, Health Matters

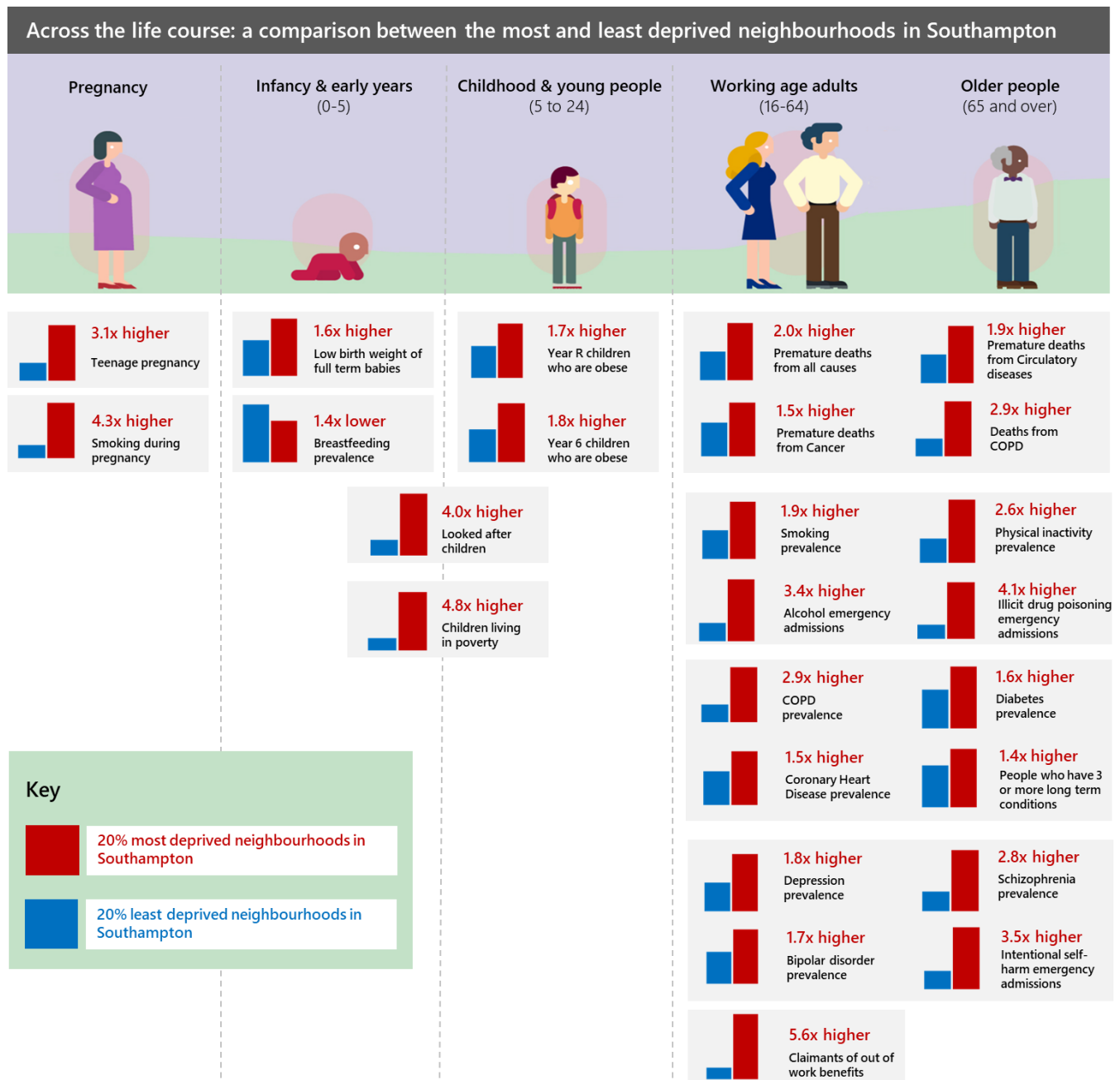
A key indicator which shows health inequality across the population is life expectancy. In Southampton, people living in the most deprived areas of the city die earlier than those living in the least deprived areas. Males living in the most deprived areas of the city are likely to die 6.7 years earlier than males living in the less deprived areas of the city. Females living in the most deprived areas of the city are likely to die 3.1 years earlier than females living in the less deprived areas of the city.



Evidence of how inequalities are leading to differing trajectories and outcomes in Southampton over the course of a person’s life is shown on the next page.

The figure below shows the differences in outcomes between people living in the 20% most deprived neighbourhoods in the city compared to the 20% least deprived neighbourhoods of the city. The differences are shown as a multiple, in terms of how

many times higher (x higher) or how many times lower (x lower) the differences are. For example, teenage pregnancies are 3.1 times higher in the most deprived neighbourhoods in the city compared to the least deprived.



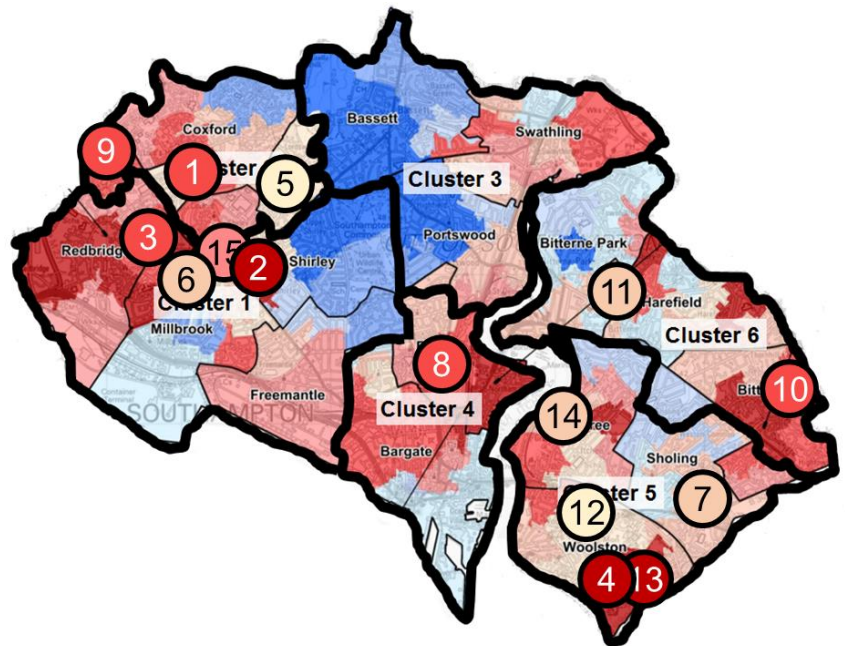
Data source: Southampton City Council, Southampton Data Observatory

How is social deprivation in Southampton affecting healthcare usage?

In Southampton, there is a strong link between deprivation and rates of urgent healthcare usage. We have found that the areas of highest deprivation are also the areas with the highest rates of emergency admissions.

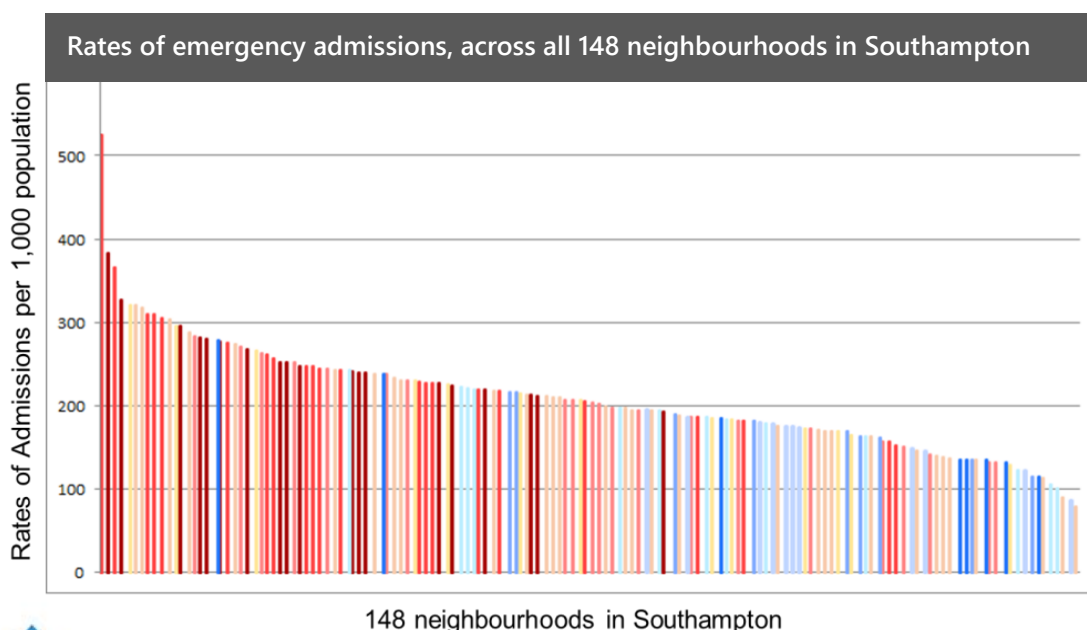
The map on this page shows the 15 neighbourhoods in the city with the highest rates of emergency admissions per 1,000 population. The graph at the bottom then shows the rates of emergency admissions for all 148 neighbourhoods in Southampton – this shows that the more deprived areas of the city (red shades) have higher rates of emergency admissions than the less deprived areas of the city (blue shades).

The analysis is particularly useful as an indicator of need (assuming people are only admitted to hospital as emergencies if they are seriously unwell) as opposed to demand (which may be influenced by the convenience of living close to the hospital).



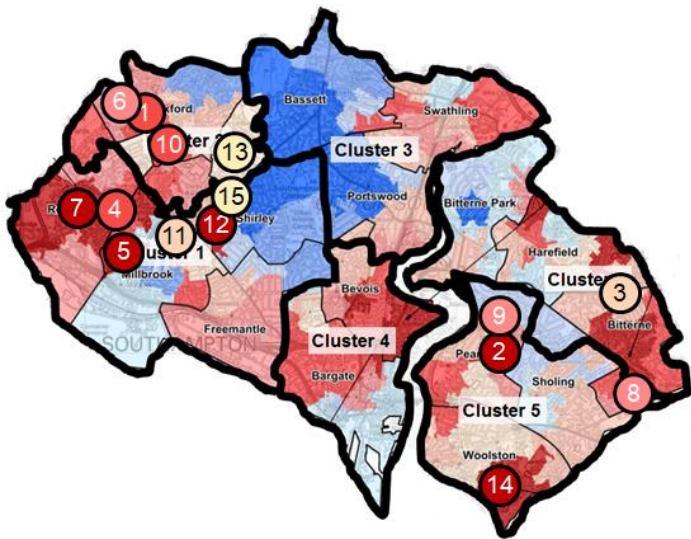
This analysis is also a good indicator of where our local health and care system is failing to prevent ill health or to provide planned care interventions that could have avoided an emergency admission.

Thus, if we can target what we do to focus on improving access to prevention and earlier, planned intervention in these places, we may reduce the inequalities gap and improve health outcomes overall.

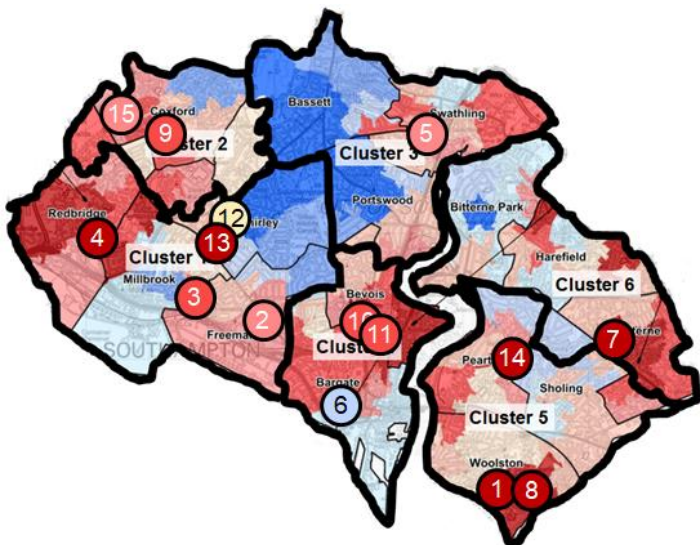


Our analysis has also enabled us see which areas of the city have the highest rates of emergency admission for certain conditions. A few examples are shown here and demonstrates a similar trend that the highest rates of emergency admissions are generally from more deprived areas of the city.

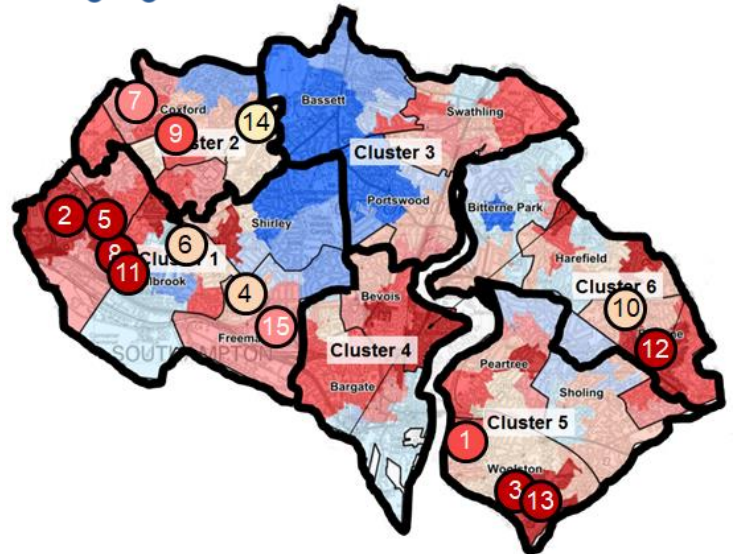
 Emergency Admissions for Chronic Obstructive Pulmonary Disease (COPD)



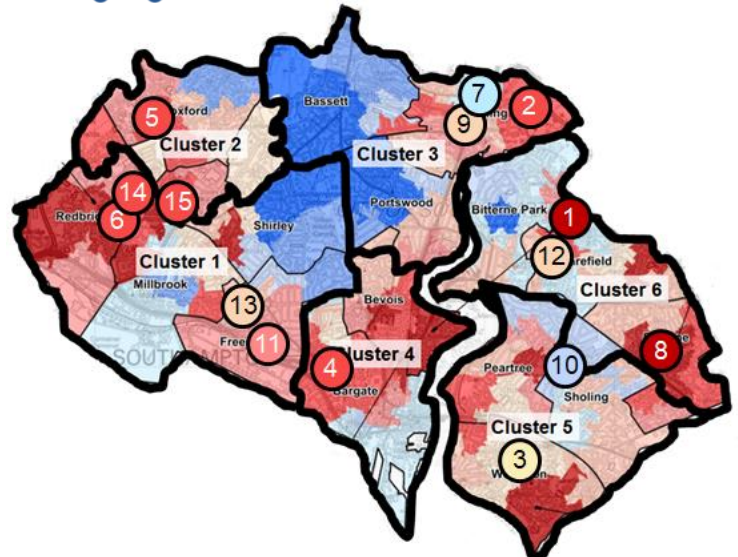
 Emergency Admissions for Acute Mental Health Crisis



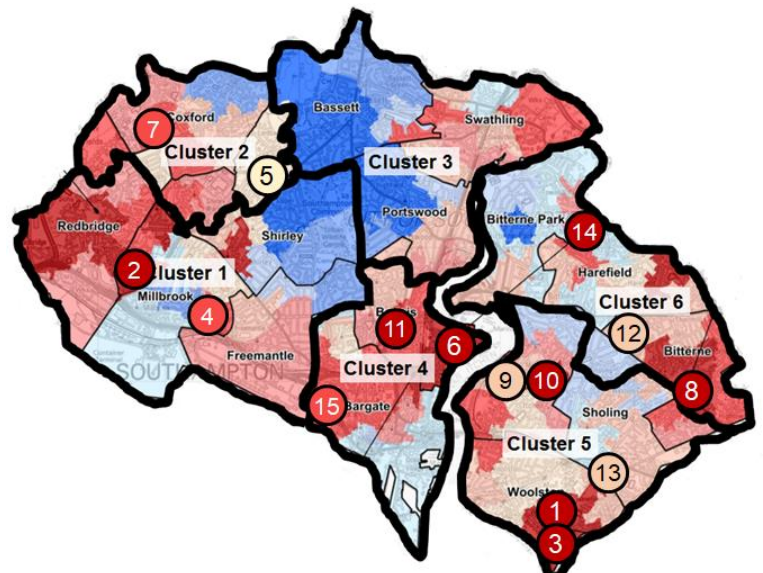
 Emergency Admissions for Abdominal Pain



 Emergency Admissions for Cellulitis



 Emergency Admissions for Psychosis and Intentional Self-Harm

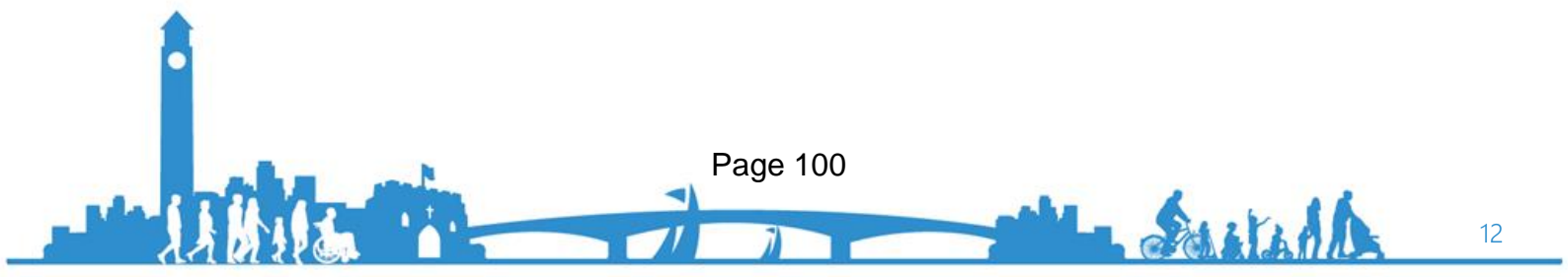


How does Southampton compare to England and similar areas?

The previous sections looked at how outcomes compare across Southampton. The table below shows how outcomes in Southampton compare to the England average and the peer average (areas similar to Southampton, such as deprived, university cities). In some instances, Southampton has worse outcomes compared to both the England average and the peer average.

	Comparison to the England average	Comparison to the peer average (similar areas)	Latest data
Pregnancy			
Teenage pregnancies	Worse	Worse	2017
Smoking during pregnancy	Worse	Worse	2017/18
Infancy & early years			
Low birth weight of full term babies	Similar	Better	2017
Breastfeeding prevalence	Similar	Better	2016/17
Looked after children	Worse	Worse	2018
Children living in poverty	Worse	Similar	2016
Childhood & young people			
Year R child obesity	Worse	Similar	2017/18
Year 6 child obesity	Worse	Worse	2017/18
16-17 year olds not in education, employment or training (NEET)	Worse	Worse	2017
First time entrants to the youth justice system	Worse	Worse	2017
Children attaining 5 or more GCSEs	Worse	Similar	2015/16
Working age adults and older people			
Life expectancy (males)	Worse	Similar	2015-17
Life expectancy (females)	Worse	Similar	2015-17
Premature deaths – all causes	Worse	Better	2015-17
Premature deaths – cancer	Worse	Similar	2015-17
Premature deaths – cardiovascular diseases	Worse	Better	2015-17
Premature deaths – respiratory diseases	Worse	Similar	2015-17
Breast cancer screening	Worse	Worse	2018
Cervical cancer screening	Worse	Worse	2018
Bowel cancer screening	Worse	Worse	2018
Smoking prevalence	Worse	Similar	2018
Alcohol-specific emergency admissions	Worse	Worse	2017/18
Intentional self-harm emergency admissions	Worse	Worse	2017/18
COPD emergency admissions	Worse	Worse	2013-18
Major diabetic lower-limb amputations	Worse	Worse	2015-18
Depression and anxiety prevalence	Worse	Similar	2016/17
Persons detained under the Mental Health Act	Worse	Similar	Q4 2018/19
People with long term Mental Health problems	Worse	Similar	2017/18
People in employment (aged 16-64)	Similar	Better	2017/18
Violent crime	Worse	Worse	2017/18

Data source: Public Health England, Public Health Profiles, <https://fingertips.phe.org.uk>



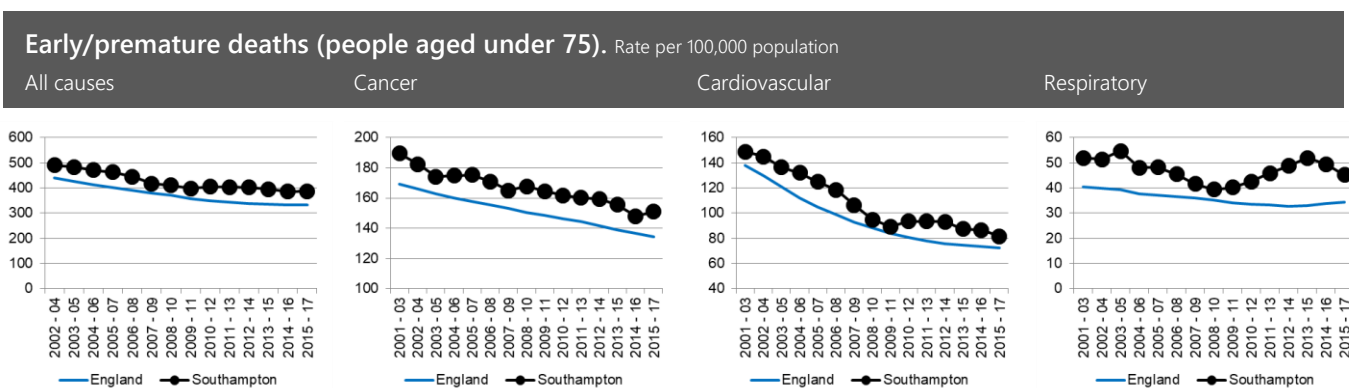
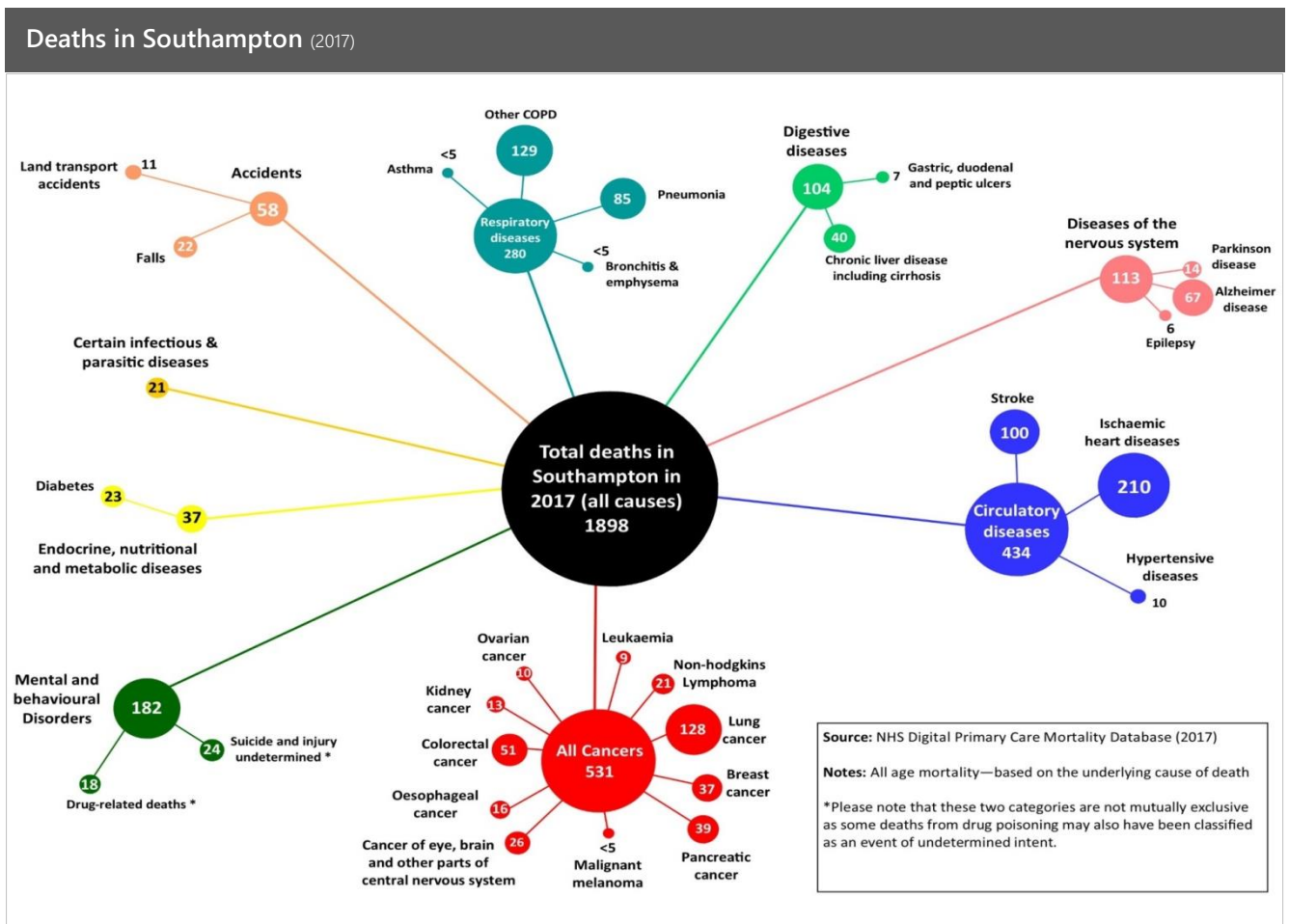
The three 'big killers' in Southampton

In Southampton, the three biggest causes of death are:

- Cancer
- Circulatory diseases (including stroke)
- Respiratory diseases.

An important indicator to look at is deaths under the age of 75 years, known as 'early' or 'premature' deaths. The graphs at the bottom of the page show the rate of early deaths in Southampton compared to the England average.

Despite Southampton's early death rate falling over the last two decades, it is still significantly higher than the England average.





Future Health and Care Challenges


Population growth

In Southampton, it is estimated that between 2018 and 2024, the city could have 12,300 more residents. This is equivalent to a 4.8 per cent increase.

By age group:

 **2,730 more children and young people** (5.5 per cent increase)

 **4,530 more working age adults aged between 18 and 64** (2.7 per cent increase)

 **5,030 more older people aged over 65** (14.5 per cent increase)

The age group with the biggest percentage increase will be the older population, and we know that a growing and ageing population will add more pressure onto the city's health and care services.

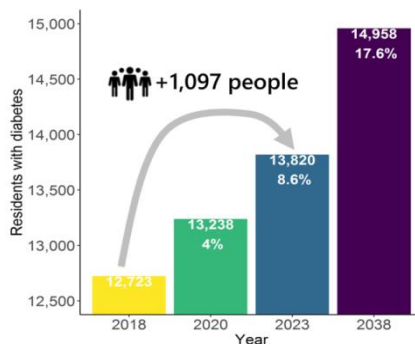
Long term conditions

By combining population estimates with current trends in long term conditions, we have been able to forecast increases in long term conditions for our population. Increases in the prevalence of these conditions will further add pressure onto the city's health and care services.

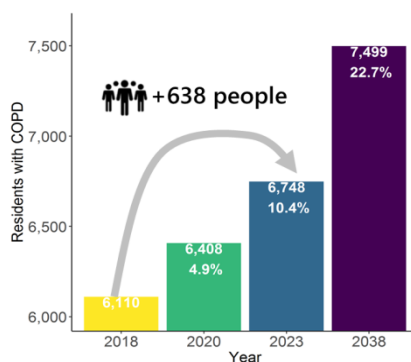
The graphs below show the forecast increases in the number of residents with long term conditions, against a baseline of 2018.

Estimated future increases in people in Southampton living with long term conditions (2018 to 2023)

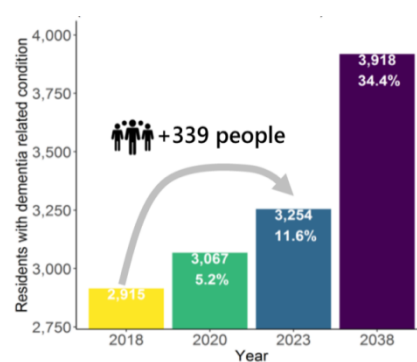
Diabetes



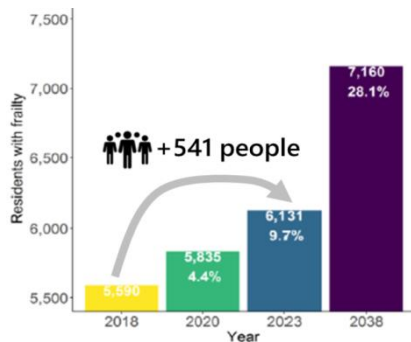
COPD



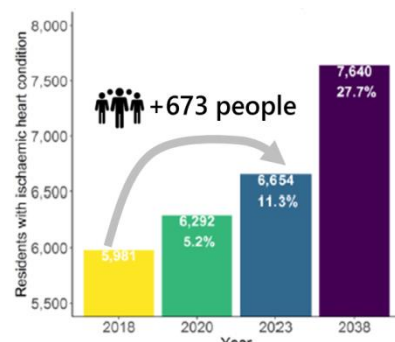
Dementia



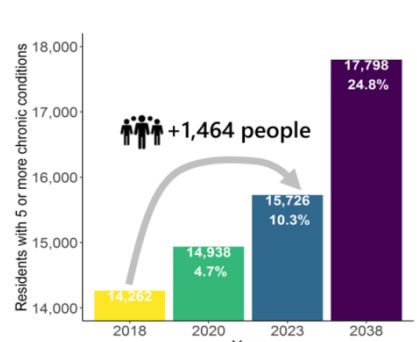
Frailty



Coronary Heart Disease



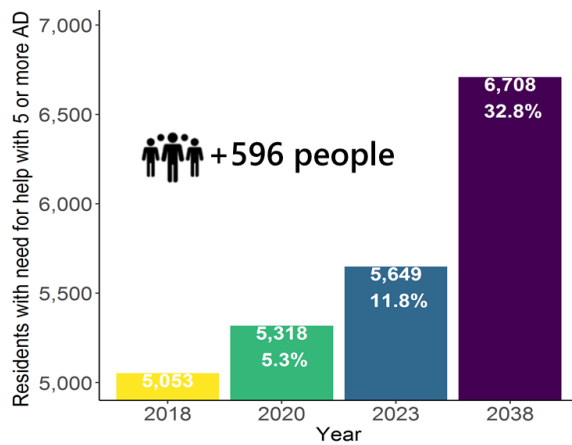
5 or more long term conditions




Adult social care

By combining population estimates with current trends in adult social care demand, we have also been able to forecast increases in people needing adult social care support.

The number of people needing home care support with five or more activities of daily living (such as bathing, using the stairs, getting dressed) is estimated to increase by 596 people (11.8 per cent) between 2018 and 2023.





Chapter Two
Our five year strategic
framework

Transforming health and care outcomes for the people of Southampton

Our five year strategic framework (2019-2023)

Page 105



Our Vision

One city, our city, a healthy Southampton where everyone thrives

Our Goals

- Target health inequalities and confront deprivation
- A strong start in life for children and young people
- Tackle the city's three 'big killers': Cancer, Circulatory diseases and Respiratory diseases
- Improve whole-person care
- Improve mental and emotional wellbeing
- Build resourceful communities
- Reduce variation in quality and productivity

Our Mission

Effective system partnerships delivering safe, sustainable, coordinated care with the people of Southampton

Our Goals

Target health inequalities and confront deprivation. Whilst most of the wider determinants of health are beyond the scope of health and care services, the data we now have about the distribution and characteristics of social deprivation across the City means we can get much more scientific about the way we target our limited resources to where they can have the maximum benefit, in proportion to need.

A strong start in life for children and young people. Giving every child the best start in life is crucial to reducing health inequalities across the life course. The foundations for virtually every aspect of human development – physical, intellectual and emotional – are laid in early childhood. We want Southampton to be a city where children and young people get a strong start in life, are able to fulfil their potential and become successful adults who are engaged in their communities.

Tackle the city's three 'big killers'. In Southampton, the three big killers – cancer, circulatory diseases and respiratory diseases – account for most deaths. The Department of Health estimates that two thirds of premature deaths among under-75s in England are preventable. We want to take stronger action on improving prevention and encouraging healthy lifestyle changes to reduce smoking, obesity and alcohol consumption.

Improve whole-person care. In Southampton, by age 45-49 a quarter of our population have two or more long term conditions. Multi-morbidity is higher in the most deprived areas of the city. This means that our services need to fundamentally change, from treating single illnesses, towards supporting people in a more joined up way to live with their long term conditions.

Improve mental and emotional wellbeing. This is summed up well by the phrase, 'No Health Without Mental Health'. Mental health services are a high priority. Beyond this, mental and emotional wellbeing is demonstrably now such an all-pervasive issue that our approach has to be about recognising the mental health dimension of everything we do and seeing it as an indispensable part of every interaction that health and care professionals, and citizens have with each other.

Build Resourceful Communities. This is about 'Getting Behind People'. Individuals and communities have 'agency' and are willing and able to help themselves; the job of public services might be more about 'standing behind'. For example, in 2014/15, the residents of Newtown mobilised themselves to stop 'Immigration Street', but the support of every part of the public sector and business community (Southampton Connect) made them feel strong enough to make it happen.

Reduce variation in quality and productivity. Tackling unwarranted variation to improve outcomes and achieving excellence in quality of care.

Better Care Southampton



Better Care Southampton is central to all that we do within the city and that is why it is set at the core of the Five Year Health and Care Strategy

Our aim is to further enable the delivery of the One City vision: specifically a place-based approach that is fully inclusive of City partners, not just the NHS. This is about partnership, not structure. It is also easy to overlook the obvious and to assume the existence of an implicit consensus means that improvement and change will happen. Just because 'Better Care' is the bedrock of our established approach, we need to be realistic about how much remains to be done to achieve its aims.

Integration is one of those terms so overused that we are at risk of losing its meaning. We also need to recognise that integration is only a means to an end, not an end in itself.

The Southampton integration vision has evolved and is well established locally, characterised by strong and inclusive partnerships built painstakingly over several years. It is essentially very simple, based on Better Care, which has given us a strong sense of united purpose around care that is joined up and co-produced with people.

The original 2014 Better Care Southampton plan was based on the notion of integrated person centred care, with outcomes for people derived from the national 'I statements' and structured around a 'three legged stool' concept:

- cluster based teams, embedded in communities, of integrated primary, community, social and mental health care

- integrated discharge, rehabilitation and reablement (realised in 2016 by the creation of the Urgent Response Service)
- building community capacity

This has shaped our work programme ever since.

The compelling case for integration hinges in the fact that the City has 123,000 people (46%) living with a long term condition. Whilst multi-morbidity increases substantially with age, this is not just a problem of old age. By the age of 45, half the population has at least one long term condition. This means that our services need to fundamentally change, from treating single illnesses towards prevention and early intervention outside of hospital, but also towards supporting people in a more joined up way to live with their long term conditions.

We see integration as a means to improve people's outcomes, not an end in itself. No-one has to participate, but neither do they have a veto. Our approach is about working together effectively rather than pursuit of organisational goals. Similarly we do not feel constrained by any particular contractual tools and inter-organisational arrangements may be facilitated by both informal and formal arrangements to manage risk and express accountability in the interests of the people of the city

Integration is not the same thing as collaboration, neither does it equate to the absence of competition or an end to procurement. Some legal changes to competition requirements might be helpful but even the Health and Social Care Act 2012 already places on all parties a duty to provide services 'in an integrated way'.



Better Care Southampton

Better Care has evolved since 2014 from a programme into an all-pervading approach. Thus, at the heart of our strategy is the Better Care Southampton Programme, which has three main areas of focus:

- **Promoting independence and wellbeing**
- **Timely and appropriate access to care and support**
- **Proactively joining up care across health and social care, physical and mental health and primary and secondary care.**

Workstreams:

- Maternity
- Sexual Health and Teenage Pregnancy
- Improving outcomes for children with Special Education Needs & Disabilities (SEND)
- Prevention & early help for children & families
- Addressing the needs of high intensity users (HIUs)
- Transforming Care for people with Learning Disabilities
- Community Solutions
- Housing related support and homelessness
- Personal health budgets
- Implementing the city's frailty model
- Enhanced Health Support in Care Homes (EHCH)
- Supporting appropriate timely discharge & out of hospital model
- Home Care
- Housing with Care
- End of Life and Complex Care



Start Well

Children and young people get the best start in life, providing the foundation to ensure they are able to achieve the best opportunities and keep as healthy and well as possible throughout their lives.



Live Well

Individuals and communities thrive and are resilient with access to health and care services, good jobs, affordable housing, leisure activities, lifelong training, education and learning.



Age Well

People are able to live independently in their own homes with appropriate care and support to maintain and develop their social and community networks.




Die Well

Supporting people to have the best opportunities in their last years of life, by reconceptualising death and dying to be part of the norm by discussing and capturing end of life wishes.

Our Programmes & Enablers


A key next step in evolving the strategic plan will be the development of high level plans for each programme. Currently, the programme descriptors and workstreams below are a work in progress.



Prevention & Health Inequalities

Encourage people to make healthier lifestyle choices and drive reductions in demand on health and care services caused by smoking, alcohol and obesity

- **Healthy behaviours (smoking, alcohol and obesity)**
- **Tackling health inequalities**
- **Wider determinants of health**



Primary Care

Build a model of general practice that will be the strong, effective and sustainable foundation of our integrated health and social care system

- TBC



Social Care

Work with individuals, their carers and wider communities in a more inclusive way to promote independence, focussing on strengths as opposed to a deficit model


- **Creating stronger communities**
- **Supporting you to help yourself**
- **High quality, good value personalised support**



Mental Health & Vulnerable Adults

Improve mental wellbeing and provide support at the right time to avoid people getting into crisis


- **Adult mental health**
- **Emergency support (crisis)**
- **Inpatient care**
- **Severe mental health problems**
- **Substance misuse**
- **Learning Disabilities**



Cancer & Long Term Conditions

Increase earlier detection and treatment of cancer, and transform clinical pathways to improve productivity and provide care closer to home

- **Cancer**
- **Cardiovascular**
- **Respiratory**
- **Diabetes**
- **Stroke**



Urgent & Emergency Care

Redesign and strengthen the urgent and emergency care system to ensure that patients receive the right care in the right place, first time

- **Pre-hospital urgent care (Enhanced & Urgent Access Primary Care Service, Acute Visiting Service, 111, 999)**
- **Hospital emergency care (Same Day Emergency Care, A&E)**



People & Workforce

Workforce redesigned over organisational and professional boundaries, breaking down barriers and improving partnership and collaborative working


- **Transforming the workforce**
- **Leadership and system development**
- **Attraction, retention and recruitment**
- **Education, training and development**



Digital

Interoperable, integrated IT with innovative digital solutions which enable proactive care, better access, better coordination and modern care

- **System interoperability and record sharing**
- **Digitally enabled Primary Care**
- **Digitally enabled Outpatient care**
- **Innovations**



Estates

Ensure we have the right type of buildings in the right locations across Southampton

- **Making best use of land and buildings at the Royal South Hants and Western Community sites**
- **Regeneration of District Centres and establishment of community hubs**
- **Supporting establishment of Primary Care Networks**

Working together to transform outcomes

Our mission

Effective system partnerships delivering safe, sustainable, coordinated care with the people of Southampton.

Health and care organisations in the city have committed to work together to deliver the strategy. The vision we share for health and care in the city has evolved out of strong and inclusive partnerships between commissioners, providers, communities and citizens, built painstakingly over a number of years.

How we'll work

- **Promoting independence.** Supporting self-care and strengths-based approaches.
- **Co-production.** Communicating and engaging with residents and encouraging participation.
- **Population health management.** Understanding our population and planning for the future.
- **Simplifying processes.** In other words, a complete reversal of a 'gatekeeping' approach to services, instead stripping out the steps that add no value to the 'patient/client'. Thus, 'right place, right contact, first time', enabling better productivity and efficiency in service provision.
- **Moving from urgent care, to planned care.** By putting better anticipatory care in place, we spend less time reacting to a problem and more time preventing it.
- **Tackling unwarranted variation.** Actively using benchmarking tools like Public Health Fingertips, Dr Foster, RightCare and Getting it Right First Time (GIRFT) to improve outcomes.
- **Getting the basics right.** Working in partnership is not a substitute for successful, efficient, well run organisations.
- **Financial Strategy, based on the following principles:**
 - Good planning, not heroic assumptions.
 - Risk reduction, not risk transfer. Reducing system cost, not cost shunting. Also, improving payment mechanisms but recognising they are not the answer.
 - Investment in change: recognising that change costs money and has to be funded.

Our values

 People first, every time	 Respect for others and their dignity	 Acting with honesty and integrity	 Relentless about the quality of care	 Courage to do the right thing
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Chapter Three

Next Steps

Next Steps

- **Ensure ownership and commitment to the strategy throughout all key partners in the city, including Southampton City CCG, Southampton City Council, Solent, Southern Health, University Hospital Southampton and Southampton Voluntary Services.** Partners have been invited to take the current draft strategy through their appropriate internal governance processes to secure buy-in and commitment to the strategy. This will be completed by the end of August.
- **Development of system-wide governance structures to support delivery.** The Better Care Southampton Board will have oversight of delivery of the strategy. Subgroups (new and existing) will be in place for each of the strategic programmes, which will be responsible for developing and implementing five year programme plans. The subgroups will regularly report progress into the Better Care Southampton Board. The governance structure is expected to be set up over July and August.
- **Development of high level five year plans for each programme.** The plans will need to focus on the current challenges that need responding to, the root causes of the challenges, what we want to be different in five years' time and how we're going to get there. The plans will also need to set out how we will implement local deliverables required as part of the NHS Long Term Plan and, similarly, the Social Care Green Paper once published. Development of draft plans is currently in progress and the first cut is expected to be completed by the end of September.
- **Ensure the strategy feeds into the Hampshire and Isle of Wight ICS Five Year Plan.** Each Integrated Care System (ICS) in the country is required to submit a draft five year plan by the end of September, followed by a final plan by mid November. We will ensure that the Southampton City Five Year Health and Care Plan acts as the city's contribution to the wider Hampshire and Isle of Wight Plan.



NHS Southampton City CCG

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Sandy Hopkins, Chief Executive, SCC
Dr Ali Robins, Chief Executive, SPCL
Paula Head, Chief Executive, UHSFT
Sue Harriman, Chief Executive, Solent NHS Trust
Dr Nick Broughton, Chief Executive, SHFT
Will Hancock, Chief Executive, SCAS
Dr Nigel Jones, Chief Executive, SMS
Jo Ash, Chief Executive, SVS
Sandeep Sesodia, Chair, Southampton Connect

29th May 2019

Dear Colleague,

**Transforming Health and Care for the People of Southampton:
Our five year strategic plan 2019-2023**

Further to our recent discussion at Southampton System Chiefs, I am writing to share with you the current version of our draft strategy for the City which we have developed in partnership. This version has been developed following the partnership conferences held on 29 March and 8 May. I would like to thank you all for the contributions you have made to getting us to this point.

I should be most grateful if you would now ensure that this document is taken through the appropriate internal governance processes to ensure your organisation owns the approach and is able to approve the strategic framework set out in Chapter 2.

The CCG Board considered the strategy at its meeting on 22 May and I have been asked to write to our key partners accordingly. The covering paper for the CCG Board is also attached for your information.

We will also need to consider how best to secure the buy-in of other key partners, including schools, communities, independent providers of social care and the wider voluntary sector. This could be a topic for Southampton Connect to consider.

Clearly, there is still further work needed to develop high level plans, a roadmap and supporting documents (such as the primary care and social care plans, for example). Once the high level plans for each segment have been developed, the system will then need to look at how best to ensure oversight of delivery. I believe that we should ensure that such oversight is streamlined and unbureaucratic, as annual operating plans will contain specific actions and resource plans for implementation. I want to thank you in advance for the contributions your organisation will make to these and, of course to the successful delivery of the strategy.

We intend this strategy for Southampton will be a key component of the overall Hampshire and Isle of Wight response later this year to the NHS Long Term Plan, and hope you will be able to join me in commending this approach to our STP colleagues.

We would be most grateful to receive your confirmation that the strategy has been considered by your Board and interested to receive any feedback. Please link with Clare Young to close this loop: clare.young4@nhs.net

With best wishes,

Yours sincerely



John Richards

Cc:

David French, David Noyes, Barry Day, Richard Crouch, Jane Hayward, Richard Samuel, Lena Samuels. Maggie Macisaac, Cllr Chris Hammond, Cllr Lorna Fielker, Cllr Dave Shields, Cllr Darren Paffey. Heather Hauschild.

Encs; covering paper and strategy document from 22 May board.

DECISION-MAKER:		CABINET	
SUBJECT:		PRIVATE RENTED ENFORCEMENT POLICY	
DATE OF DECISION:		20th August 2019	
REPORT OF:		CABINET MEMBER FOR HOMES AND CULTURE	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Steven Hayes-Arter	Tel: 023 8091 7533
	E-mail:	Steven.hayes-arter@southampton.gov.uk	
Director	Name:	Mitch Sanders	Tel: 023 8083 3613
	E-mail:	Mitch.sanders@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
Not applicable			
BRIEF SUMMARY			
<p>Approval is sought to implement a policy to support private sector housing enforcement in the city. Enforcement of the private sector is taken in accordance with statutory requirements and with reference to the Corporate Enforcement Policy. Establishing a new policy on private sector enforcement allows Southampton City Council to provide updated guidance to officers, businesses and the public following legislative updates and ensures that council policy reflects the following national legislative updates;</p> <ul style="list-style-type: none"> - The issuing of Civil Penalties which are new legal powers for local authorities to use in certain housing act offences including HMO licencing. - The use of Banning Orders, in the case of the most serious offenders and rogue landlords the council can apply to the first-tier tribunal to impose a banning order on a person to prevent them from acting as a landlord. 			
RECOMMENDATIONS:			
	(i)	That Cabinet considers and approves the proposed policy, attached as Appendix 1.	
	(ii)	That Cabinet delegates authority to the Director of Transactions & Universal Services to make minor amendments to the policy to reflect technical clarifications or legislative changes.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	The Enforcement of a Private Sector Housing Policy will provide clearer guidance to officers, business and the public on the council's administration of private sector housing enforcement in the city.		
2.	Following the introduction of the Housing and Planning Act 2016, the council has new statutory powers in relation to civil penalty notices and banning orders. The council is expected to implement its own policy on the use of these powers and as such these are contained within this policy.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
3.	Not having an updated enforcement policy would mean that the council would be open to challenge on our use of the updated and new powers contained		

	<p>within the Housing and Planning Act 2016 and Housing Act 2004 (where amended).</p> <p>The statutory guidance on the use of Civil Penalties states that Local Authorities are expected to develop and document their own policy on when to prosecute and when to issue civil penalties and what the appropriate penalties are.</p> <p>Also separate non-statutory guidance on the use of Banning Orders states that Local Authorities are expected to develop their own policy on when to pursue banning orders.</p>
DETAIL (Including consultation carried out)	
4.	Southampton has a large private rented sector of around 25,000 properties, accounting for approximately a quarter of the housing stock in the city.
5.	The council has statutory responsibilities under the Housing Act 2004 and Housing and Planning Act 2016 to undertake duties in relation to the enforcement of the private rented sector in Southampton.
6.	The Housing and Planning Act 2016 introduced new powers for local authorities and updated the Housing Act 2004 in relation to certain functions
7.	The Housing and Planning Act 2016 introduced Civil Penalty Notices as an alternative to prosecution for certain Housing Act 2004 offences. Financial penalty notices to the maximum value of £30,000 can be issued. Before making use of these powers Southampton City Council should determine its own level of fees and publish these within a policy. Southampton City Council's private rented enforcement policy includes detail on the scheme and the matrix used to determine the level of fines. In summary there are twelve categories of fines ranging from £25 to £30,000. The level of fine will be determined by assessing the culpability of the landlord and the harm caused by the offence to the tenant.
8.	In 2018 the secretary of state established a national database of rogue landlords and property agents. The council is authorised to add any qualifying rogue landlords to the database and the policy details how this will be administered.
9.	Under new powers contained in the Housing and Planning Act 2016 the council can apply to a First-tier tribunal for a banning order to prevent a landlord from operating. The policy establishes the council's policy on banning orders.
10.	The policy contains guidance on the use of management orders and empty dwelling management orders following updates to the legislation relating to the use of banning orders.
11.	The published policy provides guidance on all aspects of the enforcement regime and will ensure that the council operates in a consistent manner in relation to the enforcement of the private housing sector.

RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
12.	Private sector housing enforcement is a statutory function. Enforcement work is a General Fund cost contained within the Private Sector Housing budget and recoverable through penalty, work in default recovery or enforced sale.
13.	Any income generated by the use of civil penalty notices can only be used by the council to support Private Sector Housing enforcement. This is a provision under the Housing and Planning Act 2016. Work in Default or the use of the Enforced Sale procedure may recover reasonable costs incurred by the council. Due to the long term nature of property sales, recovery may take several years.
<u>Property/Other</u>	
14.	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
15.	Private sector housing enforcement is undertaken in accordance with the Housing Act 2004, The Housing and Planning Act 2016 and other legislation as listed in the policy.
<u>Other Legal Implications:</u>	
16.	The council must have due regard to the Public Sector Equality Duty under the Equality Act 2010 when carrying out any functions including developing any policies that may have any effect on any protected persons, in particular the duty to eliminate discrimination, harassment and victimisation and advance equality of opportunity and fostering good relations. Local Authorities also have a duty under the Human Rights Act 1998, when carrying out any function, not to act incompatibly with rights under the European Convention for the Protection of Fundamental Rights and Freedoms.
RISK MANAGEMENT IMPLICATIONS	
17.	If the council does not publish a policy there is a risk that it any enforcement action could be successfully challenged, in particular on its use of banning orders, civil penalties and management orders.
18.	
POLICY FRAMEWORK IMPLICATIONS	
19.	The Private Sector Enforcement Policy supports the Southampton City Council Housing Strategy 2016-2025 priorities and outcomes; <ul style="list-style-type: none"> • People in Southampton live safe, healthy, independent lives
20.	The Private Sector Enforcement Policy 2019 is supported by the HMO licensing Policy 2019.

KEY DECISION?	Yes	
WARDS/COMMUNITIES AFFECTED:	All	
<u>SUPPORTING DOCUMENTATION</u>		
Appendices		
1.	Private Sector Enforcement Policy	
2.	ESIA	
3.	DPIA	
Documents In Members' Rooms		
1.	None	
Equality Impact Assessment		
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.		Yes
Data Protection Impact Assessment		
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.		Yes
Other Background Documents		
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	

Southampton City Council Enforcement Private Rented Sector



Southampton City Council Enforcement Private Rented Sector



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Enforcement Private Rented Sector			
Version	1.0	Approved by	Cabinet
Date last amended	Click here to enter a date.	Approval date	Click here to enter a date.
Lead officer	Rosie Zambra	Review date	Click here to enter a date.
Contact	Rosie.Zambra@southampton.gov.uk	Effective date	Click here to enter a date.

DRAFT

1. Scope and Definitions

- 1.1 The Southampton City Council Enforcement Private Rented Sector Policy is intended to provide guidance for officers, businesses and members of the public on the principle and processes which will apply when enforcement action is considered or taken. The Southampton City Council Enforcement Private Rented Sector Policy should be read in conjunction with The Southampton City Council Enforcement Policy.
- 1.2 The Southampton City Council Enforcement Policy is a general policy which outlines the principles of enforcement that the council will follow and apply.
- 1.3 This policy indicates the different enforcement options that the council may follow and apply in the private rented sector, and how decisions are made on enforcement; it also explains the role and authorisation of officers who have enforcement responsibilities.
- 1.4 This policy sets out high level principles of enforcement procedures in private rented sector and, where applicable, is supported by The Southampton City Council Enforcement Policy.
- 1.5 Southampton City Council is committed to carrying out its duties in a fair and consistent manner and ensuring that enforcement action is proportional to the seriousness of failure to comply with statutory requirements.

2. Legislative Context and Other Related Documents

- 2.1 This policy is linked to a number of a different pieces of legislation and guidance. The council will adhere to all relevant legislation and guidance including:
 - Human Rights Act 1998
 - Data Protection Act 2018
 - Legislative and Regulatory Reform Act 2006
 - Equality Act 2010
 - Code for Crown Prosecutors 2013
 - The Anti-social Behavior, Crime and Policing Act 2014
 - Regulators' Code 2014
 - Housing Act 2004
 - Building Act 1984
 - Caravan Sites and Control of Development Act 1960
 - Caravan Sites Act 1968
 - Energy Act 2013
 - Enterprise and Regulatory Reform Act 2013
 - Environmental Protection Act 1990
 - Housing Act 1985,

- 1996 and 2004
- Housing and Planning Act 2016
 - Local Government (Miscellaneous Provisions) Act 1982
 - Leicestershire Act 1985
 - Mobile Homes Act 1983 and 2013
 - Prevention of Damage by Pests Act 1949
 - Public Health Acts 1875 – 1932, 1936, 1961, 1984

3. Our Objectives

- To strive to ensure that tenants of a private landlord or a Registered Social Landlord (RSL) live in homes free of significant risks to their health and safety.
- To strive to ensure that all Houses in Multiple Occupation (HMO's) and Selective Licensed properties are safe, licensed where required and all licensing conditions are met.
- To work with owners of Empty Homes to ensure they are not left empty where there is blight and a need for housing.
- To work with owners and occupiers of privately owned property and land so that it does not present a statutory nuisance to other land owners, or does not directly or indirectly present an unacceptable risk to public health, safety or the environment.
- We meet our statutory duties as a local housing authority.

4. Decision Making

4.1 Enforcement action will be based on risk and we must also have full regard to any statutory duty.

4.2 Assessment of risk will be based on current legislation and specific guidance.

4.3 Enforcement Officers are required to make judgments and will decide on appropriate action after considering the criteria within this Policy and relevant written procedures.

4.4 A Senior Officer will give prior approval to all formal action falling outside the scope of this policy.

4.5 Where the investigating enforcement officer believes that legal action maybe required, evidence will be collected and the case will be reviewed by the service manager before it proceeds.

5. Enforcement Principles

5.1 The council's enforcement policies will have regard to the Regulators' Code (2014). Enforcement activity undertaken by Southampton City Council should be:

- **Proportionate** – our enforcement activities should reflect the level of risk to the public and enforcement action taken should correspond to the seriousness of the offence.
- **Accountable** – our activities should be open to public scrutiny, with clear and accessible policies, and fair and efficient complaints procedures.
- **Consistent** – our advice to those we regulate should be reliable and we will respect advice provided by other regulators. The council should seek to ensure fair and level enforcement, however the council recognises that consistency is not the same as uniformity. Officers should exercise their professional judgment and discretion according to the circumstances of each individual case.
- **Transparent** – those we regulate should be able to understand what is expected of them and what they can anticipate in return; regulations and enforcement procedures should be as clear and simple as possible.

6. Enforcement Procedure

6.1 The decision to pursue enforcement action will depend on the severity of the noncompliance. Factors that will be taken into consideration include:

- The risk that the non-compliance poses to the safety, health or economic welfare of the public at large or to individuals;
- Evidence that suggests that there was pre-meditation in the commission of an offence;
- The alleged offence involves a failure to comply in full or in part with the requirements of a statutory notice, order or policy;
- There is a recorded history of previous warnings or the commission of similar offences; and
- Aggravated circumstances such as obstruction of an officer or aggressive/violent behaviour.

7. Housing, Health and Safety Rating System (HHSRS)

7.1 The HHSRS is set out in Part 1 of the Housing Act 2004. It is a method of assessing how likely it is that the condition of a property will cause an unacceptable hazard to the health of the occupant(s).

7.2 There are two categories of possible hazards:

- **Category 1 Hazards** represent a serious danger to health and the council has a duty to take appropriate action to deal with these.

- **Category 2 Hazards** represent a lesser danger and, although it has no duty to take action, the council will exercise its power to reduce category 2 hazards through appropriate action.

7.3 A range of enforcement powers is available under the Act to remove or reduce any hazards identified to an acceptable level.

8. Powers of Entry

8.1 Where appropriate and proportionate authorised officers can use the powers of entry set out in part 1 of the Housing Act 2004 and other relevant legislation for example where they have reasonable belief an offence has been committed and they need to gather evidence.

8.2 In general the powers will allow an officer at any reasonable time to;

- Enter a property to carry out an inspection and gather evidence
- Take someone with them
- Take equipment or materials with them
- Take measurements, photographs or make recordings
- Leave recording equipment for later collection
- Take samples of articles or substances; and in some cases to carry out works.

8.3 In most cases prior notice must be given to owners and to the occupiers. The notice given depends on the legislation being enforced and can range from 24 hours to 7 days.

8.4 Notice that that powers of entry need to be carried out will normally be in writing but can in some circumstances be given verbally, depending on the relevant statutory provision.

8.5 The powers of entry can be enforced with a warrant. The Police may if necessary accompany officers where that is appropriate.

8.6 It is an offence to obstruct an officer in the course of their duty if they are attempting to gain entry whilst executing a warrant.

8.7 Officers exercising their power of entry will carry identification and details of their authorisation to carry out their action.

9. Enforcement Options

9.1 The council seek to comply with regulatory legislation through the use of the following courses of action:

- Use of informal action, written guidance, advice and notices
- By refusal, revocation or the attachment of conditions to a licence
- By issuing fixed penalty notices
- By using civil legislation where appropriate
- By the use of various management orders

- By the use of statutory notices and orders
- By issuing simple cautions
- By carrying out work in default
- By prosecution
- By the use of civil penalties
- By using anti-social behaviour powers
- By compulsory purchase or enforced sale

9.2 The council in deciding upon enforcement options will also have due regard to statutory guidance, approved codes of practice and relevant industry or good practice guides.

10. Enforcement Decision Table

10.1 The following table contains some examples of situations where different types of action may be taken. Decisions are made on a case by case basis.

Action	GENERAL CIRCUMSTANCES
No Action	<p>Where formal action may not be appropriate.</p> <p>Where the individual/organisation is likely to comply</p> <p>In such cases, customers may be directed to other sources of advice and support.</p>
Informal Action and Advice includes verbal advice and advisory letters	<p>Where it may be appropriate to deal with the issues through informal action and advice and the individual/organisation is likely to comply</p> <p>In such cases, the Council will work collaboratively with responsible landlords to address and resolve any problems.</p>
Service of Notice requiring repairs or specific legal requirements	<ul style="list-style-type: none"> • Where a person refuses or fails to carry out works through the pre-formal HHSRS process; • Where there is a lack of confidence or there is a positive intelligence that the responsible individual or company will not respond to a pre-formal approach; • Where there is a risk to the health, safety and wellbeing of a household or a member of the public (dangerous gas or electrical services; no heating in the winter; no hot water for personal hygiene or to wash and prepare food safely; etc.);

	<ul style="list-style-type: none"> • Where standards are extremely poor and the responsible individual or company shows little or no awareness of the management regulations or statutory requirements; • Where the person has a history of non-compliance with the Council and/or other relevant regulators; • Where the person has a record of criminal convictions for failure to comply with the housing requirements (which may include housing management); • Where it is necessary to safeguard and protect the occupiers' future health and safety; and/or • Where it is necessary to bring an empty property back into use and informal requests either fail or are not appropriate.
<p>Powers to require information and/or documents</p>	<p>Where it is necessary for documents and information to be provided to enable officers to carry out their powers and duties.</p> <p>We there is reasonable belief that an offence has been committed and it is believed that the documents are required in order to gather evidence of the offence.</p>
<p>Emergency Remedial Action / Emergency Prohibition Order</p>	<p>Where there is an imminent risk of serious harm to the health and safety of any occupiers of the premises or any other residential premises.</p>
<p>Revocation of HMO Licenses and Approvals</p>	<p>Where the Manager is not a "fit and proper person"; and/or</p> <p>Where there are serious breaches of the licensing conditions and/or serious management offences.</p>
<p>Simple Caution</p>	<p>Where an offence is less serious and the person who has committed the offence has admitted their guilt & agreed to accept a caution.</p> <p>In such cases, a Simple Caution may be offered in line with home office guidance.</p>
<p>Prosecution</p>	<p>Where the authority consider the offence is not suitable to be dealt with by with by way</p>

	of a Civil Penalty or a Civil Penalty is not available for the type of offence.
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11. Informal Action

11.1 Informal action includes:

- Offering advice
- Giving verbal and written warnings
- Negotiating agreements between complaints and other residents or businesses
- The negotiation of specific conditions with licences, and
- The use of informal notices

11.2 It is generally considered appropriate to take informal action in one or more of the following circumstances:

- The act omission is not serious enough to warrant formal action.
- From the business'/member of public's past history it can be reasonably expected that informal action will achieve compliance with the law.
- The consequence of non-compliance will not pose a significant risk.

12. Civil Penalty Notices

12.1 Under the Housing and Planning Act 2016 a local authority has the power to impose a civil penalty of up to £30,000 as an alternative to prosecution for certain offences under the Housing Act 2004.

12.2 The following offences under the Housing Act 2004 can be considered for a civil penalty;

- Failure to comply with an Improvement Notice (Section 30).
- Offences relating to Licensing of HMOs (Section 72).
 - Section 72 (1) being in control or managing an HMO which is required to be licensed but is not so licensed.
 - Section 72 (2) being in control or managing an HMO which is licensed but knowingly permitting occupation over and above the number authorised by the licence.
 - Section 72 (3) being a licence holder who fails to comply with any condition of a licence.
- Offences in relation to licensing under Part 3 of the Housing Act 2004 (Section 95).
 - Section 95 (1) being in control or managing a house which is required to be licensed but is not so licensed.
 - Section 95 (2) being a licence holder who fails to comply with any condition of a licence.

- Offence of contravention of an overcrowding notice (Section 139).
 - Failure to comply with management regulations in respect of an HMO (Section 234).
- 12.3 Each local Authority must implement its own civil penalties scheme and determine its own level of civil penalties. Please see appendix 1 for the Civil penalties charges.
- 12.4 The same criminal standard of proof is required for a civil penalty as for prosecution. This means that before taking formal action, a local housing authority should satisfy itself that if the case were to be prosecuted in the magistrates' court, there would be a realistic prospect of conviction.
- 12.4 The Council will, where it deems necessary and proportionate make use of the powers to issue civil penalty notices for applicable offences .
- 12.5 The procedure for issuing civil penalties is prescribed by schedule 13A of the Housing Act 2004 and schedule 1 of the Housing and Planning Act 2016.
- 12.6 The decision to issue a civil penalty notice will be made by the service manager for HMO licensing after consultation with legal services on a case by case basis..
- 12.7 A local housing authority is required to issue a 'notice of intent' to issue a financial penalty. Under this notice a landlord has 28 days with which to make representations to the local housing authority.
At the end of this period, should the local housing authority still propose to issue the financial penalty, they must serve a 'final notice' imposing the penalty.
On receipt of a final notice imposing a financial penalty a landlord can appeal to the First-tier Tribunal against the decision to impose a penalty and/or the amount of the penalty. The appeal must be made within 28 days of the date the final notice was issued. The final notice is suspended until the appeal is determined or withdrawn.

13. Civil Legislation

- 13.1 Where appropriate, the Southampton City Council will use civil legislation in the fulfilment of its duties. For example, an injunction may be sought to prevent a business from continuing to breach the law and it is felt the criminal sanctions will not prevent further breaches.

14. Management Orders

- 14.1 The Council will consider applying for an Interim Management Order /Special Interim Management Order and final Management Order on a case by case basis and in compliance with part 4 of the Housing Act 2004.

15. Statutory Notices

- 15.1 Statutory notices/orders legally require the execution of works, the removal of statutory nuisances or the protection of public health and/or safety.
- 15.2 Notices and Orders will normally be served where:

- Informal action has not achieved the desired effect,
- There is a lack of confidence that the individual/company will respond to an informal approach,
- There is a history of non-compliance with informal action,
- Standards are generally poor with little management awareness of statutory requirements,
- The consequences of non-compliance could be potentially serious to the health and safety of the public.
- Where the breach of legislation is so serious, deterrence and punishment may be required to prevent future occurrences.

15.3 Time limits will be attached to notices and wherever possible these will be agreed in advance with the person or business on which they are served.

15.4 In some circumstances, requests for extension of time can be made. These should be in writing, prior to the expiry date, explaining the reason for the request.

15.5 Statutory notices may also be served in conjunction with prosecutions.

15.6 Having regard to statutory powers, and where the law allows, a charge will apply to statutory notices and orders.

15.7 Where a notice is not complied with by the expiry date, a prosecution or further enforcement action may be considered appropriate.

15.8 Statutory notices and orders are important legal documents. Once served, failure to take follow-up enforcement action has serious implications having regard to the contents of this Policy. Failure to comply with a statutory notice or order will normally result in seeking authority to either issue a civil penalty or to prosecute, and/or the carrying out of works in default

16. Simple Cautions

16.1 Where there is evidence of a criminal offence but the public interest does not require a prosecution, a simple caution can be used.

16.2 Simple cautions are mainly used for cases involving first time, low-level offences where a simple caution can meet the public interest.

16.3 Decisions to issue simple cautions will be made in accordance with the Director of Public Prosecutions' Guidance on Charging issued by the Director of Public Prosecutions under section 37A of the Police and Criminal Evidence Act 1984 and following "The simple cautions for Adult Offenders Guidance" issued on 13th April 2015.

16.3 Before a simple caution can be given, it is important to try to establish:

- The views of the victim about the offence,

- The nature and extent of any harm or loss, and its significance, relative to the victim's circumstances,
- Whether the offender has made any form of reparation or paid compensation.

16.4 A simple caution must be accepted in writing by the offender (or officer of a limited company which is the alleged offender), who is then served a copy of the caution. A second copy will be held by the council as the official record.

16.5 Failure to accept a simple caution leaves the authority with an option to instigate legal proceedings instead.

16.6 Simple caution can be cited in court if the same person or organisation, commits further housing act offences within three years of the original offence.

16.7 Simple Cautions will not be used as a substitute for prosecutions which would otherwise be defective.

17. Work In Default

17.1 Failure to comply with a notice may result in the council arranging for the necessary works to comply with the notice to be carried out, this is known as work in default.

17.2 The costs to the owner will usually be more than if the owner carries out the works themselves as they will be charged for the council's time, carrying out schedules of work and any other reasonable costs incurred by the council.

17.3 The council will actively pursue debts incurred.

17.4 Enforced sale of empty properties will be considered where appropriate in line with The Law of Property Act 1925 where a debt has been incurred for example following works undertaken to an empty home in the owners default and in compliance with the Council's Enforced Sale Procedure.

17.5 Until cleared all debts will be registered with the local Land Charges Registry as a financial charge.

17.6 Once registered the charge will accrue compound interest.

17.7 It should be noted that, in the case of action under section 76 of the Building Act 1984, and emergency remedial action under Section 40 of the Housing Act 2004, there is no power of prosecution, and the Council is only able to arrange for the required works to be carried out.

18. Prosecutions

18.1 Prosecution will normally occur where one or more of the following circumstances apply:

- It is warranted by virtue of the gravity of an alleged offence, taken together with the seriousness of any actual or potential harm, or the general record and approach of the offender
- There have been repeated breaches of legal requirements and it appears that business proprietors or members of the public are neither willing nor able to deal adequately with the causes of the offence.
- There has been a reckless disregard for the safety and health of people, or where a particular contravention has caused serious public alarm.
- There has been failure to comply with a legal notice or repetition of a breach that was subject to a formal caution, or failure to pay a fixed penalty notice with the permitted payment period;
- There is a blatant disregard for the law;
- False information has been supplied wilfully, or there has been an intent to deceive, in relation to a matter which gives rise to significant risk;
- Officers have been intentionally obstructed in the lawful course of their duties.
- Where council staff are assaulted we will seek prosecution of the offenders.

18.2 In all cases, alleged offenders will be invited to send written comments or explanations for consideration.

19. Rent Repayment Orders

19.1 This is an order made by the First-tier Tribunal requiring a landlord to repay a specified amount of rent.

19.2 The Housing Act 2004 allows for rent repayment orders to be issued where landlord of a property had failed to obtain a licence for a property that was required to be licensed.

19.3 The Housing and Planning Act 2016 extended rent repayment orders to cover the below:

- Failure to comply with an Improvement Notice (section 30 of the Housing Act 2004)
- Failure to comply with a Prohibition Order (section 32 of the Housing Act 2004)
- Breach of a banning order made under section 21 of the Housing and Planning Act 2016
- Using violence to secure entry to a property (section 6 of the Criminal Law Act 1977)
- Illegal eviction or harassment of the occupiers of a property (section 1 of the Protection from Eviction Act 1977)

19.4 Rent repayment orders can be granted to either the tenant or the council.

19.5 If the tenant paid the rent themselves, then the rent must be repaid to the tenant. If the rent was paid through Housing Benefit or through the housing element of Universal Credit, then the rent must be repaid to the local housing authority.

- 19.6 If the rent was paid partially by the tenant with the remainder paid through Housing Benefit/Universal Credit, then the rent should be repaid on an equivalent basis.
- 19.7 A rent repayment order can be made against a landlord who has received a civil penalty in respect of an offence, but only at a time when there is no prospect of the landlord appealing against that penalty.
- 19.8 The council must consider a rent repayment order after a person is the subject of a successful civil penalty and in most cases the council will subsequently make an application for a rent repayment order to recover monies paid through Housing Benefit or through the housing element of Universal Credit.
- 19.9 The council will also offer advice, guidance and support to assist tenants to apply for a rent repayment order if the tenant has paid the rent themselves taking into account and DPA/GDPR implications

20. Licensing of Properties

- 20.1 Please see the SCC Policy The licensing of Houses in Multiple Occupation (HMOs).

21. Enforced Sales

- 21.1 The council approved the Enforced Sale Procedure (ESP) in August 2005. The Council will use the ESP where appropriate and proportionate, primarily to deal with problematic empty properties, where despite the Council's reasonable efforts to engage with the owner of the property the hazards and poor state and condition of the property remain.
- 21.2 The council will consider invoking the ESP on a case by case basis. Generally the ESP would not be used unless there is a relevant debt of over £1,000

Upon disposal of the property the council will recover all of its debts, fees and costs from the sale proceeds. Any balance from the proceeds of sale will be paid to the owner (where there whereabouts are known).

22. Empty Dwelling Management Orders

- 22.1 In respect of a wholly unoccupied property and in accordance with the Housing Act 2004, the council may make an interim empty dwelling management order (IEDMO).
- 22.2 The council must make the application for the IEDMO to the First-tier property tribunal.

- 22.3 Once an IEDMO is in force the council must take such steps as they consider appropriate for the purpose of securing that the dwelling becomes and continues to be occupied.
- 22.4 If after serving an interim empty dwelling management order the council considers that there are no steps it can appropriately take under the order to ensure that the property becomes occupied, it will either make a final empty property management order, or revoke the order without taking any further action.
- 22.5 In making the decision to issue a final EDMO the council must take into account the interests of the community and the effects on the proprietor and any other interested parties. The council may also pay compensation to any affected third party.
- 22.6 Once the EDMO is in force the council will take appropriate steps for securing that the dwelling is occupied and that the property is managed in accordance with the scheme contained within the order.
- 22.7 The council will revoke the EDMO if it determines that there are no steps it can take or it determines that keeping the order in force is unnecessary.

23. Banning Orders

- 23.1 In the case of the most serious offenders or rogue landlords, the council can in accordance with the powers contained within the Housing and Planning Act 2016 apply to the first-tier tribunal for a banning order.
- 23.2 A banning order can be issued by the first-tier tribunal that prevents a landlord from the following;
- Letting housing in England
 - Engaging in English letting agency work
 - Engaging in English property management work or
 - Holding a HMO licence
- 23.3 The offences for which a banning order can be applied are listed in the Housing and Planning Act 2016 (Banning Order Offences) Regulations (2017) see-
<http://www.legislation.gov.uk/ukdsi/2017/978011162224/contents>
- 23.4 The council will consider applying for a banning order for the most serious offenders and in doing so will consider the following;
- The seriousness of the offence
 - Any previous convictions or listing on the national rogue landlord database
 - The harm to the tenant caused by the offence
 - The punishment is proportionate to the offence
 - That it provides a sufficient deterrent to prevent a repeat of the offence and
 - Deters others from committing similar offences.
- 23.5 The length of any banning order will be determined by the first-tier tribunal with a minimum of 12 months being imposed. There is no statutory maximum limit. The

Council can provide recommendations for the length of the banning order on application but must detail their reasons for the recommendation.

23.6 The procedure for issuing a banning order is prescribed within the Housing and Planning Act 2016. See –

<http://www.legislation.gov.uk/ukpga/2016/22/part/2/chapter/2/enacted>

23.7 It is a criminal offence to breach a banning order and the council will take appropriate action to secure any convictions for breaches of any orders imposed.

24. The Rogue Landlords Database

24.1 The Secretary of State has established a national database of rogue landlords and property agents.

24.2 The council has authority to maintain and update the content.

24.3 The council will make an entry on the database in respect of a person in the following circumstances;

- A banning order has been made against them
- They have received two or more financial penalties in respect of banning order offences within the last twelve months.

24.4 The council will issue the person with a decision notice before any entry is made.

24.5 The person has a right of appeal to the First-tier tribunal.

24.6 The following information in respect of the person will be recorded on the database;

- The name and address of the person
- The period for which the entry is to be maintained
- The details of their property ownership and property management
- Details of any convictions for banning order offences
- Any Banning Orders still in force
- Any financial penalties received

24.7 The entry on the database will be removed in the case of any conviction being overturned.

24.8 The person has a right to request their removal from the database. This must be in writing to the Council. The council will consider such requests on a case by case basis.

24.9 Where the council refuses the request to remove the person from the database the person has a right of appeal to the First-tier tribunal.

25. Publicity and Sharing of Evidence

25.1 The council will endeavour to secure media representation at hearings in the Courts when we are seeking prosecution of offenders with the aim of drawing their attention to the court case.

25.2 The council will publicise any conviction, which could serve to draw attention to the need to comply with the law or, deter anyone tempted to act in a similar manner.

25.3 Details of such cases will also be published on our website.

25.4 The council will share intelligence and evidence, secured in the ordinary course of our business, with other statutory enforcement bodies and relevant partners in accordance with our duties under Crime and Disorder Act 1988, section 17.

26. Governance

26.1 Authorisation of Officers

26.1.1 Officers are only authorised to enforce regulations in accordance with the council's Scheme of Delegation.

26.1.2 Officers must be competent by appropriate training, qualification and/or experience will be authorised to take enforcement action relevant to that training, qualification and/or experience. Officers will also have sufficient training and understanding of this enforcement policy to ensure a consistent approach to their duties.

26.2 Appeals and Complaints

26.2.1 Appeals in relation to enforcement action should be via the statutory process outlined in the relevant legislation.

26.2.2 Complaints about the conduct of officers should be made via the council's corporate complaints procedure.

26.3 Policy Review Process

26.3.1 This policy will be reviewed when there is any significant change in legislation or other circumstances that affect its effectiveness and validity.

Appendix 1 - Civil penalties – determining fee levels

A civil penalty is a financial penalty imposed by a local authority on an individual or organisation. The power to impose a civil penalty of up to £30,000 as an alternative to prosecution for certain Housing Act 2004 and Banning Order offences has been introduced by the Housing and Planning Act 2016.

The maximum penalty is £30,000, however each local authority must implement its own policy and fee level in accordance with the guidance issued by the Ministry of Housing, Communities & Local Government, see -

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/697644/Civil_penalty_guidance.pdf

In accordance with this guidance the Council has devised its own fee levels and incorporated the use of civil penalties within the Private Sector Enforcement Policy 2019. In setting fee levels the Council has considered the following;

- 1. The Severity of the offence.**
- 2. The Culpability and track record of the offender.**
- 3. The harm caused to the tenant.**
- 4. The appropriate punishment of the offender.**
- 5. To deter the offender from repeating the offence & deter others from committing similar offences.**
- 6. To remove any financial benefit the offender may have obtained as a result of committing the offence.**

The Council will use its existing powers to, as far as possible, make an assessment of a landlord's assets and any income they receive (not just rental income) when determining an appropriate penalty.

Determining the civil penalty fees

The Council has developed a matrix to calculate the level of fine imposed. The fees are based on;

1. The culpability of the offender &
2. The potential level of harm posed by the offence

The Council has set 12 penalty bands which cover fine levels from a minimum of £25 to a maximum of £30,000.

Step 1

This step assesses the landlord's culpability as well as the potential harm the offence could have caused to tenants or visitors to the property. There are four levels of culpability to consider and each one has an associated set of characteristics which can be used to determine the most appropriate level. Table 1 below sets out the criteria for assessing the culpability of the landlord:

Table 1 – Level of culpability

Very high (deliberate)	<ul style="list-style-type: none"> • Flagrant disregard for the law or deliberate breach • Has large rented property portfolio and knew their actions were unlawful <p><i>Example offences: Failure to comply with emergency remedial notice or prohibition order</i></p>
High (reckless)	<ul style="list-style-type: none"> • Offender failed to put in place measures that are recognised legal requirements. • Offender ignored warnings from the Council or tenants. • Offender failed to improve conditions even after being alerted to the risks. • Offender allowed the breaches to continue over a long period of time. • Serious and/or systemic failure to address risks. <p><i>Example offence: Failure to comply with HMO Management Regulations.</i></p>
Medium (negligent)	<ul style="list-style-type: none"> • Systems put in place to manage risk but not sufficiently adhered to or implemented <p><i>Example offence: Partial compliance with an Improvement Notice</i></p>
Low (little or no fault)	<ul style="list-style-type: none"> • Failings were minor & non-compliance was an isolated incident • Significant attempts taken to comply but not sufficient on this occasion • There was no warning/circumstance indicating a risk <p><i>Example offence: Overcrowding or breach resulting from behaviour of occupants</i></p>

The seriousness of the harm the offence had caused, or could foreseeably cause, by the offence(s) must be assessed. When deciding the level of harm whether, actual or potential, resulting from the commission of the offence the Council will have regard to Table 2 below.

Table 2 – Level of Harm

Level 1 – High risk	<ul style="list-style-type: none"> • Serious adverse effect(s) on individual(s) and/or having a widespread impact • High risk of an adverse effect on individual(s) – including where persons are vulnerable
Level 2 – Medium risk	<ul style="list-style-type: none"> • Adverse effect on individual(s) (not amounting to Level 1) • Medium risk of an adverse effect on individual(s) or low risk of serious adverse effect • The Council and/or legitimate landlords or agents substantially undermined by offender’s activities • The Council’s work as a regulator to address risks to health is inhibited • Consumer/tenant misled
Level 3 – Low risk	<ul style="list-style-type: none"> • Low risk of an adverse effect on individual(s) • Public misled but little or no risk of actual adverse effect on individual(s)

Step 2 – Determining the starting point and category range

Once the levels of culpability and harm have been assessed the matrix set out in Table 3 will be used to assess the correct penalty level followed by Table 4 to provide the banding for the penalty category. In order to determine an appropriate level of civil penalty within the category range a starting point is listed. Further adjustment within the category range will then be considered for aggravating and/or mitigating factors.

Table 3—Penalty levels

		Culpability			
		V High	High	Medium	Low
Harm	Level 1	12	9	6	3
	Level 2	11	8	5	2
	Level 3	10	7	4	1

Table 4 – Penalty bands

Category	Civil Penalty Range (£)	Starting point (£)
1	25 - 175	50
2	50 - 350	125
3	125 - 750	300
4	175 - 750	350
5	350 - 2000	1000
6	750 - 4500	2500
7	500 - 2250	1000
8	1000 - 5500	3000
9	2500 - 12500	6250
10	1250 - 4500	2500
11	2500 - 12500	6250
12	6250 - 30000	15000

Example – High level of culpability but low level of harm would score 7 with a penalty range of £500-£2250 and a starting point of £1000. Mitigating and aggravating factors will then be considered to determine if the amount should be lower or higher than £1000.

Step 3

The Council will consider mitigating and aggravating factors when determining the fine within the penalty range. Table 5 below lists examples.

Table 5 – Aggravating and mitigating factors

Mitigating Factors
<ul style="list-style-type: none"> • No history of previous offences • Steps taken to voluntarily remedy problem e.g. submits a licence application • High level of co-operation with the investigation e.g. turns up for the PACE interview • Good record of maintaining property

<ul style="list-style-type: none"> • Acceptance of responsibility e.g. accepts guilt for the offence(s) at an early stage in the investigation • Health reasons preventing reasonable compliance i.e. mental health, unforeseen health issues, emergency health concerns & serious medical conditions requiring urgent, intensive or long term treatment • Sole or primary carer for dependant relative that prevented reasonable compliance • Willingness to undertake training and monitoring • Willingness to join recognised landlord accreditation scheme • Vulnerable individual(s) where their vulnerability is linked to the commission of the offence • Good character and/or exemplary conduct
Aggravating Factors
<ul style="list-style-type: none"> • Previous relevant convictions, having regard to the nature of the offence and relevance to the current offence and the time that has elapsed since the conviction • Motivated by financial gain i.e. cost cutting at the expense of safety • Deliberate concealment of illegal nature of activity • Poor history of compliance • Falsification of documentation or licenses • Deliberate failure to obtain or comply with relevant licensing requirements to avoid scrutiny by enforcing authorities • Targeting vulnerable victims • Obstruction of the investigation • Number of items of non-compliance i.e. the greater the number the greater the potential aggravating factor • Systemic management failure e.g. Lack of tenancy agreement/rent paid in cash • Record of letting substandard accommodation • Record of poor management/inadequate management provision

Step 5 – Recording the decision

The decision to issue a civil penalty will be made by the Service Manager for HMO Licensing. The decision will be recorded giving reasons for determining the amount of financial penalty that will be imposed.



Equality and Safety Impact Assessment

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

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

Name or Brief Description of Proposal	Enforcement Private Rented Sector Policy
Brief Service Profile (including number of customers)	
<p>Southampton has a large private rented sector of around 25,000 properties accounting for approximately a quarter of the housing stock in the city.</p> <p>The council has statutory responsibilities under the Housing Act 2004 and Housing and Planning Act 2016 to undertake duties in relation to the enforcement of the private rented sector in Southampton.</p> <p>The Housing and Planning Act 2016 introduced new powers for local authorities and updated the Housing Act 2004 in relation to certain functions.</p> <p>The Housing and Planning Act 2016 introduced Civil Penalty Notices as an alternative to prosecution for certain Housing Act 2004 offences. Financial penalty notices to the maximum value of £30,000 can be issued. Before making use of these powers a local authority should determine its own level of fees and publish these within a policy. The Private Rented Sector Enforcement Policy includes detail on the scheme and the matrix used to determine the level of fines. In summary there are twelve categories of fines ranging from £25-£30,000. The level of fine will be determined by assessing the culpability of the landlord and the harm of the offence to the tenant.</p> <p>In 2018 the secretary of state established a national database of rogue landlords and property agents. The council is authorised to add any qualifying rogue landlords to the database and the policy details how this will be administered.</p> <p>Under new powers contained in the Housing and Planning Act 2016 the council can</p>	

apply to the First-tier tribunal for a banning order to prevent a landlord from operating as such. The policy establishes the council's policy on banning orders.

Summary of Impact and Issues

The draft Enforcement Private Rented Sector Policy provides guidance for officers, businesses and members of the public on the principle and processes which will apply when enforcement action is considered or taken. This policy should be read in conjunction with the council's Enforcement Policy, which outlines the principles the principles of enforcement the council will follow and apply.

Southampton City Council recognises that the vast majority of Private Rented Sector Landlords in Southampton abide by the law. The appropriate use of enforcement powers is important, both to secure compliance with legislation and to ensure that those who have duties in law may be held to account for failures to safeguard health, safety and welfare or breach of legislation enforced by the council.

This policy should not adversely affect any specific groups as one of the principles it outlines is consistency of enforcement. Consistent enforcement means that there should not be discrimination on the grounds of any protected characteristic outlined in the Equality Act 2010.

The policy contains guidance on the use of management orders and empty dwelling management orders following updates to the legislation following the implementation of the Housing and Planning Act 2016.

The published policy provides guidance on all aspects of the enforcement regime and will ensure that the council operates in a consistent manner in relation to the enforcement of the private housing sector.

The appropriate use of enforcement powers is important, both to secure compliance with legislation and to ensure that those who have duties in law may be held to account for failures to safeguard health, safety and welfare, or beach of legislation enforced by the council.

Potential Positive Impacts

This policy should have a positive impact on community safety because it enables the council to effectively enforce against activities that threaten community safety.

Furthermore, the policy ensures that enforcement activity undertaken by Southampton City Council is proportionate, consistent and transparent, and that the council is accountable for its activity.

Responsible Service Manager	Steven Hayes-Arter, Service Manager for HMO licensing & Adaptations
Date	
Approved by Senior Manager	Rosie Zambra – Service Lead - Environment, Street Scene & Health

Date	
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Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	No identified negative impacts	N/A
Disability	No identified negative impacts	N/A
Gender Reassignment	No identified negative impacts	N/A
Marriage and Civil Partnership	No identified negative impacts	N/A
Pregnancy and Maternity	No identified negative impacts	N/A
Race	No identified negative impacts	N/A
Religion or Belief	No identified negative impacts	N/A
Sex	No identified negative impacts	N/A
Sexual Orientation	No identified negative impacts	N/A
Community Safety	There is a significant number of Assured shorthold tenancies granted in the private sector mostly on a fixed term for 6 months. Evidence suggests that if tenants complain about housing standards some landlords choose to evict them using the no fault route. There is a possible negative effect on community stability as well as health and wellbeing as tenants may have to change schools and friendships etc.	We will continue to work with the HMO landlord forum and other stakeholders to encourage compliance. We will provide advice and information to tenants in compliance with our duties under Housing and Homelessness legislation. The government has announced their plan to end the no fault eviction process. The policy will be implemented in compliance with all relevant legislation and having due regard to PSED.
Poverty	There is a significant number of Assured shorthold tenancies granted in the private sector mostly on a fixed term for 6 months. Evidence suggests that if tenants	We will continue to work with the HMO landlord forum and other stakeholders to encourage compliance. We will provide

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
	<p>complain about housing standards some landlords choose to evict them using the no fault route. There is a possible negative effect on tenants who are living in poverty who will be less able to move to new accommodation e.g. funding an upfront deposit.</p>	<p>advice and information to tenants in compliance with our duties under Housing and Homelessness legislation. The government has announced their plan to end the no fault eviction process. The policy will be implemented in compliance with all relevant legislation and having due regard to PSED.</p>
Health & Wellbeing	<p>There is a significant number of Assured shorthold tenancies granted in the private sector mostly on a fixed term for 6 months. Evidence suggests that if tenants complain about housing standards some landlords choose to evict them using the no fault route. There is a possible negative effect on health and wellbeing as tenants may be forced to live in poor housing conditions as they fear reporting it may put their tenancy at risk.</p>	<p>We will continue to work with the HMO landlord forum and other stakeholders to encourage compliance. We will provide advice and information to tenants in compliance with our duties under Housing and Homelessness legislation. The government has announced their plan to end the no fault eviction process. The policy will be implemented in compliance with all relevant legislation and having due regard to PSED.</p>
Other Significant Impacts	No identified negative impacts	N/A

Data Protection Impact Assessment

What is a Data Protection Impact Assessment?

A Data Protection Impact Assessment (“DPIA”) is a process that assists organisations in identifying and minimising the privacy risks of new projects or policies. Projects of all sizes could impact on personal data.

The DPIA will help to ensure that potential problems are identified at an early stage, when addressing them will often be simpler and less costly.

Conducting a DPIA should benefit the Council by producing better policies and systems, and improving the relationship with individuals.

Why should I carry out a DPIA?

Carrying out an effective DPIA should benefit the people affected by a project and also the organisation carrying out the project.

Not only is it a legal requirement in some cases, it is often the most effective way to demonstrate to the Information Commissioner’s Officer how personal data processing complies with data protection legislation.

A project which has been subject to a DPIA should be less privacy intrusive and therefore less likely to affect individuals in a negative way.

A DPIA should improve transparency and make it easier for individuals to understand how and why their information is being used.

When should I carry out a DPIA?

The core principles of DPIA can be applied to any project that involves the use of personal data, or to any other activity that could have an impact on the privacy of individuals.

Answering the screening questions in Step 1 of this document should help you identify the need for a DPIA at an early stage of your project, which can then be built into your project management or other business process.

Who should carry out a DPIA?

Responsibility for conducting a DPIA should be placed at senior manager level. A DPIA has strategic significance and direct responsibility for the DPIA must, therefore, be assumed by a senior manager.

The senior manager should ensure effective management of the privacy impacts arising from the project, and avoid expensive re-work and retro-fitting of features by discovering issues early.

A senior manager can delegate responsibilities for conducting a DPIA to three alternatives:

- a) An appointment within the overall project team;
- b) Someone who is outside the project; or
- c) An external consultant.

Each of these alternatives has its own advantages and disadvantages, and careful consideration should be given on each project as to who would be best-placed for carrying out the DPIA.

How do I carry out a DPIA?

Working through each section of this document will guide you through the DPIA process.

The requirement for a DPIA will be identified by answering the questions in Step 1. If a requirement has been identified, you should complete all the remaining sections in order.

After Step 5, the Information Lawyer (Data Protection Officer) will review the DPIA within 14 days of receipt, and complete the rest of the assessment within 28 days. The DPO will identify any privacy risks, and proposed measures to address them.

These measures must then be agreed by the project lead, Information Asset Owner or Administrator, and, in some cases, the Senior Information Risk Owner.

Advice can be found at the beginning of each section, but if further information or assistance is required, please contact the Information Lawyer (Data Protection Officer) on 023 8083 2676 or at information@southampton.gov.uk.

Data Protection Impact Assessment Template			
Version	3.1	Approved by	Data Protection Officer
Date last amended	2 nd November 2018	Approval date	2 nd November 2018
Lead officer	Chris Thornton, Information Lawyer (Data Protection Officer)	Review date	2 nd November 2019
Contact	information@southampton.gov.uk	Effective date	2 nd November 2019

Project Details

Name of Project
Private sector housing enforcement Policy
Brief Summary of Project
Asking cabinet to approve a published policy on private sector housing enforcement
Estimated Completion Date
August 2019
Name of Project Lead
Steven Hayes-Arter

Details of Person Conducting DPIA

Name
As above
Position
Service Manager HMO Licensing & Adaptations
Contact Email Address
Steven.hayes-arter@southampton.gov.uk

Step 1: Identify the need for a DPIA

Does your project involve... (tick all that apply)

- The collection of new information about individuals
- Compelling individuals to provide information about themselves
- The disclosure of information about individuals to organisations or people who have not previously had routine access to the information
- The use of existing information about individuals for a purpose it is not currently used for, or in a way it is not currently used
- Contacting individuals in ways which they may find intrusive
- Making changes to the way personal information is obtained, recorded, transmitted, deleted, or held
- The use of profiling, automated decision-making, or special category data¹ to make significant decisions about people (e.g. their access to a service, opportunity, or benefit).
- The processing of special category data¹ or criminal offence data on a large scale.
- Systematically monitoring a publicly accessible place on a large scale.
- The use of new technologies.
- Carrying out profiling on a large scale.
- Processing biometric or genetic data.
- Combining, comparing, or matching data from multiple sources.
- Processing personal data without providing a privacy notice directly to the individual.
- Processing personal data in a way which involves tracking individuals' online or offline location or behaviour.
- Processing children's personal data for profiling or automated decision-making or for marketing purposes, or offer online services directly to them.
- Processing personal data which could result in a risk of physical harm in the event of a security breach.

¹ personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation

If you answered “yes” to any of these, please proceed to Step 2.

If none of these apply, please tick the below box, and return the form to the Information Lawyer (Data Protection Officer) at information@southampton.gov.uk

- None of the screening statements in Step 1 of this document apply to the project, and I have determined that it is not necessary to conduct a Data Protection Impact Assessment

Step 2: Describe the processing

The nature of the processing

How will you collect data?

How will you use the data?

The data will be added to the national database

How will you store the data?

This will be stored on the national database, controlled by the Ministry of Housing

How will you delete the data?

The data will be controlled by the database owners, we can input requests to have details removed.

What is the source of the data?

The Rogue Landlords database

Will you be sharing data with anyone?

INFO: If yes, please provide details

Every LA in England has at least two authorised officers who are able to access the database to share data.

Describe the scope of the processing

What is the nature of the data?

INFO: Detail the type of personal data being processed. List any fields that will be processed (e.g. name, address, data of birth, NHS number, video images)

Names and addresses of landlords and property agents. Details of their property ownership and management. Any previous convictions and financial penalties received.

Does it include special category or criminal offence data? Please provide details.

INFO: "Special category" data includes personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation.

Yes it includes details of any convictions relating to banning order offences and details of any financial penalties issued for similar offences

How much data will you be collecting and using?

We will only collect data on those landlords that meet the criteria to be included on the national database.

How often will the data be collected and used?

As necessary

How long will you keep it?

It will be stored on the national database for as long as the data is required in accordance with the length of the order issued. E.g a lifetime ban would result in the details being kept on the national database for the lifetime of the landlord.

How many individuals are affected?

Currently zero

What geographical area does it cover?

We will only collect data for landlords operating in Southampton

Describe the context of the processing

What is the nature of your relationship with the individuals?

INFO: Detail who the data subjects will be (e.g. residents, carers, pupils, staff, professionals)

Landlords and property agents/managers

How much control will they have over their data?

If they are placed on the rogue landlord database their details will be recorded in line with the legislative requirements. They do not have control over the data once it is on the national database.

Would they reasonably expect the Council to use their data in this way?
INFO: Please provide details to support your answer
The council is legally obligated to supply this information to the national rogue landlords database under the Housing & Planning Act 2016 & Housing Act 2004.
Do they include children or other vulnerable groups?
INFO: If yes, please provide details
No
Are you aware of any prior concerns over this type of processing or security flaws?
INFO: If yes, please provide details
No
Is the processing novel in any way?
INFO: If yes, please provide details
No
What is the current state of technology in this area?
Unknown as we don't control the database
Are there any current issues of public concern that should be considered?
INFO: If yes, please provide details
No

Describe the purposes of the processing
What do you want to achieve?
To ensure landlords who have been deemed rogue are listed on the national database to ensure that this information is available to other local authorities so that these landlords are prevented from operating anywhere across England.
What is the intended effect on individuals?
To prevent them from operating as a landlord or property agent anywhere in the UK whilst they are deemed as a rogue landlord. In order to protect tenants from the activities of rogue landlords.
What are the benefits of the processing – for the Council, and more broadly?
As above

Step 3: Consultation process

Consider how to consult with relevant stakeholders

Describe when and how you will seek individuals' views – or justify why it's not appropriate to do so

N/A

Who else do you need to involve, or have you already involved within the Council?

INFO: e.g. IT services, records management

N/A

Do you need to ask your processors to assist?

INFO: Processors are third parties who will process the personal data on our behalf

The national database is managed by the Ministry of Housing but the council will input the data.

Do you plan to consult information security experts, or any other experts?

INFO: Please provide details to support your answer

No

Step 4: Assess necessity and proportionality

Describe compliance and proportionality measures

What is your lawful basis for processing? Please choose one of the following...

INFO: There should generally only be one legal basis for processing.

- The data subject has given consent
- The processing is necessary for the performance of a contract to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract
- The processing is necessary for compliance with a legal obligation to which the Council is subject
- The processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the Council
- The processing is necessary for the purposes of the legitimate interests pursued by the Council or by a third party

Does the processing actually achieve your purpose?
INFO: Please provide details to support your answer
Hopefully, but it is a legal requirement
Is there another way to achieve the same outcome?
INFO: Please details to support your answer
Maybe, but it is a legal requirement
How will you prevent function creep?
INFO: Function creep is where data collected for one purpose is used for another purpose over time.
The data is only held on this database and its use is governed by legislation
How will you ensure data quality and data minimisation?
INFO: We should only use the minimum amount of personal data possible to achieve the purpose of the processing.
We will only collect what is required to be inputted on the database in accordance with legal requirements.
What information will you give individuals about the processing?
They will be issued with a notice advising what information is to be held on the national database
How will you help to support their rights?
INFO: Data subject's rights include the right to access, rectify, erase, port, and restrict their data.
They will be advised of their rights of appeal in the notice in accordance with legal requirements.
What measures do you take to ensure processors comply with the GDPR, and assist the Council in supporting individuals in exercising their rights?
INFO: E.g. will there be a contract in place with the processor that contains data protection obligations?
We have signed an authorisation with the database owners
How do you safeguard any international transfers of personal data?
INFO: If there are no international transfers involved, please state this
There are no international transfers involved

Step 5: Send DPIA Form to the Data Protection Officer

After completing this part of the form, please send the document to the Information Lawyer (Data Protection Officer) at information@southampton.gov.uk

The DPO will review the information provided, and identify and assess the privacy risks.

Step 6: Identify and assess risks (DPO to complete)

Describe source of risk and nature of potential impact on individuals. Include associated compliance and corporate risks as necessary.	Likelihood of harm	Severity of harm	Overall risk
1.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
2.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
3.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
4.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
5.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
6.	Remote Possible Probable	Minimal Significant Severe	Low Medium High

Step 7: Identify measures to reduce risk (DPO to complete)

Identify additional measures you could take to reduce or eliminate risks identified as medium or high risk in step 5			
Risk	Options to reduce or eliminate risk	Effect on risk	Residual risk
1.		Eliminated Reduced Accepted	Low Medium High
2.		Eliminated Reduced Accepted	Low Medium High
3.		Eliminated Reduced Accepted	Low Medium High
4.		Eliminated Reduced Accepted	Low Medium High
5.		Eliminated Reduced Accepted	Low Medium High
6.		Eliminated Reduced Accepted	Low Medium High
Comments from the Data Protection Officer			
Comments from the Senior Records Officer			

Step 8: Sign off

Item	Date	Notes
DPO reviewed DPIA and provided advice on:		DPO should advise on compliance, step 7 measures and whether processing can proceed
Senior Records Officer reviewed DPIA on:		SRO should advise on records management matters
Measures approved by Project Manager on:		Integrate actions back into project plan, with date and responsibility for completion
Comments from Project Manager:		
Residual risks approved by Information Asset Owner / Administrator on:		
Comments from IAO / IAA:		
Residual high risks approved by the Senior Information Risk Owner on:		If accepting any residual high risk, consult the ICO before going ahead
Comments from SIRO:		

Step 9: Review

Item	Date	Comments
DPO reviewed DPIA on:		
Date of next review:		

DECISION-MAKER:		CABINET	
SUBJECT:		HOUSES IN MULTIPLE OCCUPATION LICENSING POLICY	
DATE OF DECISION:		20th August 2019	
REPORT OF:		CABINET MEMBER FOR HOMES AND CULTURE	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Steven Hayes-Arter	Tel: 023 8091 7533
	E-mail:	Steven.hayes-arter@southampton.gov.uk	
Director	Name:	Mitch Sanders	Tel: 023 8083 3613
	E-mail:	Mitch.sanders@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
Not applicable			
BRIEF SUMMARY			
Approval is sought to implement a policy to support HMO licensing in the city. The council currently runs the HMO mandatory scheme and has 2 areas designated as additional licensing schemes. The new policy will cover these schemes and any future schemes and takes account of new legislation and case law, in particular dealing with banning orders, civil penalties and HMO licence fees.			
RECOMMENDATIONS:			
	(i)	That Cabinet considers and approves the proposed policy, attached as Appendix 1.	
	(ii)	That Cabinet delegates authority to the Director of Transactions & Universal Services to make minor amendments to the policy in relation to technical clarifications and legislative change.	
	(iii)	That Cabinet delegates authority to the Director of Transactions & Universal Services to set and amend the HMO licence fees.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	The HMO Licensing Policy sets out how the council will administer HMO licensing in Southampton in accordance with the provisions of the Housing Act 2004. The Policy publishes specific information regarding refunds, fit and proper persons assessments & length of licences which fall outside the scope of the statutory framework within which HMO licensing is currently administered.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
2.	Not having a policy on HMO licensing would limit the discretion of the council and would not make the council position clear and transparent on HMO licensing.		

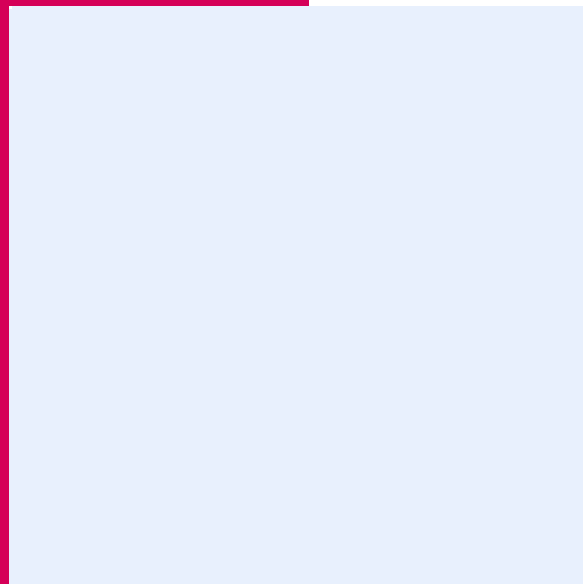
DETAIL (Including consultation carried out)	
3.	Southampton City Council currently administers two additional HMO licensing schemes and the Mandatory HMO licensing regime under the provisions of the Housing Act 2004 part 2.
4.	The additional licensing schemes and the mandatory regime are administered in accordance with the statutory framework of the Housing Act 2004.
5	This policy sets out the council's administration of the schemes and is now published so that it is clearer to all applicants, officers and members of the public.
6	Whilst it is not necessary to publish a policy on HMO licencing due to it being administered in accordance with a statutory framework, a published policy allows the council to provide guidance & advice to applicants & members of the public and to make specific local rules in regards to the administration including the setting of license fees and licence fee refund policy.
7	The Policy includes a detailed section on fit and proper person assessments necessary to ensure that licence holders are fit & proper. The Policy allows the council to strengthen the statutory requirements and provide the framework for decision making and appeals with regard the process.
8	The published policy provides guidance on all aspects of the licensing regime and will ensure that the council operates in a consistent manner in relation to the administration of HMO licensing.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
9	The administering of HMO licensing schemes is funded through HMO licensing, which is ring fenced to each individual scheme. Fees are set on a cost recovery basis in accordance with relevant legislation.
<u>Property/Other</u>	
10	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
11	HMO Licensing is undertaken in accordance with the Housing Act 2004 (as amended)
<u>Other Legal Implications:</u>	
12	The council must have due regard to the Public Sector Equality Duty under the Equality Act 2010 when carrying out any functions including developing any policies that may have any effect on any protected persons, in particular the duty to eliminate discrimination, harassment and victimisation and advance equality of opportunity and fostering good relations. Local Authorities also have a duty under the Human Rights Act 1998, when carrying out any function, not to act incompatibly with rights under the European Convention for the Protection of Fundamental Rights and Freedoms.

RISK MANAGEMENT IMPLICATIONS	
13	If the council does not publish a policy there is a risk that it could be challenged on the administration of the schemes, in particular with regards refunding of HMO licence fees and refusing licence applications following fit and proper person assessments.
POLICY FRAMEWORK IMPLICATIONS	
14	The HMO licensing Policy supports the Southampton City Council Housing Strategy 2016-2025 priorities and outcomes; <ul style="list-style-type: none"> • People in Southampton live safe, healthy, independent lives
15	The HMO licensing Policy is supported by the Private Sector Enforcement Policy 2019
KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	HMO Licensing Policy
2.	ESIA
3.	DPIA
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	Yes
Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	Yes
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None

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Southampton City Council

Houses in Multiple Occupation (HMO) Licensing



Southampton City Council Houses in Multiple Occupation (HMO) Licensing

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Houses in Multiple Occupation (HMO) Licensing			
Version	1.01.0	Approved by	Cabinet
Date last amended	Click here to enter a date.	Approval date	Click here to enter a date.
Lead officer	Rosie Zambra	Review date	Click here to enter a date.
Contact	Rosie.Zambra@southampton.gov.uk Rosie.Zambra@southampton.gov.uk	Effective date	Click here to

			enter a date.
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1. Introduction

- 1.1 The Southampton City Council HMO Licensing Policy is intended to provide guidance for officers, business and members of the public on the HMO licensing process. This policy should be read in conjunction with the Southampton City Council Private Rented Sector Enforcement Policy.
- 1.2 This policy relates to all Houses in Multiple Occupation (HMO's) that are required to be licensed under the Housing Act 2004. This includes HMO's that are covered by the mandatory Licensing regime and any additional and selective licensing schemes. In 2019 the Council has 2 additional licensing schemes. A scheme covering the ward of Bevois, Bargate, Portswood and Swaythling that was approved in 2018 and a scheme covering the wards of Freemantle, Shirley, Milbrook and Bassett approved in 2015.
- 1.3 Southampton has a very large private rented sector, estimated at 24,000 properties. HMOs make up over a quarter of this stock and the Council wish to ensure that these types of properties are well managed, in a safe condition and that the housing needs of a wide range of private tenants are met.
- 1.4 The Council's objectives with HMO licensing are:
 - Improve living conditions by ensuring that appropriate facilities are provided
 - Keep occupants safe by ensuring the effective management of all HMOs
 - Improve housing standards and maintenance within HMOs, with a particular emphasis on security, fire safety and thermal comfort
 - Ensure that landlords exercise appropriate management and supervision of their properties to help reduce any adverse impact of HMOs on the neighbourhood and local communities
 - Build on and expand existing partnerships with landlords, managing agents, tenants, universities, community groups and others
 - Encourage and support owners and managing agents of HMOs to work proactively with the council to achieve clearly defined standards and effective management
 - Facilitate stable and integrated communities through policy and the proactive targeting of risk-based and proportionate interventions
 - Reduce the number of complaints about HMOs received by the council and its partners, such as universities and the fire service
 - Have no adverse effect on homelessness in the city and ensure there is not an increase in the number of empty properties

2 Definition of an HMO

- 2.1 The full legal definition of an HMO is contained in sections 254 to 259 of the Housing Act 2004, which can be viewed online at www.opsi.gov.uk/acts/acts2004/40034--s.htm#254 . However, a basic explanation of what constitutes an HMO is given below.

- 2.2 The Housing Act 2004 changed the definition of HMOs, which are now defined as properties that are lived in by 3 or more people who are not from the same family. The people living there have to pay rent (or there has to be some other consideration), occupy the property as their main home and shares (or lacks) a kitchen, bathroom or toilet. A member of the same family means people who are married or living together, or related to one another.
- 2.3 An HMO may comprise bedsits, some shared houses, hostels and houses converted into flats. A single household is made up of persons who are members of the same family, whatever their family relationship.

Note – an HMO can be formed if an owner occupier has more than two lodgers

- 2.4 There is a slightly different definition of HMOs under planning law, in that there are two types of HMO specified. However, the general definition is aligned to that in the Housing Act 2004.
- 2.5 Planning permission will be required if you wish to change the use of a property from single to multiple occupation.

3 Legislative Context and Other Related Documents

- 3.1 The Housing Act 2004 part 2 provides the legal framework for HMO licensing. This policy is linked to a number of a different pieces of legislation and guidance. The council will adhere to all relevant legislation and guidance including:

Housing Act 2004

Housing and Planning Act 2016

Equality Act 2010

Human Rights Act 1998

Crime and Disorder Act 1998

Housing (Interim Management Orders) (prescribed circumstances) (England) order 2006

The Housing (Management Orders and Empty Dwelling Orders) (Supplemental provisions) (England) Regulations 2006

The Licensing of House in Multiple Occupation (Prescribed Descriptions) England Order 2018

Management of Houses in Multiple Occupation (England) (Regulations) 2006

Houses in Multiple Occupation (Specified Educational Establishments) (England) Regulations 2006

The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018

SCC Corporate Enforcement Policy 2017

SCC Housing strategy 2016-2025

Private Sector Housing enforcement policy 2019

4 The Mandatory and Additional Licensing of HMOs

- 4.1 Mandatory and additional HMO licensing schemes apply in Southampton.
- 4.2 From 1 October 2018, the legislation regarding the mandatory licensing of houses in multiple occupation (HMOs) was amended. The storey-height criteria was removed. This means any HMO that is occupied by five or more persons who form two or more separate households, and who share basic amenities such as a kitchen, bathroom or toilet, will require a licence. The government has also introduced minimum room sizes for bedrooms and a new mandatory condition which require licence holders to have appropriate arrangements in place for the storage and disposal of household waste.
- 4.3 At the time of publishing this policy, the Council has 2 designated areas for additional HMO licensing and all HMO's in the area unless covered by Mandatory licensing or are HMO's that are exempted must be licensed with the council.
- 4.4 On 20th October 2015 the Council introduced an additional HMO licensing scheme in the wards of Bassett, Freemantle, Millbrook and Shirley. This scheme requires all HMOs not covered by mandatory HMO licensing and statutory exemptions to be licensed. This scheme will expire on 19th October 2020.
- 4.5 On 1st October 2018 the Council introduced an additional HMO licensing scheme in the wards of Bevois, Bargate, Portswood and Swaythling. This scheme will run until 30th September 2023 and requires all HMOs not covered by mandatory HMO licensing and statutory exemptions to be licensed.
- 4.6 A licensed HMO must comply with the statutory conditions and also comply with the councils HMO standards. Details can be found on our webpage:
<https://www.southampton.gov.uk/housing/landlords/houses-multiple-occupation/safety-standards.aspx>
- 4.7 All qualifying HMO's must have a Licence to operate and license conditions can include; the condition of the property, management conditions, amenities, room sizes, occupation restrictions, and require works to be completed. The Licence holder and any agent must be deemed a 'fit and proper person'.
- 4.8 The responsibility for licensing rests with the person having control of, or the person managing the property. This is usually the owner, or the person who lets the property and receives the rental income. It is the decision of the local authority as to who the most appropriate person is to hold the licence and who should be responsible for making an application.
- 4.9 The Council will use various methods to identify properties which could be subject to licensing, including council tax and housing benefit records, in accordance with section 237 of the Housing Act 2004 – available at www.opsi.gov.uk/acts/acts2004/40034--s.htm#237

5 Licence Fees

- 5.1 There is a 2 stage fee process when making an application for a HMO Licence. The first stage is a fee for verification and processing of the licence. Stage 2 is a fee once the licence has been approved and this is for the monitoring and enforcement e.g. of general and specific Licence conditions.
- 5.2 Unless specified all Mandatory HMO licenses will be valid for a period of five years. Licenses issued under the additional scheme will be valid for the duration of the scheme which is a maximum of five years.
- 5.3 When applying for an HMO licence, landlords have a choice of an officer from Southampton City Council or an independent HMO surveyor to carry out the inspection of their property.
- 5.4 An HMO licence should be applied for within three months of the property becoming licensable and we encourage all landlords to make timely HMO applications by offering a lower rate for those received within three calendar months of:
- The implementation of The Licensing of Houses in Multiple Occupation (Prescribed Description)(England) Order 2018, on 1 October 2018
 - The commencement of a designated Additional Licensing Scheme
 - The property first being let as a licensable HMO
 - Becoming the person in control of the licensable HMO
 - The HMO Licence renewal date
- 5.5 If your application reaches the council within three months of the HMO becoming licensable by the applicant, and you and your HMO meet all other conditions in full, there are two options available:

The Southampton City Council HMO all-inclusive rate (compliant and timely)

On completion of your application the Council will contact the applicant to arrange an inspection of the property. If any improvements are required to reach current standards, these will be included as a licence condition. The licence holder will be given full details and a reasonable timescale to complete them.

The landlord independent HMO surveyor rate

To access this rate, the property needs to be fully compliant with all HMO standards. Before making the application, the applicant must separately instruct an independent HMO surveyor, who is a member of the Royal Institute of Chartered Surveyors (RICS) or the Chartered Institute of Environmental Health (CIEH), and who holds their own insurance to carry out an inspection of the property. Please see guidance on [how to choose an independent HMO surveyor](#) for more information.

The independent HMO surveyor will complete a [Certificate of Compliance form](#) to prove that your property meets current HMO standards.

The application fee does not include the inspection fee charged by the independent HMO surveyor. The council reserves the right to place any conditions on the licence which it deems necessary.

- 5.6 If your full and valid application does not reach us within three months of the property becoming licensable (see above), then the all-inclusive rate will be applied.

All-inclusive rate (more than three months after becoming licensable)

On completion of your application the council will contact the applicant to arrange an inspection of the property.

If any improvements are required to reach current standards, these will be included as a licence condition. The applicant will be given full details and a reasonable timescale to complete them

5.7 The fees applicable from 1st April 2019 are set out below. These were agreed by the council to reflect the actual cost of verification and processing of the application (stage 1) and the monitoring and enforcement e.g. of conditions (stage 2). These fees can be varied by the council by its approved decision making process.

	Stage 1	Stage 2	Total
Independent HMO Surveyor route	£80	£210	£290
-			
SCC Timely & Compliant route	£80	£570	£650
SCC All-inclusive rate	£80	£1020	£1100

The Council offers a 50% reduction on the fees for ANUK accredited large student blocks.

The Licensing fees are published on the Council’s webpage at <http://www.southampton.gov.uk/housing/landlords/houses-multiple-occupation/licence-fees.aspx>

6 Refund of Licences

6.1 A full refund of a Stage 1 fee will be given if:

- You have made a duplicate application
- You made an application for an exempted property by mistake
- You made an application for a property which is not licensable under Southampton’s HMO licensing schemes
- The authority fail to issue a licence before any licensing scheme expires

6.2 A refund will not generally be given if:

- You withdraw your application at any stage
- We refuse your application, other than in the circumstances set out in paragraph 6.1
- We revoke (take away) your licence
- You are subsequently refused planning permission for your HMO
- Your property ceases to be let as an HMO during the term of the licence
- You sell or dispose of the property

- 6.3 The Council will consider all requests for a refund on a case by case basis taking into account any individual exceptional circumstances
- 6.4 The stage 2 fee will be payable on issuing of the licence & is non-refundable. The Council however reserve the right to refund all or part of the stage 2 fee in exceptional circumstances.

7 The Licensing Process

- 7.1 The council have a dedicated webpage which has guidance on the procedure to apply for a property application including an on line application form.
<https://www.southampton.gov.uk/housing/landlords/houses-multiple-occupation/>
- 7.2 We are continually trying to identify properties in the city that meet the criteria for licensing, but remain unlicensed.
- 7.3 The public register of all Houses in Multiple Occupation that have been licensed is available on the council website. Properties are only included on the register once the final licence certificates have been issued.

You can view the public register at [HMO Public Register](#)

8. Assessing Suitability for Occupation

- 8.1 In approving a licence the council must determine whether the property is suitable for occupation by the number of persons requested in the application form. If the property is not suitable for the specified persons then the licence may be approved for a lesser number or conditions imposed to require specific remedial works to be carried out.
- 8.2 When assessing suitability the standards to consider include those for bathrooms, showers, toilets, wash hand basins, cooking facilities, room sizes and living space. Properties are also assessed for fire hazards using the Housing Health & Safety Rating System (HHSRS) and in accordance with the LACORS National Fire Safety Guidance. Please see the [SCC Guidance on standards for Houses in Multiple Occupation](#) for full details. Please note some upgrades to existing fire precautions may be required through specific conditions of the licence.
- 8.3 In relation to fire safety precautions the landlord can identify suitable provisions by undertaking a fire risk assessment. The Council however, reserve the right to require a higher level of fire protection as a result of their assessment.
- 8.4 In the case of the property being inspected by an independent HMO surveyor, a certificate of compliance must be submitted with the HMO application. This is a declaration by the independent surveyor that the property meets the standards for HMO licensing and is suitable for occupation by the required no of occupants.
- 8.5 The council reserve the right to carry out verification checks on properties inspected by independent surveyors. Should any deviation between the situation at the property and the information on the certificate of compliance be found in terms of SCC space and amenity

standards, the LACORs fire safety guidance, or the Housing Health and Safety Rating System (HHSRS), then investigations will be made. If errors are identified Southampton City Council may refuse to accept the certificate of compliance. The landlord would then be required to pay the full fee and have an officer from Southampton City Council visit and inspect.

- 8.6 Following an inspection of the property, a licence may be issued with specific conditions relating to the standards. Where specific conditions are attached to the licence, remedial work may be specified and timescales for compliance provided. Where a licence is issued with specific conditions these will be monitored to ensure conditions are complied with. Failure to comply with any specific condition may result in enforcement action by the council. The Council reserves the right to carry out checks on all licensed HMOs to ensure compliance with the standards.

9. Fit and Proper Person Assessment

- 9.1 The City Council must undertake checks to ensure that the proposed licence holder (and the manager, if different) is a fit and proper person. In deciding whether a person is fit and proper they must take into account:
- Any previous convictions involving fraud or other dishonesty, violence, drugs or specified sexual offences;
 - Contraventions of housing or landlord and tenant law;
 - Whether the person has practised unlawful discrimination; and
 - Whether the person has acted otherwise than in accordance with any applicable code of practice approved under section 233.
- 9.2 The Council will also consider whether the proposed licence holder has
- Been previously refused an HMO licence.
 - Been previously issued a reduced term HMO licence.
- 9.3 Where the above applies the Council must refuse to grant a HMO licence, unless it can be satisfied that any action can be taken within a reasonable period of time that means the person is no longer regarded as not a fit and proper person.
- 9.4 The local authority must also consider whether any person associated with, or formerly associated with the proposed licence holder/manager, on a personal, work or other basis, has committed any of the above offences. Having obtained this information, the Council must then determine whether that evidence is relevant to the fit & proper person's status of the proposed licence holder/manager.
- 9.5 The licensing regulations specify the information that the licence applicant and manager must declare on the licence application form with respect to their personal circumstances in relation to the matters listed above. The application form requests this information in the form of questions which the applicant must complete, and declare that it is correct to the best of their knowledge. To provide false or misleading information is an offence under section 238 of the Housing Act 2004. The licence applicant will also sign the form on behalf of all

joint licence holders and the manager, and must ensure that those persons do not have any offences that must be declared.

- 9.6 Where an applicant indicates that one or more issues applies to them, or where other information comes to light, then further information must be disclosed in order for the Council to assess whether this is of relevance to that person's ability to be regarded as being fit and proper. If it appears that the matter is not of relevance to their status as a fit and proper person, then the application may proceed for approval. If it is established that the matter is of relevance to their status as a fit and proper person, then the licence must be refused or the licence applicant may nominate another, more suitable, person. Wherever possible, applicants who are assessed as not being fit and proper will be encouraged to propose an alternative person or company, who has no personal connection with the refused person, to act as the licence holder on their behalf. The HMO Licensing Team will actively work with the initial proposed licence holder to assist in this process wherever possible. The final decision as to whether a person is to be regarded as not being fit and proper will be made by the Service Manager HMO licensing, after consultation with legal services and after considering any representations from the applicant.
- 9.7 When considering whether a person is fit and proper, we will make a decision on the basis of;
- The severity of any breach of law
 - The number of breaches
 - The time elapsed since the last breach and their conduct since it occurred
 - The relevance of the breach to the management of the HMO and their occupation
 - The evidence that the applicant has accepted the need to conduct his or her business in accordance with appropriate standards.
 - Satisfactory arrangements have been made for the repayment of debts associated with statutory responsibilities.

If the council decides that you are not a 'fit and proper' person, or the property does not meet the conditions, and there is no reasonable prospect of appointing an alternative licence holder, or bringing the property up to standard within an acceptable time period, we can refuse to issue you a licence for a house in multiple occupation (HMO).

In this situation, the council has a duty to issue an Interim Management Order (IMO). This allows the council to step in and manage the property, including collecting the rent. This order can last for a year or until suitable permanent arrangements can be made. If the IMO expires and there is no likelihood of a positive change in the circumstances, then the council can issue a Final Management Order (FMO). This removes the property from the control of the owner for a period of five years, which can be renewed.

- 9.7 Where the person is determined not to be a fit and proper person, the council will consider the impact of this decision on any other HMO licenses they may hold. Revocation of these licenses is a potential course of action.
- 9.8 Where accommodation is to be occupied by vulnerable persons, the applicant will be required to support their declaration by obtaining an enhanced disclosure certificate from the Disclosure and Barring Service (DBS) or Disclosure Scotland. Existing certificates to this or a higher level will be acceptable, provided they are no more than twelve months' old. This applies to supported accommodation housing persons with a background of dependency issues, mental illness, on probation, those under the age of 18, and any other persons considered to be vulnerable.
- The proprietors of Supporting People schemes which fall within the mandatory licensing requirements will need to produce a disclosure certificate in connection with their Supporting

People contract. Disclosure certificates are obtainable through the Disclosure and Barring Service or Disclosure Scotland. In certain cases, particularly larger hostel-type premises accommodating persons with drug/alcohol dependency, or persons who are still under supervision by the Probation Service, there may be other agencies who would wish to have their views or concerns taken in to account as part of the licensing process, such as the Police, WMFS, Probation Service, Community Safety Team, or the Drug Intervention Team. Such concerns may indicate that the proposed licence holder is failing to take reasonable steps to control the behaviour and activities of the occupiers, and this may have an impact upon the local community. As such, the competency of the proposed licence holder or manager may be questioned, even though they may not have declared any outstanding issues and may have a clear DBS Disclosure. The Licensing Team will actively work with all such agencies, and will consider their views as part of the decision-making process in considering the licence application, and whether any specific licence conditions should be identified.

10. Assessment of Management Arrangements

10.1 We expect the licence holder to have satisfactory arrangements and funding in place for the management of the HMO. This includes:

- A reliable contact for tenants to report defects, including in emergencies, who will arrange for repairs to be carried out within a reasonable period
- Where the manager of the HMO is not the owner, the manager must have the authority to fund urgent repairs, when the owner's approval cannot be obtained
- Arrangements in place for periodic inspections to identify where repair or maintenance is needed and to identify any overcrowding by tenants
- A protocol for dealing with anti-social behaviour occurring within the HMO by tenants or their visitors

While documentary proof of any such arrangements does not have to be provided with the licence application, the legislation specifies that such arrangements must be in place. The Council may request proof of such arrangements where considered appropriate.

10.2 The licence holder must comply with the requirements of The Management of Houses in Multiple Occupation (England) Regulations 2006, which set out minimum management standards for all HMOs. The regulations are available online at <http://www.legislation.gov.uk/ukxi/2006/372/contents/made> . However, they have since been amended by The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007. These regulations are available at <http://www.legislation.gov.uk/ukxi/2007/1903/contents/made> .

10.3 We expect the licence holder to have arrangements in place for ensuring that employees, contractors and others that visit the HMO in connection with its management or maintenance are fit and proper persons for the functions they carry out.

10.4 We carry out sample verification checking of declarations. This will have regard to outstanding debts for work in default and charges for statutory notices, County Court Judgments, and outstanding debts for Council Tax, Housing Benefit and other services. If necessary, Credit Reference checks will be made and landlords may be asked to provide additional information in some cases.

11. Granting a licence

11.1 The council will grant a licence if we are satisfied that the:

- HMO is reasonably suitable for occupation by the number of people specified in the licence application, or some other number, as determined by the Council
- Proposed licence holder is a fit and proper person
- Proposed licence holder is the most appropriate person to hold the licence
- Proposed manager, if there is one, is a fit and proper person
- Proposed management arrangements are satisfactory, including that the person involved in the management of the HMO is competent and the funding for management is suitable

11.2 The licence can be approved and signed on behalf of the Council by the Service Manager for HMO Licensing.

12. Licence Conditions

12.1 All HMO licenses will be granted with a set of general conditions (see appendix 1 – general conditions) where additional measures are required to achieve either a suitable level of accommodation, amenities or fire precautions, specific licence conditions may be imposed. In general we apply licence conditions requiring:

- The attainment and maintenance of proper standards of management and maintenance of facilities and equipment. In particular, the licence will require compliance with The Management of Houses in Multiple Occupation (England) Regulations 2006 – available at <http://www.legislation.gov.uk/ukxi/2006/372/contents/made> , as amended by The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007 – available at <http://www.legislation.gov.uk/ukxi/2007/1903/contents/made>
- Compliance with amenity standards contained in Schedule 3 of The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 – available at <http://www.legislation.gov.uk/ukxi/2006/373/contents/made> , as amended by the Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007 – available at <http://www.legislation.gov.uk/ukxi/2007/1903/contents/made> , within the time given on the licence. We will normally ask for wash hand basins to be provided in all letting rooms, unless the owner is able to provide evidence that it is not reasonably practicable to do so, or it is not in keeping with the age and character of the building, or there is sufficient other provision within the property.
- Room sizes. The SCC HMO general conditions & standards include minimum room sizes for bedrooms, kitchens and living areas. Statutory minimum room sizes are set out in The licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences)(England) Regulations 2018 available at <https://www.legislation.gov.uk/ukdsi/2018/9780111167359/regulation/2>
- Means of escape and fire precaution works to be carried out in order to upgrade the current provision in line with the LACORS guidance and a risk assessment.
- That specified documents be sent to the Council and made available to tenants for viewing on request

- That the licence document, licensee or manager's name, address and telephone number be displayed in a common area of the property
- Other conditions will be laid down as appropriate

12.2 We may specify conditions restricting occupation of parts of the HMO on the grounds of lack of amenities or useable space as appropriate.

12.3 We will actively monitor properties with specific licence conditions and investigate all allegations of a breach of licence conditions and consider enforcement action as appropriate to each individual case.

13. Temporary Exemption from Licensing

13.1 Under Section 62, Housing Act 2004 the Council may grant an applicant a temporary exemption notice (TEN) where;

- The Owner of a licensable HMO notifies the Council of their intention to take particular steps with a view to securing that the house is no longer required to be licensed.
- The Council is satisfied that the steps will be taken within three months of receiving the written notice.

13.2 In determining whether to grant a TEN, the Council will have regard to the proposals for the property, any planning considerations and arrangements for meeting the needs of the occupiers, including those to be displaced. Applications for TENs are likely to result in an inspection of the property by an SCC officer.

13.3 The Council may grant a second TEN that would take effect from the end of the three month period if it considers that there are exceptional circumstances.

13.4 If the Council refuses an application for a TEN they must notify the applicant of their decision in writing. Where an application is refused the applicant has a right of appeal to the appropriate housing tribunal within 28 days of the date the decision was made.

14. Enforcement

14.1 The councils approach is to encourage landlords to provide accommodation that is of a good standard and safe for tenants and we will work with them informally to do so where possible.

14.2 Enforcement action will be in accordance with the Councils corporate enforcement policy.& Private Rented Sector Enforcement Policy.

14.3 We will continually search for unlicensed HMOs and where necessary and proportionate take enforcement action to secure compliance.

- 14.4 We will monitor the condition of licensed HMOs and ensure that licence conditions are complied with and maintained. We will take steps to ensure compliance and will where necessary and proportionate take enforcement action.

15. HMO Declarations

- 15.1 We will declare bed and breakfast establishments as HMOs if they are housing people who use the hotel as their main residence for more than 30 days and the accommodation occupied by them comprises a significant proportion of the property. We believe that where this accommodation is used as a main residence, the same standards as in other HMOs should apply, especially as bed and breakfast hotels are often used to house vulnerable people.

16. Rent Repayment for unlicensed properties

- 16.1 A right of appeal exists to apply to the First-tier tribunal for a rent repayment order where a landlord operates an unlicensed HMO. The Council will advise tenants of their rights and provide evidence to support an appeal. If the rent is paid as housing benefit the council will usually make the application for the rent repayment order.

17. Refusal to Grant a Licence and Rights of Appeal

- 17.1 An applicant may appeal to the First-tier Tribunal if the council:
- Decides to refuse a licence
 - Grants a licence with additional specific conditions
 - Revokes a licence
 - Varies a licence, or
 - Refuses to vary a licence.

The appeal to the [First-tier Tribunal](#), must be made within 28 days of receiving the notification from the council.

18. Requesting Information

- 18.1 The Council may exercise its power to request documentation in relation to the property for any purpose connected with the exercise of the authorities function under the following legislation;
- Section 235 of the Housing Act 2004
Section 16 of the Local Government (Miscellaneous Provisions) Act 1976
- 18.2 The council may give notice to the person(s) to provide documentation in his custody or under his control and to produce them at a time and place as specified. Failure to do so is an offence.

19. Varying a Licence

- 19.1 The council may vary a HMO licence if there has been a change in circumstances since the time when the licence was granted. This may be with the agreement of the licence holder, or if we discover new information through inspection/visits or other legitimate sources. There is a right of appeal against any decision to vary a licence.
- 19.2 New information requiring a licence variation includes;
- The number of households or persons appropriate as the maximum number authorised to occupy the HMO to which the licence relates, or
 - the standards applicable to occupation by a particular number of households or persons.
- 19.3 A change in licence holder is not a variation.

20. Revoking a licence

- 20.1 The council may revoke a licence in the following circumstances:
- The licensed HMO ceases to be an HMO to which mandatory or additional licensing applies.
 - With the agreement of the licence holder.
 - Where there is a serious breach of a licence condition, or repeated breaches of licence conditions
 - Where the licence holder and/or manager is no longer considered to be a fit and proper person.
 - The property is sold or disposed of by the current licence holder
- 20.2 In cases where we revoke a licence and the property remains a licensable HMO, an Interim Management Order may be served unless suitable alternative responsible persons can be found or other arrangements made. There is a right of appeal against any decision to revoke a licence.

21. Civil Penalties (CP)

- 21.1 Civil Penalties were introduced under the Housing and Planning Act 2016 from 6th April 2017 as an alternative to prosecution for the following offences under the Housing Act 2004:
- Section 30 (failure to comply with an Improvement Notice)
 - Section 72 (offences in relation to licensing of HMOs)
 - Section 95 (offences in relation to licensing of houses under Part 3 of the Act)
 - Section 139 (7) (failure to comply with an overcrowding notice)Section 234 (breach of Management Regulations in respect of a HMO)

21.2 For the Council's Policy on Civil Penalties please refer to the Private Sector Housing Enforcement Policy 2019 but in summary the level of CP takes into account the following:

- Seriousness of the Offence
- Culpability and track record of the offender
- Harm caused to the tenant
- Punishment of the offender for the offence
- Deterrent value to prevent the offender from repeating the offence and to prevent others from committing the offence
- Removing of any financial benefit obtained from committing the offence

22. Governance, monitoring & review

- 22.1 Officers are only authorised to enforce regulations in accordance with the council's Scheme of Delegation.
- 22.2 Officers must be competent by appropriate training, qualification and/or experience & will be authorised to take enforcement action relevant to that training, qualification and/or experience. Officers will also have sufficient training and understanding of this enforcement policy to ensure a consistent approach to their duties.
- 22.3 Appeals in relation to enforcement action should be via the statutory process outlined in the relevant legislation.
- 22.4 Complaints about the conduct of officers should be made via the council's corporate complaints procedure.
- 22.5 The impact of the policy on the number, management and condition of HMOs in Southampton will be monitored. The Policy will be reviewed when there is any significant change in legislation or other circumstances that affect its effectiveness and validity.
- 22.6 Any minor amendments to this policy due to regulatory or legislative changes will be approved by Director of Transactions & Universal Services in consultation with the portfolio holder for Homes & Culture.

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Equality and Safety Impact Assessment

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

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

Name or Brief Description of Proposal	Houses in Multiple Occupation (HMO) Licensing Policy
Brief Service Profile (including number of customers)	
<p>The draft Southampton City Council Houses in Multiple Occupation (HMO) Licensing Policy aims to support the HMO licensing in the City. The council currently runs the HMO mandatory scheme and has two areas designated as additional licensing scheme.</p> <p>The new policy will cover these schemes and any future schemes as well as takes into account new legislation, case law and in particular dealing with banning orders, civil penalties and HMO licence fees.</p> <p>The HMO Licensing team administers the licensing of Houses in Multiple Occupation in Southampton. Properties are licensed in accordance with standards on Fire Safety, amenities and health and safety. This currently includes the Mandatory licensing of approximately 2000 HMOs, and additional licensing of approximately 2500 smaller HMOs. The team consists of 7.5 FTE staff.</p>	
Summary of Impact and Issues	
<p>The HMO Licensing Policy sets out how the council will administer HMO licensing in Southampton in accordance with the provisions of the Housing Act 2004. The Policy publishes specific information regarding refunds, fit and proper persons assessments and length of licences which fall outside the scope of the statutory framework within which HMO licensing is currently administered.</p> <p>The Policy includes a detailed section on fit and proper person assessments which</p>	

are necessary to ensure that licence holders are fit & proper. The Policy allows the council to strengthen the statutory requirements and provide the framework for decision making and appeals with regards to the process.

The Policy sets out the councils refund policy. The refund policy has been published on the HMO web pages since 2013 but not published in any policy. This is now published so that it is clear to all applicants, officers and members of the public.

The published policy provides guidance on all aspects of the licensing regime and will ensure that the council operates in a consistent manner in relation to the administration of HMO licensing.

If the council does not publish a policy there is a risk that it could be challenged on the administration, in particular with regards refunding of HMO licence fees and refusing licence applications following fit and proper person assessments.

Potential Positive Impacts

Whilst it is not a statutory requirement to publish a policy on HMO licencing, a published policy allows the council to provide a guidance and advice to applicants and members of the public and to make specific local rules in regards to the administration.

Having a policy on HMO licensing means that the councils position is clear and transparent on HMO licensing as without the policy the council would limit the discretion it has.

The HMO licensing Policy supports the Southampton City Council Housing Strategy 2016-2025 priorities and outcomes;

- People in Southampton live safe, healthy, independent lives

The HMO licensing Policy is supported by the Private Sector Enforcement Policy 2019.

The standards and most importantly the safety of the HMOs in Southampton will be improved, reducing the likelihood of issues for the occupiers and those living nearby. The management of the HMOs will be improved reducing the impact of the HMOs on the local environment. The provision of the HMO wardens as part of the existing scheme will ensure complaints and issues arising from HMOs will be dealt with promptly and effectively.

Responsible Service Manager	Steven Hayes-Arter, Service Manager for HMO licensing & Adaptations
Date	
Approved by Senior Manager	Rosie Zambra – Service Lead - Environment, Street Scene & Health
Date	

Potential Impact

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
Age	The majority of HMO tenants are aged between 18-34 of which this age group makes up about 50% of the population in these wards <i>(Source: Hampshire County Environment Department's 2017 based Small Area Population Forecasts)</i>	The policy will have a positive impact as HMO Licensing will ensure properties are safe to live in for all age groups. By having the policy it encourages best practice by ensuring transparency and a consistent approach in all circumstances, as tenants will know what to expect in terms of property conditions, safety and how to report issues.
Disability	From 2011 census data the four wards currently covered by the proposed policy, Bevois, Bargate, Portswood and Swaythling in Southampton had around 11-14% of the population living with some form of disability.	The policy places no restrictions on tenancy types that would impact persons with disabilities. The positive impact is that it will improve the safety of HMOs thus tenants with disabilities would benefit from safer properties.
Gender Reassignment	No impacts identified.	N/A
Marriage and Civil Partnership	No impacts identified.	N/A
Pregnancy and Maternity	The policy places no restrictions on tenancy types that would impact pregnant women or those with young babies. The positive impact of the policy will mean that safety is improved in HMOs.	N/A
Race	Census data from 2011 indicates that the majority of residents in the four wards currently covered by the proposed policy, Bevois, Bargate, Portswood and Swaythling in Southampton are White British, with	The policy places no restrictions on tenancy types that would impact on persons from certain ethnic groups.

Impact Assessment	Details of Impact	Possible Solutions & Mitigating Actions
	Portswood & Swaythling over 70% White British. The number is lower in Bevois at 44.6% with a large number of Asian British at 28%.	
Religion or Belief	No impacts identified.	N/A
Sex	No impacts identified.	N/A
Sexual Orientation	No impacts identified.	N/A
Community Safety	If properties are not let out they risk becoming empty. Long term empty properties can have negative impact on local community e.g. eyesore risk, squatters and generally unsafe.	<p>The council has legal powers to deal with empty properties and will work proactively to reduce the number and impact of empty homes. The Private Rented Sector Enforcement Policy details the council's powers.</p> <p>The HMO Licensing policy will have a positive impact as the powers given in the policy allow for action to be taken against HMO landlords with anti-social tenants and make HMOs safer.</p>
Poverty	Introduction and enforcement of the policy, especially license fees may lead to less HMOs being available, which could lead to rent increases which could impact those on low income.	Licence fees are kept to reasonable levels to minimise impacts on tenants
Health & Wellbeing		The management and enforcement of HMOs will be improved across the city, reducing their impact on the local environment. Improved safety and amenities standards within HMOs will lead to improved living conditions for tenants.
Other Significant Impacts	No impacts identified.	N/A

Data Protection Impact Assessment

What is a Data Protection Impact Assessment?

A Data Protection Impact Assessment (“DPIA”) is a process that assists organisations in identifying and minimising the privacy risks of new projects or policies. Projects of all sizes could impact on personal data.

The DPIA will help to ensure that potential problems are identified at an early stage, when addressing them will often be simpler and less costly.

Conducting a DPIA should benefit the Council by producing better policies and systems, and improving the relationship with individuals.

Why should I carry out a DPIA?

Carrying out an effective DPIA should benefit the people affected by a project and also the organisation carrying out the project.

Not only is it a legal requirement in some cases, it is often the most effective way to demonstrate to the Information Commissioner’s Officer how personal data processing complies with data protection legislation.

A project which has been subject to a DPIA should be less privacy intrusive and therefore less likely to affect individuals in a negative way.

A DPIA should improve transparency and make it easier for individuals to understand how and why their information is being used.

When should I carry out a DPIA?

The core principles of DPIA can be applied to any project that involves the use of personal data, or to any other activity that could have an impact on the privacy of individuals.

Answering the screening questions in Step 1 of this document should help you identify the need for a DPIA at an early stage of your project, which can then be built into your project management or other business process.

Who should carry out a DPIA?

Responsibility for conducting a DPIA should be placed at senior manager level. A DPIA has strategic significance and direct responsibility for the DPIA must, therefore, be assumed by a senior manager.

The senior manager should ensure effective management of the privacy impacts arising from the project, and avoid expensive re-work and retro-fitting of features by discovering issues early.

A senior manager can delegate responsibilities for conducting a DPIA to three alternatives:

- a) An appointment within the overall project team;
- b) Someone who is outside the project; or
- c) An external consultant.

Each of these alternatives has its own advantages and disadvantages, and careful consideration should be given on each project as to who would be best-placed for carrying out the DPIA.

How do I carry out a DPIA?

Working through each section of this document will guide you through the DPIA process.

The requirement for a DPIA will be identified by answering the questions in Step 1. If a requirement has been identified, you should complete all the remaining sections in order.

After Step 5, the Information Lawyer (Data Protection Officer) will review the DPIA within 14 days of receipt, and complete the rest of the assessment within 28 days. The DPO will identify any privacy risks, and proposed measures to address them.

These measures must then be agreed by the project lead, Information Asset Owner or Administrator, and, in some cases, the Senior Information Risk Owner.

Advice can be found at the beginning of each section, but if further information or assistance is required, please contact the Information Lawyer (Data Protection Officer) on 023 8083 2676 or at information@southampton.gov.uk.

Data Protection Impact Assessment Template			
Version	3.1	Approved by	Data Protection Officer
Date last amended	2 nd November 2018	Approval date	2 nd November 2018
Lead officer	Chris Thornton, Information Lawyer (Data Protection Officer)	Review date	2 nd November 2019
Contact	information@southampton.gov.uk	Effective date	2 nd November 2019

Project Details

Name of Project
Licensing of Houses in Multiple Occupation Policy
Brief Summary of Project
Asking cabinet to approve a published policy on HMO licensing
Estimated Completion Date
August 2019
Name of Project Lead
Steven Hayes-Arter

Details of Person Conducting DPIA

Name
As above
Position
Service Manager HMO Licensing & Adaptations
Contact Email Address
Steven.hayes-arter@southampton.gov.uk

Step 1: Identify the need for a DPIA

Does your project involve... (tick all that apply)

- The collection of new information about individuals
- Compelling individuals to provide information about themselves
- The disclosure of information about individuals to organisations or people who have not previously had routine access to the information
- The use of existing information about individuals for a purpose it is not currently used for, or in a way it is not currently used
- Contacting individuals in ways which they may find intrusive
- Making changes to the way personal information is obtained, recorded, transmitted, deleted, or held
- The use of profiling, automated decision-making, or special category data¹ to make significant decisions about people (e.g. their access to a service, opportunity, or benefit).
- The processing of special category data¹ or criminal offence data on a large scale.
- Systematically monitoring a publicly accessible place on a large scale.
- The use of new technologies.
- Carrying out profiling on a large scale.
- Processing biometric or genetic data.
- Combining, comparing, or matching data from multiple sources.
- Processing personal data without providing a privacy notice directly to the individual.
- Processing personal data in a way which involves tracking individuals' online or offline location or behaviour.
- Processing children's personal data for profiling or automated decision-making or for marketing purposes, or offer online services directly to them.
- Processing personal data which could result in a risk of physical harm in the event of a security breach.

¹ personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation

If you answered “yes” to any of these, please proceed to Step 2.

If none of these apply, please tick the below box, and return the form to the Information Lawyer (Data Protection Officer) at information@southampton.gov.uk

None of the screening statements in Step 1 of this document apply to the project, and I have determined that it is not necessary to conduct a Data Protection Impact Assessment

Step 2: Describe the processing

The nature of the processing

How will you collect data?

How will you use the data?

How will you store the data?

How will you delete the data?

What is the source of the data?

Will you be sharing data with anyone?

INFO: If yes, please provide details

Describe the scope of the processing

What is the nature of the data?

INFO: Detail the type of personal data being processed. List any fields that will be processed (e.g. name, address, data of birth, NHS number, video images)

Does it include special category or criminal offence data? Please provide details.

INFO: "Special category" data includes personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation.

How much data will you be collecting and using?

How often will the data be collected and used?

How long will you keep it?

How many individuals are affected?

What geographical area does it cover?

Describe the context of the processing

What is the nature of your relationship with the individuals?

INFO: Detail who the data subjects will be (e.g. residents, carers, pupils, staff, professionals)

How much control will they have over their data?

Would they reasonably expect the Council to use their data in this way?

INFO: Please provide details to support your answer

Do they include children or other vulnerable groups?

INFO: If yes, please provide details

Are you aware of any prior concerns over this type of processing or security flaws?

INFO: If yes, please provide details

Is the processing novel in any way?

INFO: If yes, please provide details

What is the current state of technology in this area?

Are there any current issues of public concern that should be considered?

INFO: If yes, please provide details

Describe the purposes of the processing

What do you want to achieve?

What is the intended effect on individuals?

What are the benefits of the processing – for the Council, and more broadly?

Step 3: Consultation process

Consider how to consult with relevant stakeholders

Describe when and how you will seek individuals' views – or justify why it's not appropriate to do so

Who else do you need to involve, or have you already involved within the Council?

INFO: e.g. IT services, records management

Do you need to ask your processors to assist?

INFO: Processors are third parties who will process the personal data on our behalf

Do you plan to consult information security experts, or any other experts?

INFO: Please provide details to support your answer

Step 4: Assess necessity and proportionality

Describe compliance and proportionality measures

What is your lawful basis for processing? Please choose one of the following...

INFO: There should generally only be one legal basis for processing.

- The data subject has given consent
- The processing is necessary for the performance of a contract to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract
- The processing is necessary for compliance with a legal obligation to which the Council is subject
- The processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the Council
- The processing is necessary for the purposes of the legitimate interests pursued by the Council or by a third party

Does the processing actually achieve your purpose?

INFO: Please provide details to support your answer

Is there another way to achieve the same outcome?

INFO: Please details to support your answer

How will you prevent function creep?

INFO: Function creep is where data collected for one purpose is used for another purpose over time.

How will you ensure data quality and data minimisation?

INFO: We should only use the minimum amount of personal data possible to achieve the purpose of the processing.

What information will you give individuals about the processing?
How will you help to support their rights?
INFO: Data subject's rights include the right to access, rectify, erase, port, and restrict their data.
What measures do you take to ensure processors comply with the GDPR, and assist the Council in supporting individuals in exercising their rights?
INFO: E.g. will there be a contract in place with the processor that contains data protection obligations?
How do you safeguard any international transfers of personal data?
INFO: If there are no international transfers involved, please state this

Step 5: Send DPIA Form to the Data Protection Officer

After completing this part of the form, please send the document to the Information Lawyer (Data Protection Officer) at information@southampton.gov.uk

The DPO will review the information provided, and identify and assess the privacy risks.

Step 6: Identify and assess risks (DPO to complete)

Describe source of risk and nature of potential impact on individuals. Include associated compliance and corporate risks as necessary.	Likelihood of harm	Severity of harm	Overall risk
1.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
2.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
3.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
4.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
5.	Remote Possible Probable	Minimal Significant Severe	Low Medium High
6.	Remote Possible Probable	Minimal Significant Severe	Low Medium High

Step 7: Identify measures to reduce risk (DPO to complete)

Identify additional measures you could take to reduce or eliminate risks identified as medium or high risk in step 5			
Risk	Options to reduce or eliminate risk	Effect on risk	Residual risk
1.		Eliminated Reduced Accepted	Low Medium High
2.		Eliminated Reduced Accepted	Low Medium High
3.		Eliminated Reduced Accepted	Low Medium High
4.		Eliminated Reduced Accepted	Low Medium High
5.		Eliminated Reduced Accepted	Low Medium High
6.		Eliminated Reduced Accepted	Low Medium High
Comments from the Data Protection Officer			
Comments from the Senior Records Officer			

Step 8: Sign off

Item	Date	Notes
DPO reviewed DPIA and provided advice on:		DPO should advise on compliance, step 7 measures and whether processing can proceed
Senior Records Officer reviewed DPIA on:		SRO should advise on records management matters
Measures approved by Project Manager on:		Integrate actions back into project plan, with date and responsibility for completion
Comments from Project Manager:		
Residual risks approved by Information Asset Owner / Administrator on:		
Comments from IAO / IAA:		
Residual high risks approved by the Senior Information Risk Owner on:		If accepting any residual high risk, consult the ICO before going ahead
Comments from SIRO:		

Step 9: Review

Item	Date	Comments
DPO reviewed DPIA on:		
Date of next review:		

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DECISION-MAKER:		CABINET	
SUBJECT:		JOINT COMMISSIONING BOARD – TERMS OF REFERENCE REVIEW	
DATE OF DECISION:		20TH AUGUST 2019	
REPORT OF:		DIRECTOR OF QUALITY AND INTEGRATION	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	CLAIRE HEATHER	Tel: 023 8083 2412
	E-mail:	Claire.heather@southampton.gov.uk	
Director	Name:	STEPHANIE RAMSEY	Tel: 023 8029 6075
	E-mail:	Stephanie.ramsey2@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None			
BRIEF SUMMARY			
<p>The Joint Commissioning Board between the City Council and the Southampton City Clinical Commissioning Group was established in July 2017 as a pilot arrangement to allow for arrangements to “bed in” before it went “live” on 1st April 2018. The arrangement provided for further integration between Health and Social Care in the City and to make cooperative decisions on certain agreed functions related to Health and Care. It has now been operating in its “live” format for just over a year and as such it is timely to review the Terms of Reference of the Joint Commissioning Board.</p>			
RECOMMENDATIONS:			
	(i)	To approve the revised Terms of Reference for the Joint Commissioning Board as attached as appendix 1 of the report.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	Joint Commissioning Board has been operating in its “live” format for just over a year and as such it is timely to review the Terms of Reference and to make explicitly clear a couple of points relating to delegations and decision making following a review of practice during the initial operation of the Board.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
2.	None		
DETAIL (Including consultation carried out)			
3.	The delegations required to give effect to the working of the Joint Commissioning Board arrangements with the Clinical Commissioning Group and NHS England were approved by Full Council in May 2018 and re-approved in May 2019 as part of the Annual Constitutional Review at the Council’s Annual General Meeting.		
4.	This review of the Joint Commissioning Board Terms of Reference does not affect any of the delegations within the Council’s Constitution and therefore does not require any constitutional changes.		
5.	All Cabinet Members have a delegation within their portfolio responsibilities to “represent the Council on and exercising any functions in relation to any Partnership Boards or Committees to which they are appointed”. This		

	delegation provides for any member of Cabinet to substitute for any of the 3 appointed members of the Joint Commissioning Board if or when necessary.
6.	<p>The Board through its member's delegated decisions exercises Executive Functions, and as such the following requirements apply:-</p> <ul style="list-style-type: none"> • set published meeting dates, to provide advance information on the Council's Forward Plan (28 days before any decision) and CCG's governance arrangements • written reports containing specified information that must be published a set period in advance (5 working days before meeting date) • hold meetings in public • restrictions on taking confidential decisions unless a period of notice (28 days) has been given • requirements around recording and publishing decisions • 'Standstill period' following decisions during which 'Call In' can be exercised by the Council's Overview and Scrutiny arrangements.
7.	It is important to note that where a decision has been published on the forward plan for a particular decision maker and the papers for said decision making meeting have been published it is not possible to amend the forward plan in a timely manner to enable any substitute member to then take that decision on behalf of the original decision maker. If the Forward Plan has not yet been published and 28 days' notice of any change to a key decision can be provided, changes to a decision maker can be accommodated. For non-key decision, changes to a decision maker can be accommodated prior to publication of Agenda papers.
8.	The revised terms of reference also make specifically clear the level of spend that can be approved by decision makers at the Joint Commissioning Board whether by a Cabinet Member or an Officer acting under the Scheme of Delegation. In essence decisions up to £500,000 and which do not have a significant policy or strategic impact are non-key, decisions over £500,000 or where they have a significant policy or strategic impact are key decisions and must comply with all the forward plan and advance publicity procedures. There is an exemption to the Council's Financial Procedure Rules requirement for decisions exceeding £500,000 to be taken to Cabinet. This exemption was agreed at the time of establishment of the Joint Commissioning Board for Cabinet Members taking decisions at the Board enabling them to make decisions up to the Council threshold of £2m but only when all 3 Cabinet Members on the Board are in agreement. Any decision where all three are not in Agreement must be referred to Cabinet or, where a decision is over the £2m threshold, to Council in accordance with the Council Constitution and Financial Procedure Rules.
9.	The revised Terms of Reference for the Board can be found as Appendix 1 of the report with tracked changes. The Terms of Reference have also been submitted to the Clinical Commissioning Group Governing Body for approval.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
10.	Not applicable
<u>Property/Other</u>	
11.	Not applicable.

LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
12.	Children and Families Act 2014 – emphasises that a local authority in England and its partner commissioning bodies must make arrangements (“joint commissioning arrangements”) about the education, health and care provision to be secured.
13.	Care Act 2014 establishes requirement for integration of care and health by 2020.
14.	NHS Five Year Forward View 2014 which outlines the future direction for the NHS which requires new partnerships in how care is delivered breaking down barriers between health and social care with more integrated approaches and with patients having far greater control over their own care.
<u>Other Legal Implications:</u>	
15.	Decisions of the Board and the arrangements for the discharge of their functions are subject to and in conformity with the requirements of the Equalities Act 2010, the Human Rights Act 1998 and the Data Protection Act 2018.
RISK MANAGEMENT IMPLICATIONS	
16.	None.
POLICY FRAMEWORK IMPLICATIONS	
17.	Not applicable
KEY DECISION	No
WARDS/COMMUNITIES AFFECTED:	Not applicable
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Revised Terms of Reference 2019/20
Documents In Members’ Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None

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Terms of Reference for the Joint Commissioning Board

1. Introduction

- 1.1. Southampton City Council (the Council) and Southampton City Clinical Commissioning Group (CCG) have developed a shared ambition for change '*Integrated Health and Wellbeing Commissioning allows the city to push further and faster towards our aim of completely transforming the delivery of health and care in Southampton, so that it is better integrated, delivered as locally as possible, person centred and with an emphasis on prevention and intervening early to prevent escalation*'. For the purpose of these Terms of Reference, Health and Wellbeing is defined as Health and Care services outlined in the scope Annex A.

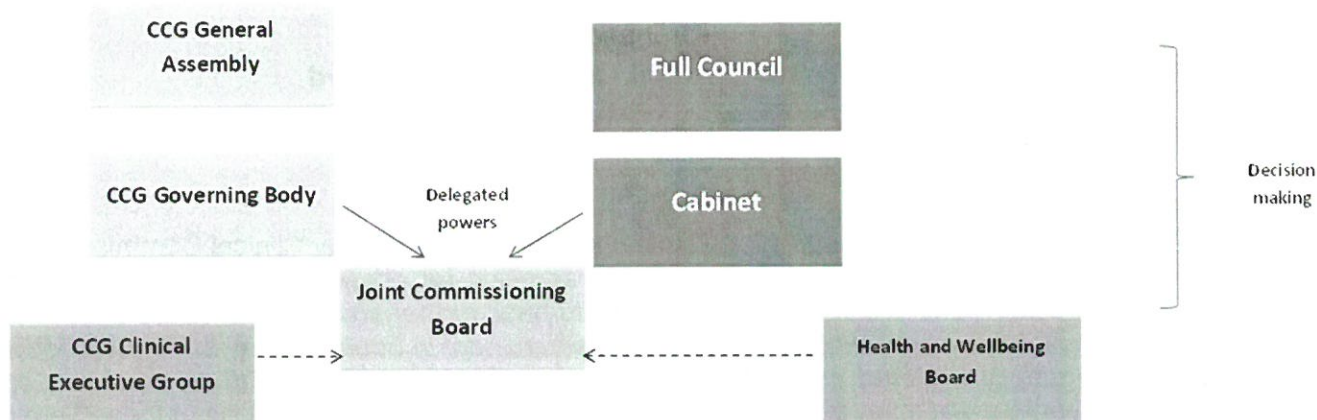
If we are to realise this vision and meet the challenges we face then we will need to

- Act as one for the city by
 - developing and delivering a single view of the city's needs and how we can ensure they are best met
 - aligning and allocating our collective resources to achieve prioritised outcomes
 - working for the whole population
- Support people to become more independent and do things for themselves by changing the relationship between citizens and services
- Be innovative and have an appetite for risk to make the change
- Make the most of new opportunities and powers
- Build on our existing good work
- Ensure that the system is financially sustainable and flexible enough to meet current and future challenges.

- 1.2. There are a number of benefits from integrated commissioning that have been grouped under three broad headings

1. **Using integrated commissioning to drive provider integration and service innovation.** It is through these innovations that integrated commissioning has the greatest potential to benefit citizens and patients.
2. **Improving the efficiency of commissioned services.** This includes both streamlining process and reducing duplication and variation. This is particularly relevant for services/providers working across both commissioning organisations.
3. **Increasing the effectiveness of commissioning – across the whole of the commissioning cycle.** Combining the knowledge, expertise and importantly authority and leaderships of both organisation (clinical and democratic) has the potential to significantly increase the effectiveness of commissioning across the City.

- 1.3. The Council and CCG have therefore established a Joint Commissioning Board to commission health and social care in the City of Southampton. It will encourage collaborative planning, ensure achievement of strategic objectives and provide assurance to the governing bodies of the partners of the integrated commissioning fund on the progress and outcomes of the work of the integrated commissioning function. The Joint Commissioning Board hereafter will be referred to as the Board



1.4. The Board will act as the single health and wellbeing commissioning body for the City of Southampton and a single point for decision makers. The Board will convene and exercise their functions following consensus / consultation with each other on those functions in scope as defined in Annex A. This includes those areas of health and social care commissioning covered by the Better Care Fund Section 75. (BCF)

~~1.5. It is proposed that the scope of the integrated commissioning arrangements overseen by the new Board will be broadly as described below.~~

~~1.6. A list of the schemes~~

1.5 The Board has been established to ensure effective collaboration, assurance, oversight and good governance across the integrated commissioning arrangements between Southampton City Council and Southampton City CCG.

1.6 As such, the Board will develop and oversee the programme of work to be delivered by the Integrated Commissioning Unit and review and define the integrated commissioning governance arrangements between the two bodies.

1.7 The Board will monitor the performance of the integrated commissioning function and ensure that it delivers the statutory and regulatory obligation of the partners of the Better Care Fund.

1.8 Evidence based commissioning will be key to achieving our vision and the Board will be informed and driven by needs assessment, market analysis, user experiences, consultation and engagement.

2. Scope

2.1 The Board will have oversight of all schemes established under the Better Care Section 75 and other remaining Partnership Agreements which in some cases may have their own specific Partnership Board, under the NHS Health Act 2006 flexibilities, and Local Government Act 1972 (s.113). This will include shadow monitoring of schemes under development and scrutinising their suitability for future inclusion in the BCF Partnership Agreement or other Partnership Agreements. An example of schemes to be included is to be found in Annex A

2.2 There are also be services in scope for which the commissioning responsibility/ decision making remains solely with the CCG or City Council but the funding is aligned to deliver a jointly agreed strategy. Examples can be found in Annex A

2.3 Beyond this, there could be areas of shared commissioning where the Council and CCG will want to discuss and share information about relevant commissioning intentions, budget and spend. The Board could also consider bids that are of joint interest. These 3 categories are described below:

- Jointly commissioned/funded services
- Single agency commissioning aligned under a jointly agreed strategy
- Other areas relevant for the achievement of the outcomes

2.4 The scope of the Board will cover joint NHS and City Council services commissioned by the Integrated Commissioning Unit. ~~The scope is outlined in Annex A.~~

2.5 The Board may, where appropriate, develop a wider range of services subject to final approval of the CCG Governing Body and Council

2.6 Subject to the agreement of the CCG Governing Body and the Council, the Board membership may be amended to include any other partner who jointly commissions with the City Council or Southampton City Clinical Commissioning Group and other agency representatives may be co-opted as necessary.

3 Role and Objectives

3.1 To agree shared commissioning priorities for the Council and CCG based on where a partnership approach will improve outcomes and promote greater efficiencies.

3.2 To approve and monitor the development and implementation of the Integrated Commissioning Plan to ensure it meets agreed priorities, objectives, savings and performance targets and aligns commissioning arrangements with partners' financial and business planning cycles.

3.3 To ensure that all commissioning decisions are made in line with the principles set out in the Integrated Commissioning plan.

3.4 To monitor the financial plans and financial performance of the integrated commissioning function, including forecasts for the year.

3.5 To ensure compliance with any specific reporting requirements associated with the formal pooled fund described in the Section 75 agreement.

3.6 To ensure compliance with rules and restrictions associated with any other blocks of funding, including specific grant funding.

3.7 To ensure management response to risks identified and the assurances against them regarding the integrated commissioning function.

3.8 To agree, subject to the financial decision making limits of the council and the CCG, all financial planning commitments across areas of integrated commissioning responsibility for pooled or non-pooled budgetary provision.

~~3.9 To receive and consider reports on service development, budget monitoring, audit and inspection reports in relation to those services which are the subject of formal partnership arrangements.~~

~~3.10 To set priorities for, and review the performance of, the Integrated Commissioning Unit on behalf of Southampton City Council and Southampton City CCG.~~

~~3.11~~ ~~3.9~~ To seek assurance on the quality and safety of commissioned services in relation to key performance indicators and standards. Where performance is outside of expected threshold to

receive exception reports.

~~3.123.10~~ To provide system leadership and direction to the staff of the integrated commissioning function.

~~3.133.11~~ To promote quality and identify how the health and wellbeing strategic intentions and priorities of partners will be supported and enabled through integrated commissioning.

~~3.143.12~~ To maintain oversight of the Section 113 arrangements between the two organisations.

4 Better Care Section 75 Partnership Agreement

~~With specific reference to the Better Care Section 75 Partnership Agreement, the Joint Commissioning Board:~~

- 4.1 Shall oversee and review the schemes established under the Better Care S75 Partnership Agreement, ensuring adherence to the relevant legislation and protocols in the development of Partnership Agreements have been followed.
- 4.2 Shall receive, review and approve Business Cases for new pooled fund schemes to be established under the Better Care Section 75 Partnership Agreement (with reference to the respective Schemes of Delegation).
- 4.3 Shall receive and review quarterly reports on each Better Care pooled fund scheme on the exercise of the partnership arrangements. These reports shall include details of:
 - Annual forward financial plans setting out the projected annual spend
 - Review of the operation of each scheme covering:
 - evaluation of performance against agreed performance measures targets and priorities and future targets and priorities;
 - quality of service delivery and how the arrangements benefit and meet the needs of client groups;
 - any service changes proposed;
 - any shared learning and opportunities for joint training;
 - assurance that monitoring and evaluation processes take account of statutory guidance and policy directives pertaining to quality standards, best value and audit arrangements of the Council and the CCG.

- 4.4 Shall ensure the Services provided under each scheme are meeting the needs of the service users and their carers.
- 4.5 Shall ensure that commissioning decisions are the result of the wide ranging consultation and discussion with the key people involved in all aspects of the function of delivering joined up health and social care.
- 4.6 Shall encourage and ensure that service providers work collaboratively with service users, other providers and commissioners and that it is promoted through positive design of payment packages and risk and benefit share arrangements into commissioning contracts.
- 4.7 Shall ensure that commissioners listen to service users and providers and respond supportively to ideas to make services more effective for the user and more responsive to needs.
- 4.8 Shall assess and manage any liabilities or risks reported in relation to each of the Better Care pooled fund schemes and act upon these at the earliest opportunity and monitor their impact throughout the delivery of the services. This shall include consideration of proposed changes to the services and funding and how these may impact on each organisation.
- 4.9 Shall monitor financial contributions of the Council and the CCG and make recommendations regarding future financial contributions.
- 4.10 Shall provide the Council and CCG with an annual review report and forward plan of the S75 Better Care Partnership Agreement arrangements, incorporating financial and activity performance, risks, benefits and evidence of improvements for service users.

5 Risk Sharing principles

- 5.1 The pooled budget arrangements will be managed in such a way as to avoid destabilising either organisation, the detailed arrangements for managing the pooled funds are detailed in the Section 75 Pooled Fund Agreement and its scheme specifications.
- 5.2 Each organisation will retain responsibility for dealing with any deficit it has at the start of the pooled budget arrangement, for the avoidance of doubt this includes a situation where commitments against the pooled fund are greater than or are likely to be greater than the budget set.
- 5.3 Each organisation will strive to achieve a balanced budget within the pooled budget.
- 5.4 The statutory requirements of each organisation must be maintained.
- ~~5.5~~ The pooled budget (in line with the Section 75 agreement) will contain a mechanism for dealing with significant changes to the funding or statutory responsibilities of either organisation that effect the areas in scope of the pooled budget arrangement.
- ~~5.6~~5.5 Both organisations will provide robust management information in line with their responsibilities in the Section 75.
- ~~5.7~~ Both organisations ~~will ensure~~will ensure the early identification of potential in year under or over spends and for remedial actions to be put into place.

6 Governance and Reporting

- 6.1 The Board will be accountable to the Council's Cabinet and / or Council as appropriate and the CCG Governing Body. It will work in partnership with the Health and Wellbeing Board and the CCG Clinical Executive Group.
- 6.2 The Board will need to demonstrate contribution to the Health and Wellbeing Strategy outcomes
- 6.3 The Board will need to be informed by the Joint Strategic Needs Assessment, needs assessments, market analysis and feedback from consultation and engagement with residents and patients.
- 6.4 The Board will meet monthly and be minuted. Meetings in public will normally be bi monthly with a seminar in the intervening months. Additional meetings of the Committee may be held on an exceptional basis at the request of the Chair.
- 6.5 At least one meeting each quarter will be ~~dedicated to reviewing~~ receive and review the performance of the Better Care S75 Partnership Agreement, undertaking those responsibilities as set out in Section 4.
- 6.6 The Board shall be entitled to call a meeting, at any time, outside of the agreed meetings schedule, for any purpose, subject to compliance with any statutory requirements in relation to decision making under the Local Government Acts and CCG Constitution.
- 6.7 All minutes and papers from the Board will be reported to the CCG Governing Body and made available to Council's Cabinet.
- 6.8 Agendas will be jointly agreed in line with the Forward Plan and will need to be circulated at least 5 working days in advance of the meeting. All new agenda items are subject to agreement of the Chair or Vice Chair. Where a decision of the Council (Member or Officer) is required at a Board meeting then the requirements of the Local Government Act 2000 and Access to Information regulations must be adhered to (publication of notice of key decisions 28 days in advance, publication of reports 5 clear working days in advance, formal decision Notice signed by decision maker and Proper Officer (Democratic Services must attend for this purpose for these items). Decisions that are 'key decisions' within the meaning of the Local Government Act 2000 are subject to the Council's 'call-in' procedures and cannot be implemented until the time for call-in has expired or the matter has been dealt with in accordance with Overview & Scrutiny Procedure Rules.
- 6.9 The agendas, minutes, decision notices and briefing papers of the meetings of this Board are subject to the provisions of the Freedom of Information Act 2000, the Environmental Information Regulations and the Data Protection Act 20184998. If the Chair concludes that specific issues are exempt from publication and should not be made available under the terms of the Freedom of Information Act, a Part 2 meeting of the Board shall be convened to consider them.
- 6.10 Part 2 meetings have to be notified 28 days in advance of the meeting and reasons for excluding the public included on the report / agenda item or the decision cannot be taken. There are limited urgency provisions but these require prior consent from the chair of the Health Overview and Scrutiny Panel.
- 6.11 Meetings of the Board shall be advertised in advance on the calendar of meetings of the CCG Governing Body and Council and shall, unless notice of consideration of an excluded item has been given, shall be open to the public to attend. from April 2018.
- 6.12 The Chair will invite questions or statements by members of the public on matters pertaining to that agenda at the beginning of the meeting.

6.13 Administrative support for the Board will be a shared responsibility although agenda publication etc. will be undertaken by both the Council and the CCG to meet both organisational requirements.

6.14 The Health and Wellbeing Board have delegated responsibility for Better Care to the Board and the Board will be accountable to the Health and Wellbeing Board for this element.

6.14.6.15 The Board will receive the minutes from the Better Care Southampton Steering Board

7 Membership

7.1 The council's representation on the Joint Commissioning Board will be 3 Cabinet Members made through executive appointments. and the CCG have nominated 3 members from the CCG Governing Body. Both organisations have agreed to send deputies in any absences.

7.1.7.2 In exceptional circumstances for Southampton City Council, a decision maker can be changed from a Cabinet Member to the Leader of the Council as long as the forward plan has been amended in line with appropriate timescales and papers have not been published

7.27.3 Other attendees

- Key senior managers from the Council and the CCG as required.
- The relevant commissioning lead for each of the pooled budgets under the S75 Better Care Partnership Agreement will attend as appropriate the quarterly meetings to present the performance report for the S75 Partnership Agreement.

7.37.4 The Chair will be a politician from the council or a member from the CCG Governing Body who will rotate on an agreed basis. The Vice Chair of the Board will be from the alternate partner organisation.

8 Quorum, Decision Making and Voting

The CCG Governing Body and SCC Cabinet may grant delegated authority (with any appropriate caveats) to those of its members or officers participating in the Board to make decisions on their behalf, whilst retaining overall responsibility for the decision made by those members or officers. It is therefore the individual member or officer who has the delegated authority to make a decision rather than the Joint Commissioning Board itself.

8.1 The Board will require consensus prior to any delegated decisions being taken; consensus will be demonstrated by a show of hands. It is important that given the nature of the decisions, securing the support of both partners will be critical to the success of this Board. The Board will be quorate if there are at least 4 members in attendance with a minimum of 2 from each organisation.

8.2 In those circumstances where consensus cannot be reached, the matter will be deferred for further consideration by the parties and will be reconsidered after discussions between the Chair and respective partner lead.

8.3 Schemes of Delegation to City Council Members and Council Officers shall be amended to reflect that decisions should not be taken under delegation and should stand either deferred to

a future meeting or referred back to the parent body where a consensus of those present do not support the decision proposed. The Chair of the Board shall consult those present before deferring the decision or directing that it be referred back to each partner organisation.

8.4 Legally, it is not possible to have a mechanism that requires individual decision makers to exercise their decision making function in accordance with the will of a majority or quorum of a Board. Any individual decision maker must consider any decision on its merits as a whole in accordance with established decision making principles. The process for seeking the support of the Board prior to exercising any delegation meets a requirement in the Scheme of Delegation to limit the power to exercise that delegation to situations only where the support of the Board is demonstrated. For the CCG the delegated authorisation limit is up to £1 million, for the City Council the delegated authorisation limit is up to £2 million with any decisions over £500k being classed as a key decision.

8.5 Functions outside the decision making scope of the Board, but related to health and social care will be discussed for information only at the Board, with the considerations and any recommendations of the Board formally minuted. Items will then be referred to the relevant decision maker (e.g. CCG Governing Body, Council).

9 Dispute Resolution

9.1 If disputes relating to the Better Care Section 75 Partnership Agreement arise then the Dispute Resolution process within that will be followed. Otherwise any matter of dispute will be referred for further discussion by the Leader of the Council and ~~Chair of~~Chair of the CCG before referring back to the Board for further consideration. It is recognised that as the desire is to reach agreement on any matter by consensus that if this is not reached that matter may not move forward. There will be no formal and binding external arbitration procedure.

10 Scrutiny

10.1 Decisions of members of the Joint Commissioning Board will be subject to formal scrutiny normally undertaken by the Health Overview and Scrutiny Panel, on behalf of the Council and Call in. Health scrutiny is a fundamental way by which democratically elected councillors are able to voice the views of their constituents, and hold NHS bodies and health service providers to account. In Southampton the Health Overview and Scrutiny Panel undertakes the scrutiny of health and adult social care. The Panel meets every 2 months. However, there may be some major decisions may be considered by the council's Overview and Scrutiny Management Committee.

11 Conflict of Interests

11.1 The Board will be bound by the Standing Orders/Standing Financial instructions and Codes of Conduct of both parent bodies. Declaration of interests will need to be declared annually and at each meeting of the Board in line with the agenda. Depending on the topic under discussion and the nature of the conflict of interest appropriate action will be taken and recorded in the minutes

12 Variation

12.1 The parent bodies may agree from time to time to modify, extend or restrict the remit of the Board.

12.2 ~~The Terms of Reference will be reviewed annually in March 2019 or sooner at the request of the Chair or Vice Chair.~~

|
|
- April 2018 May 2019

Annex A

Integrated Commissioning – Examples of Potential scope

- ~~1. Initially, it is proposed that the scope of the integrated commissioning arrangements overseen by the new Board will be broadly mirror those areas of health and social care commissioning covered by the Better Care Fund Section 75.~~
- ~~2. As is currently the case, the assumption is that some of the services in scope will be jointly funded and jointly commissioned under a S75 or S256/76 arrangement (primarily through the Better Care Fund S75 Agreement).~~

Jointly commissioned/funded services

1. These will be services currently in scope for the 2017/19 Better Care Fund S75 agreement. In addition, the scope will include other existing partnership agreements/shared funding arrangements:
 - Integrated Services within the established 6 Better Care Clusters: Community health services for adults (Community Nursing, Continence, Podiatry, Community Wellbeing Services, Community specialist services for people with long term conditions, case management, Palliative Care, community navigation, Community Adult Mental Health Services and IAPT (Improving access to psychological therapies) , Adult Long Term Social Care Teams)
 - Support Services for Carers
 - Integrated rehabilitation, reablement and discharge services (including the Hospital Discharge Team, Discharge to Assess, residential reablement and extra care, Falls Assessments)
 - Care Technology
 - Prevention and Early Intervention services – Behaviour Change, Older Person's Offer, Information, Advice and Guidance
 - Integrated Learning Disabilities provision (placements)
 - Direct Payments Support services
 - Transformation of Long Term Care provision (Adult Social Care additional/improved BCF funding to support transformation of Extra Care and conversion of a Residential Unit to Nursing Care as well as stabilising the Domiciliary Care and Care Homemarket)
 - Joint Equipment Service, Wheelchair Service, Orthotics and Disabled Facilities Grant
 - Integrated services for children with complex health needs (specifically Building Resilience Service and SEND integrated health and social care team).

Single agency commissioning aligned under a jointly agreed strategy

2. This would mean that commissioning responsibility/ decision making remains solely with the CCG or City Council but the funding is aligned to deliver a jointly agreed strategy. This could include:
 - Long Term Care provision (including domiciliary care, nursing and residential CHC and social care packages) – aligned to Better Care strategy
 - 0-19 prevention and Early Help, CAMHS, Community midwifery – aligned to 0-19 prevention and early help strategy/CAMHS Transformation
 - Sexual health (integrated level 3 service, voluntary and primary care prevention services, termination of pregnancies, vasectomies) – aligned to Sexual Health and Reproductive Strategy
 - Substance Misuse Services – aligned to Substance Misuse Strategy
 - Respite and Short Breaks – aligned to Replacement Care Strategy, services for children, e.g. Edge of care, Family Drugs and Alcohol Court, Looked After Children, Safeguarding – aligned to ~~children's strategy~~children's strategy
 - Community development (definition to be agreed)

Benefits

3. The scope will increase the ability of both organisations to:
 - Realise a shared vision – e.g. a shared focus on prevention and early intervention and community solutions to promote independence & a shared commitment to realise it
 - Share risks and benefits associated with implementation of the shared vision, enabling us to do the “right thing” without unfairly disadvantaging or advantaging one organisation
 - Commission against a single agreed set of common outcomes and priorities – making best use of resources
 - Share needs data and good practice evidence – leading to more intelligent commissioning
 - Develop more innovative solutions to meet people’s needs in the round (as opposed to commissioning in silos for people’s “health” versus “social” needs – leading to improved outcomes for people
 - Bring together health, public health and social care resources and strip out duplication – leading to savings and efficiencies
 - Commission a more joined up health and care system, developing together whole pathways from prevention to care - fewer gaps
 - Enable providers to develop more innovative integrated pathways and organisational models – leading to less fragmentation
 - Shape and develop primary medical care as part of the integrated health and social care system
 - Better understand and manage demand through greater influence over assessment and review processes

DECISION-MAKER:	CABINET COUNCIL		
SUBJECT:	PROCUREMENT OF COMMERCIAL WASTE DISPOSAL CONTRACT		
DATE OF DECISION:	20 AUGUST 2019 (CABINET) 17 JULY 2019 (COUNCIL)		
REPORT OF:	CABINET MEMBER FOR PLACE AND TRANSPORT		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	David Tyrie	Tel: 023 8083 2958
	E-mail:	David.tyrie@southampton.gov.uk	
Director	Name:	Mitch Sanders	Tel: 023 8083 3613
	E-mail:	Mitch.sanders@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
Not applicable			
BRIEF SUMMARY			
<p>Southampton City Council has a contract in place for the disposal of household waste, as part of the tripartite Project Integra with Hampshire County Council and Portsmouth City Council. This contract is with Veolia, and will continue until 2030. In the early 2000s, the council established a commercial waste collection and disposal service in and around the Southampton area, which comprises of trade waste (collection of waste from businesses), and housing void clearances for SCC owned and Private Landlord properties. This service was developed in addition to the household waste service, as a commercial venture; it enables the council to provide a high quality service to local businesses, and to generate £2.2million per annum in gross revenue.</p>			
<p>At the time this service was established, a Memorandum of Understanding (MOU) was put in place with Veolia as an amendment to the Project Integra disposal contract, so that commercial waste could be disposed of at Veolia sites. This MOU was put in place as a pragmatic solution; however, it became clear in 2019 that it was not fit for purpose. A procurement exemption was therefore granted to enable an alternative arrangement to be put in place with multiple local disposal sites. Currently, under this exemption, the council disposes of commercial waste with a range of organisations including Veolia and TJ Waste. The forecast cost for 2019/20 under the current arrangement is £1.14M per annum.</p>			
<p>There is a need to procure a compliant contract for a single supplier for commercial waste disposal, to deliver a competitive commercial waste service with an ethical disposal route. This contract will be for 5 years with an option for 1+1 year extensions. The current budget available over the 7 year period is £7.04M, which was approved by Full Council on 17th July 2019. There is a risk that costs could exceed this financial envelope, depending on the outcome of government consultation on Waste Strategy and the potential impact of a no-deal Brexit. This report therefore seeks approval to commence a formal procurement process and, following a tender process, to award a contract to provide commercial waste disposal services.</p>			

RECOMMENDATIONS:		
CABINET		
	(i)	Subject to approval of Council recommendations (i) to (iii) below, that approval is given for the procurement of a single supplier waste disposal contract for commercial waste.
	(ii)	That authority is delegated to the Service Director Transactions and Universal Services to carry out a procurement process for the delivery of a waste disposal contract for commercial waste, as set out in this report, and to enter into contracts for the delivery of the service in accordance with the Contract Procedure Rules.
	(iii)	To authorise the Service Director Transactions and Universal Services to take all necessary actions to implement the proposals contained in this report.
COUNCIL		
	(i)	Subject to approval of Cabinet recommendations (i)- (iii) above, to approve a financial envelope of £7.04M, based on the current budget and tonnage collected, for a maximum period of 7 years (5 + 1+1 years extension when applied to contracts) and maintaining the current level of annual investment.
	(ii)	To allow the financial envelope to increase in line with increased business for Trade Waste, on the basis that the additional cost can be met from additional revenue.
	(iii)	To note the potential risks that could cause the level of cost to exceed the current budget as a result of government strategy and the likely impact on contract costs.
REASONS FOR REPORT RECOMMENDATIONS		
1.	The Environmental Protection Act 1990 allows Southampton City Council to collect Commercial Waste from businesses within the City boundary and a charge may be levied for this service. The commercial waste service is successful, generating £2.2M per annum gross revenue, which contributes £0.25M to the overheads of the Waste and Recycling Service. It has a good local reputation, and there is potential to further develop and expand this service.	
2.	Commercial waste must be properly disposed of, and therefore the council must have a contract in place with a supplier to provide this service. The current arrangement comes at the end of the Financial Year and a formal and compliant procurement process must take place in advance of this date to ensure continuity of service. Undertaking a formal procurement process will ensure the council achieves best value for money, as well as factoring in other considerations such as ethical disposal routes. It will put the council in a position to grow the commercial waste business, and provide a high quality, cost effective service to more businesses in the city. It will also ensure that compliance with council Financial and Procurement rules.	

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
3.	As noted above, the Environmental Protection Act 1990 allows the council to collect Commercial Waste from businesses. The council, if requested, must arrange for the collection of commercial waste so the option to withdraw the current service was rejected.
4.	Extending the current procurement exemption, or seeking a further MOU under the Project Integra household waste contract are not viable alternative options. Neither of these options would be legally compliant, they would also not ensure maximum value for money.
5.	An option to outsource the commercial waste service, or to partner with a private company, was explored as part of the LATCO business planning process. This was rejected as it was felt that with the right support SCC could grow the Commercial offer in house, continue to provide jobs with fair T's and C's, and continue to invest in the Southampton Pound.
DETAIL (Including consultation carried out)	
6.	The council's commercial waste and disposal service provides: <ul style="list-style-type: none"> • Trade waste services: collection and disposal of General Waste, Dry Mixed Recyclables, Glass recyclables and bulky items • Shine services: Services to SCC Housing for bulk waste collections, Void property clearances and regular and ad-hoc chargeable work to private landlords and tenants.
7.	The service has been in operation for several year. It currently has 1,750 customers in and around the Southampton area, and employs 12 staff. It generates £2.2M in gross revenue per annum. The service has a good local reputation as being reliable and trustworthy, delivering effective and high quality services to local businesses. The service currently has approximately 26% of the local market; there is therefore potential to continue to grow and expand this business. In a big push in 2015 the service grew outside of the City Boundary and with clear focus took on an additional 200 customer.
8.	There is a requirement under the Environmental Protection Act 1990 for waste collected by local authorities to be disposed of properly. In practice, this means using one of a range of suppliers which are permitted by the Environment Agency to dispose of waste. There are a range of local disposal sites operated by suppliers including Veolia, TJ Waste, Raymond Brown L&S which provide disposal services, each company having a select number of waste streams and some have limited infrastructure.
9.	In the early 2000s when the commercial waste service was established, an MOU was put in place with Veolia under which the council could dispose of its commercial waste at Veolia's sites. This MOU was an amendment to the Project Integra disposal contract, a tripartite contract with Hampshire County Council and Portsmouth City Council, under which all these authorities dispose of their household waste.
10.	However, the MOU did not specify set prices per tonne for disposal of commercial waste. It also did not specify prioritisation of the council's commercial waste; in practice, this meant that if the Energy Recovery Facility was at capacity, the council had to use an alternative and more expensive disposal route via a nearby Waste Transfer Station. In 2018, Veolia sought to

	increase the price of disposal of commercial waste, with an increase of 59% per tonne. This was not felt to offer value for money for the council.
11.	At that time, discussions were held with Procurement to determine alternative options. As a temporary measure, it was agreed to put in place a procurement exemption, enabling a contract to be established with Veolia and TJ Waste. This enables the council to dispose of its commercial waste at any of these company's local sites, at a more sustainable price.
12.	This exemption expires at the end of the Financial Year. There is therefore a need to undertake formal procurement for a new single supplier for the disposal of commercial waste. A properly tendered and contracted supplier will give the council a more robust position in relation to pricing and continuity of disposal routes. This will enable continued delivery of a competitive and high quality service with an ethical disposal route. It will also enable the council to continue to develop and grow its commercial waste service, and income generated from that service. In turn, this will support the council's priority outcomes of Strong and Sustainable Economic Growth, Attractive and Modern City and Modern Sustainable Council.
13.	It is proposed to seek a 5 year contract with an option for 1+1 year's extension. This is in line with industry standards, EU procurement rules and Council Policies, and will enable consistency of service during that period.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
14.	<p>Commercial Waste disposal costs in 2019/20 are forecast to exceed budget, and the Council faces the risk of above-inflation increases in disposal rates. This risk would continue if a procurement exercise is not undertaken.</p> <p>The Council currently has £0.977m budgeted for commercial waste disposal costs in 2019/20. Allowing for contract inflation at 3%, the budget available over the proposed seven year period is £7.044m.</p> <p>An increase in the number of trade waste customers would increase disposal costs beyond the current budget, and this can be covered through the additional revenue raised from new customers, and ensuring fees are regularly reviewed.</p> <p>There are a number of unknowns which could significantly impact on commercial waste disposal costs. At this stage the impact of Brexit and the outcome of recent government consultations on Waste Strategy are not yet known, but are likely to increase disposal costs for waste. Officers continue to monitor these risks and will report on the impact through financial monitoring or other appropriate channels.</p>
<u>Property/Other</u>	
15.	There are no known property or other implications

LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
16.	The Environmental Protection Act 1990 provides local authorities with a power to collect commercial waste and a requirement if the service is requested by businesses in their area.
<u>Other Legal Implications:</u>	
17.	Procurement will be subject to compliance with UK procurement legislation and SCC policy
RISK MANAGEMENT IMPLICATIONS	
18.	Stakeholder interest in the service is moderate to high and stakeholders will benefit from the council having a value for money and well managed disposal contract.
POLICY FRAMEWORK IMPLICATIONS	
19.	Procurement of a new commercial waste disposal contract will have no direct impact on the council's Policy Framework. However, it will support delivery of the council's priority outcomes in the Council Strategy 2016-2020: <ul style="list-style-type: none"> • Strong and Sustainable Economic Growth • Attractive and Modern City where people are proud to live and work • Modern and Sustainable Council.
KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	All Wards
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	None
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None

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DECISION-MAKER:		CABINET	
SUBJECT:		TRANSPORT FOR SOUTH EAST CONSULTATION	
DATE OF DECISION:		20 AUGUST 2019	
REPORT OF:		CABINET MEMBER FOR TRANSPORT & PLACE	
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Pete Boustred	Tel: 023 80834743
	E-mail:	pete.boustred@southampton.gov.uk	
Director	Name:	Denise Edghill	Tel: 023 80834095
	E-mail:	denise.edghill@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
None			
BRIEF SUMMARY			
To present an overview of the draft Proposal to Government for the establishment of a Sub-national Transport Body for the South East and set out the basis of the Council's response to the consultation.			
RECOMMENDATIONS:			
	(i)	That Cabinet notes the content of the draft proposal to establish a sub-national transport body for the South East to be known as Transport for the South East (TfSE).	
	(ii)	That Cabinet agrees the principles set out in this report to form the basis of the Council's response to the consultation on the draft proposal.	
	(iii)	That authority is delegated to the Director of Growth to finalise the detailed consultation response based on the approved principles following consultation with the Cabinet Member for Transport & Place.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	The legislation requires any proposal for a new sub-national transport body to be promoted by, and have the consent of its constituent authorities, and that its Proposal to Government has been the subject of consultation within the area and with neighbouring authorities. TfSE, the shadow sub-national transport body, is carrying out this formal consultation process from 3 May – 31 July 2019 in order to fulfil this condition.		
2.	Southampton City Council, as one of the 16 constituent authorities of the Shadow Partnership Board, is required to respond to the consultation that sets out the Proposal to Government.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
3.	<p>The alternative option considered and rejected are as follows:</p> <ul style="list-style-type: none"> The Council chooses not to respond to the consultation. This would result in weakening the Council's position as one of the TFSE constituent authorities and make it unclear at a sub-national level and to Government the SCC position regarding the establishment of a sub-national transport body. The legislation requires a new sub-national 		

	transport body to be promoted by, and have the consent of its constituent authorities. This could undermine the process for the establishment of a Sub-national Transport Body and impact on the level of SCC influence in the development of the transport strategy for the south east and the future allocation of transport funding.
DETAIL (Including consultation carried out)	
4.	<u>BACKGROUND</u> On 18 March 2019, the Transport for the South East (TfSE) Shadow Partnership Board (SPB) approved a Draft Proposal to Government for formal consultation, which can be accessed here .
5.	The formal consultation period will close on 31 July 2019, although an extension has been secured in order for the Council to submit its final response following consideration by Cabinet. Since the consultation opened on the 3 rd May, correspondence received by TfSE from the Secretary of State for Transport has indicated the Government's preference to work with shadow sub-national transport bodies (STBs) on a voluntary partnership basis for the time being. It was previously anticipated that the TfSE proposal would be finalised and submitted to Government by the end of this calendar year, but in light of this correspondence these timescales may now need to be reviewed.
6.	Consultation responses and next steps will be discussed at September's meeting of the TfSE Shadow Partnership Board. Should the Council be required to respond to proposals arising, a follow up report to this could be prepared for the consideration of the October Cabinet meeting as necessary.
7.	The subject of this consultation is the exact terms of a Proposal to Government requesting statutory status for TfSE as a sub-national transport body, which will require approval by Parliament. Transport for the North was the first subnational transport body to achieve statutory status in April 2018.
8.	The statutory basis for a sub-national transport body is set out in Part 5A of the Local Transport Act 2008 as amended by the Cities and Local Government Devolution Act 2016, which says that "the Secretary of State may by regulations establish a sub-national transport body for any area in England outside Greater London" (s102E(1)) and it goes on to set the conditions and limits for such arrangements. The twin purposes for creating a sub-national transport body are to facilitate the development of transport strategies and so promote economic growth for the area.
9.	The legislation requires a new sub-national transport body to be promoted by, and have the consent of its constituent authorities, and that its Proposal to Government has been the subject of consultation within the area and with neighbouring authorities. TfSE is carrying out this formal consultation process from 3 May – 31 July 2019 in order to fulfil this condition.
10.	Transport for the South East (TfSE) was established in shadow STB form in June 2017. In order to develop an ambitious Transport Strategy for the South East region, it brings together 16 Local Transport Authorities, five Local Enterprise Partnerships, and other key stakeholders, including: environmental groups, transport operators, district and borough authorities, and national agencies
11.	Through its' work on strategic level transport infrastructure planning, TfSE will seek to support the growth of the South East's economy, ensuring the

	<p>delivery of high quality sustainable and integrated transport systems. In brief, this will:</p> <ul style="list-style-type: none"> (I) support increased productivity to grow the South East and UK economy and compete in the global marketplace; (II) help to improve safety, quality of life, and access to opportunities for all; and (III) protect and enhance the South East's unique natural and historic environment.
12.	<p>A sub-national transport body is a body corporate, which may only be established by the Secretary of State if it is considered that:</p> <ul style="list-style-type: none"> (i) its establishment would facilitate the development and implementation of transport strategies for the area; and (ii) the objective of economic growth in the area would be furthered by the development and implementation of such strategies.
13.	<p>Sixteen upper tier authorities in the South East have been working together since 2016 to develop a proposal for a sub-national transport body. They are:</p> <ul style="list-style-type: none"> • Bracknell Forest Borough Council • Brighton and Hove City Council • East Sussex County Council • Hampshire County Council • Isle of Wight Council • Kent County Council • Medway Council • Portsmouth City Council • Reading Borough Council • Slough Borough Council • Southampton City Council • Surrey County Council • West Berkshire Council • West Sussex County Council • The Royal Borough of Windsor and Maidenhead Council • Wokingham Borough Council
14.	<p>The existing Shadow Partnership Board also includes arrangements for involving the five Local Enterprise Partnerships (Coast to Capital, Enterprise M3, Solent, South East, Thames Valley Berkshire); two National Park Authorities (South Downs and New Forest); 44 boroughs and districts in East Sussex, Hampshire, Kent, Surrey and West Sussex; and the transport industry and end user voice in its governance.</p>
15.	<p>These efforts have been acknowledged by the Department for Transport, and a grant of £1million was awarded to TfSE to fund the development of the emerging transport Strategy for the South East.</p>
16.	<p>To achieve statutory status, TfSE is required to develop a Proposal to Government which will need to demonstrate the strategic case for the creation of a sub-national transport body and set out how TfSE will fulfil the statutory requirements for such a body as outlined in the enabling legislation.</p>
17.	<p>The draft proposal will also need to identify the types of powers and responsibilities that the sub-national transport body will be seeking, as well as identifying the proposed governance structures.</p>

18.	The legislation requires that a new sub-national transport body will be promoted by, and have the consent of, its constituent authorities, and that the proposal has been the subject of consultation within the area and with neighbouring authorities.
19.	In fulfilment of this requirement, TfSE has provided for a public consultation to last twelve weeks, which will be made available on the TfSE website and circulated to relevant stakeholders. Constituent authorities and other TfSE partner organisations are encouraged to circulate the consultation document to their own stakeholders.
20.	<u>THE DRAFT PROPOSAL TO GOVERNMENT</u> At its meeting on 18 March 2019, the TfSE Shadow Partnership Board approved a Draft Proposal to Government for formal consultation, which can be viewed in appendix 1 and accessed by weblink here
21.	The consultation period will close on 31 July 2019. During this time there will be ongoing dialogue with key partners and stakeholders about the content of the proposal. All constituent authorities will be expected to provide a formal response to the consultation and the Council has secured an extension until the end of August.
22.	As indicated above, it was previously envisaged that a final proposal would be recommended to the Shadow Partnership Board meeting in September 2019 and submitted to Government in November 2019. It was anticipated that the Secretary of State would then make a formal response to the proposal setting out the powers and responsibilities to be granted prior to the drafting of the requisite Statutory Instrument to be laid before Parliament with the consent of all the constituent authorities.
23.	However, in light of the correspondence received from the Secretary of State, further information is awaited on future timescales, and the Shadow Partnership Board will deliberate on next steps when it next meets in September. The draft proposal has the following headings: <ul style="list-style-type: none"> - Executive Summary - The Ambition - Strategic and Economic Case - Constitutional Arrangements - Functions
24.	<u>CONSTITUTIONAL ARRANGEMENTS</u> It is proposed that each constituent authority will appoint one of their elected members or their elected mayor as a member of TfSE on the Partnership Board. It is intended that the regulations should provide for the appointment of persons who are not elected members of the constituent authorities to be coopted members of the TfSE Partnership Board. Currently two LEPs, a representative from the Boroughs and Districts, the Chair of the TfSE Transport Forum, and a representative from the protected landscapes in the TfSE area have been co-opted onto the Shadow Partnership Board.
	A number of voting options were considered to find a preferred option that represents a straightforward mechanism as well as the characteristics of the partnership, and which does not provide any single authority with an effective veto. The starting point for decisions will be consensus, and if that can't be achieved then decisions will require a simple majority of those Constituent

	<p>Bodies who are present and voting. Where consensus cannot be achieved the following matters will require enhanced voting arrangements:</p> <ul style="list-style-type: none"> - The approval and revision of Transport for the South East's ("TfSE") Transport Strategy; - The approval of TfSE annual budget; and - Changes to the TfSE constitution.
25.	<p>Decisions on these issues will require both a super-majority, consisting of three quarters of the weighted vote in favour of the decision, and a simple majority of the constituent authorities. The details of the proposed weighted voting system are set out in Section 4 of the Draft Proposal to Government.</p>
26.	<p><u>FUNCTIONS</u></p> <p>The specific functions that TfSE is seeking as part of its Proposal to Government are set out in Section 5. These include the following:</p> <ul style="list-style-type: none"> - General sub-national transport body functions relating to the preparation of a Transport Strategy, advising the Secretary of State and co-ordinating transport functions across the TfSE area (with the consent of the constituent authorities); - Local Transport functions; - Being consulted on rail franchising and setting the overall objectives for the rail network in the TfSE areas; - Jointly setting the Road Investment Strategy RIS for the TfSE area; - Obtaining certain highways powers which would operate concurrently and with the consent of the current highways authority to enable regionally significant highways schemes to be expedited; - Securing the provision of bus services, entering into quality bus partnership and bus franchising arrangements with the consent of the constituent authorities; - Introducing integrated ticketing schemes; - Establishing Clean air zones with the power to charge high polluting vehicles for using the highway with the consent of the constituent authorities; - Power to promote or oppose Bills in Parliament; and - Incidental powers to enable TfSE to act as a type of local authority.
27.	<p><u>DRAFT RESPONSE OF SOUTHAMPTON CITY COUNCIL</u></p> <p><u>Subsidiarity and Devolution of Powers</u></p> <p>The Council takes the view that the principle of subsidiarity should underpin the powers available to TfSE as an STB as far as possible, with an emphasis on drawing down powers from Government that lend themselves to sub-national governance and would sit well at the regional level. On this basis, the Council welcomes the inclusion of the following powers as part of the proposal:</p> <ul style="list-style-type: none"> - To set High Level Output Specification for Rail; - To set Road Investment Strategy (RIS) for the Strategic Road Network (SRN).
28.	<p>The Proposal to Government is a key step in a process which will positively shape the role of TfSE in the future management of strategic transport infrastructure investment for the South East for years to come.</p>

29.	Although the draft proposal includes consideration of the process to make future amendments to TfSE's functions and constitution, the initial phase of set up will be pivotal in establishing the terms of any future negotiation, and is likely to be the best opportunity at which to seek true devolution of powers from central government to the region.
30.	The Council would therefore welcome further discussion as to what other powers held centrally at present could be beneficially devolved to the regional level with a view to improving outcomes for residents, and to supporting sustainability and economic growth.
31.	<p><u>Concurrent Powers and Consent</u></p> <p>A significant part of Section 5 of the draft proposal focuses on a number of powers to be held concurrently with the 16 constituent Local Transport Authorities (LTAs). In most cases (though not all), the proposal requires that the exercise of such powers is with the consent of the affected local authority(ies). However, as currently written, there are a number of significant powers that do not currently require this, such as constructing highways or making capital grants for the provision of public transport facilities. The Council would require that any such powers may only be exercised by TfSE with the express consent of the authority(ies) affected which concurrently hold the same power.</p>
32.	The proposed constitutional arrangements stressing majority and supermajority decision making may be appropriate on matters of strategy, budget, and constitution, but for particular interventions and activities it is vital to establish the principle of local consent. The draft proposal rules out the use of vetoes per se, but in certain circumstances the withholding of local consent could amount to a veto, and the Council would like the Proposal to Government to make it clear that this right would be enshrined in the constitutional arrangements to preserve the final say of existing LTAs on interventions within and affecting their areas.
33.	These two key principles, the one of consent and the other of subsidiarity, should be at the core of the proposal, with the principle of local consent written into the constitutional arrangements. The Council would support further engagement with other constituent authorities about how best to further clarify the centrality of these guiding principles over and above the necessary detail and legal provisions to be included in the Proposal to Government.
34.	In the Solent Area, through bodies such as the Partnership for Urban South Hampshire (PfSH) working collaboratively on land use planning, and Solent representing the four LTAs collaborating on strategic transport issues, this has demonstrated clear benefits that can be derived from stronger forms of cross-boundary and multi-LTA partnership working. This approach, which has seen the establishment of joint committees, has gone a long way to achieving mutually beneficial transport outcomes on a sub-regional basis.
35.	Such sub-regional governance in transport has helped support the development of a sub-regional transport model for the Solent, which has then helped foster co-operation and substantial inward investment as a result of funding bids and supporting the planning for strategic development. This co-operation has also supported development of Solent Go - a multi-operator bus and ferry smartcard. More recently, this has also enabled the LTAs to work collaboratively on joint bids to the DfT's Transforming Cities Fund for

	the Portsmouth and Southampton City Regions and a Solent wide bid to the Future Mobility Zone fund.
36.	The Solent area is home to three international gateways, namely the maritime ports of Southampton and Portsmouth, and the airport of Southampton. This makes the Solent area a key area of focus for TfSE as the transport strategy is developed alongside the ambitious plans for sustainable growth. It will be important to ensure there is positive integration and alignment at a sub-national and sub-regional level to maintain the successful partnerships and investment in the Solent.
37.	<p>It is anticipated, there are new and unique benefits that can be realised through the creation of a sub-national transport body for the South East, entrusted with statutory powers. Specifically, when formalised as a sub-national transport body, TfSE will be able to:</p> <ul style="list-style-type: none"> • Exercise greater influence over Government than individual authorities, or informal joint working arrangements between them; • Lobby for and seek to attract more investment in the region as a whole and for specific localities; and • Obtain powers over and above those held by specific authorities, drawing funding and powers down from Government to facilitate more regional and local solutions for sub-national transport needs and issues.
38.	There are clear benefits to be gained through participation in TfSE, where this does not seek to duplicate cross-boundary collaboration which is best addressed via existing Solent Transport and PfSH joint working processes. The Council's significant involvement with TfSE to date places it well to help ensure that locally beneficial outcomes for strategic transport infrastructure can ultimately be delivered across the region.
39.	TfSE provides an opportunity to support and deliver growth plans across the region through the development of a long-term strategic programme of transport measures to facilitate economic growth and make the South East more competitive. It will complement the work of the LEPs and support delivery of Local Plans and Local Transport Plans. Such a body would also enable the Council to influence the prioritisation of investment by the major national transport agencies such as Highways England and Network Rail in a way that has not been possible in the past.
40.	The consultation period closes on 31 July 2019 with the Council delaying its final submission until after Cabinet approval, and the responses will be reported to the next meeting of the TfSE Shadow Partnership Board on 19 September 2019, where the constituent authorities will discuss next steps in light of the Secretary of State for Transport's recent letter. Subject to agreement of this report's recommendations, the Council will seek to work with other constituent authorities, through the Shadow partnership Board to refine the proposals, accounting for the full analysis of the consultation feedback.
41.	Authority is therefore sought to formally submit a detailed response to the draft proposal in consultation with the Cabinet Member for Transport & Place based upon the principles outlined above. Such a response will comment on each of the powers sought in detail, liaising with the Cabinet Member.

RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
42.	TfSE has established an annual subscription of £58,000 per county and £30,000 per unitary authority, which is set and agreed by the Shadow Partnership Board on an annual basis. The Council contribution is funded by SCC Strategic Transport Revenue budget. The Department for Transport (DfT) has recently settled a one-off grant of £1,000,000 towards the cost of the development of the Transport Strategy. There is a reasonable expectation that DfT will allocate some core revenue funding for TfSE once it has achieved statutory status, on the basis that the constituent authorities will continue to make contributions. TfSE will also seek further capital funding from the DfT to take forward its technical work programme.
<u>Property/Other</u>	
43.	N/A
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
44.	The statutory basis for a sub-national transport body is set out in Part 5A of the Local Transport Act 2008 as amended by the Cities and Local Government Devolution Act 2016, which says that “the Secretary of State may by regulations establish a sub-national transport body for any area in England outside Greater London” (s102E(1)) and it goes on to set the conditions and limits for such arrangements.
<u>Other Legal Implications:</u>	
45.	N/A
RISK MANAGEMENT IMPLICATIONS	
46.	Through delegated authority there will be further opportunity for SCC to refine its response to the consultation, for which we will also be represented at the Shadow Board by the Cabinet Member for Transport & Place.
POLICY FRAMEWORK IMPLICATIONS	
47.	The twin purposes for creating a sub-national transport body are to facilitate the development of transport strategies and so promote economic growth for the area. TFSE and its emerging Transport Strategy for the South East will therefore need to be considered alongside both the national policy and also that of the Solent and SCC Local Transport Plan and other supporting strategies of the Solent LEP and Partnership for Urban South Hampshire.
KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	ALL
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	TfSE Draft Proposal to Government

Documents In Members' Rooms

1.	http://www.legislation.gov.uk/ukpga/2008/26/part/5A (online only)	
Equality Impact Assessment		
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.		No
Data Protection Impact Assessment		
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.		No
Other Background Documents		
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.	N/A	

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Proposal to Government
Draft for consultation

May 2019

1. Executive summary

- 1.1 Transport for the South East is a sub-national transport body (STB) established to speak with one voice on the strategic transport priorities for the South East region.
- 1.2 Our aim is to support and grow the economy through the delivery of our transport strategy – a programme of integrated transport projects and programmes to unlock growth, boost connectivity and speed up journeys while improving access to opportunities for all and protecting and enhancing our region’s unique environment.
- 1.3 By operating strategically across the South East on transport infrastructure – a role that no other organisation currently undertakes on this scale – we will directly influence how and where money is invested and drive improvements for the travelling public and for businesses in a region which is the UK’s major international gateway.
- 1.4 Already we are commanding the attention of government, facilitating greater collaboration between South East local authorities, local enterprise partnerships (LEPs) and government to shape our region’s future.
- 1.5 Our next step is to become a statutory body. This draft proposal will be subject to a public consultation from May to July 2019 before being submitted to Government by the end of 2019 for consideration.
- 1.6 Our draft proposal has been developed in partnership with TfSE’s members and stakeholders and represents a broad consensus on the key issues facing the region and the powers required to implement our transport strategy.
- 1.7 The constituent authorities and LEPs have steered the development of the proposal, with input from members of our Transport Forum, which brings together representatives of transport operators, transport users and other interest groups.
- 1.8 Our members and stakeholders are clear that a statutory sub-national transport body for the South East is vital if we are to successfully:
 - Increase our influence with Government and key stakeholders;
 - Invest in pan-regional strategic transport corridors;
 - Enable genuinely long-term planning; and
 - Support the delivery of jobs, housing and growth.
- 1.9 We have only proposed those powers for TfSE which are proportionate and will be effective in helping us achieve our strategic aims and objectives, complementing and building on the existing powers of local authorities.
- 1.10 These powers would enable us to deliver significant additional value at regional level through efficient and effective operational delivery, better coordination of pan-regional schemes and the ability to directly influence and inform national investment programmes.

2. The Ambition

“The South East is crucial to the UK economy and is the nation’s major international gateway for people and businesses.

“We will grow the South East’s economy by facilitating the development of a high quality, integrated transport system that makes the region more productive and competitive, improves access to opportunities for all and protects the environment.”

Transport for the South East vision statement

- 2.1 Transport for the South East (TfSE) was established in shadow form in June 2017. In the short period since, we have emerged as a powerful and effective partnership, bringing together 16 local transport authorities, five local enterprise partnerships and other key stakeholders including protected landscapes, transport operators, district and borough authorities and national agencies to speak with one voice on the region’s strategic transport needs.
- 2.2 Our shared vision is to ensure the delivery of a high quality, sustainable and integrated transport system that:
 - Supports increased productivity to grow the South East and UK economy and compete in the global marketplace;
 - Works to improve safety, quality of life and access to opportunities for all; and
 - Protects and enhances the South East’s unique natural and historic environment.
- 2.3 Our transport strategy, which covers the period to 2050, will form the basis for achieving that vision. It will be supported by a targeted investment plan which will identify how we can grow the GVA of the South East to £500 billion by 2050 and create almost three million additional jobs.
- 2.4 TfSE has already, in shadow form, added considerable value in bringing together partners and stakeholders to work with Government on key strategic issues, securing positive outcomes for the region in the Roads Investment Strategy 2 and Major Road Network consultation, influencing rail franchising discussions and providing collective views on schemes such as southern and western rail access to Heathrow.
- 2.5 The requirements within our draft proposal seek to provide TfSE with the initial functions and powers to move to the next stage of our development – to begin delivering the transport strategy and realising the benefits that a high quality, sustainable and integrated transport system can unlock for people, businesses and the environment.
- 2.6 We are clear that we only seek those powers and functions which are necessary to deliver our strategy and achieve our vision. Our requirements differ from those of other STBs and reflect the different geographic, economic, political, social and environmental characteristics of our region and the strategic objectives of TfSE and its partners.

3. The Strategic and Economic Case

The Transport for the South East area

- 3.1 The South East is already a powerful motor for the UK economy, adding more than £200 billion to the economy in 2015 – second only to the contribution made by London and more than Scotland, Wales and Northern Ireland combined.
- 3.2 It is home to 7.5m people and 329,000 businesses including some of the world's biggest multinationals as well as a large number of thriving, innovative SMEs. It is a world leader in knowledge intensive, high value industries including advanced engineering, biosciences, financial services and transport and logistics.
- 3.3 The South East area includes both of the nation's busiest airports in Heathrow and Gatwick, a string of major ports including Southampton, Dover and Portsmouth, many of the country's most vital motorways and trunk roads and crucial railway links to London, the rest of Britain and mainland Europe.

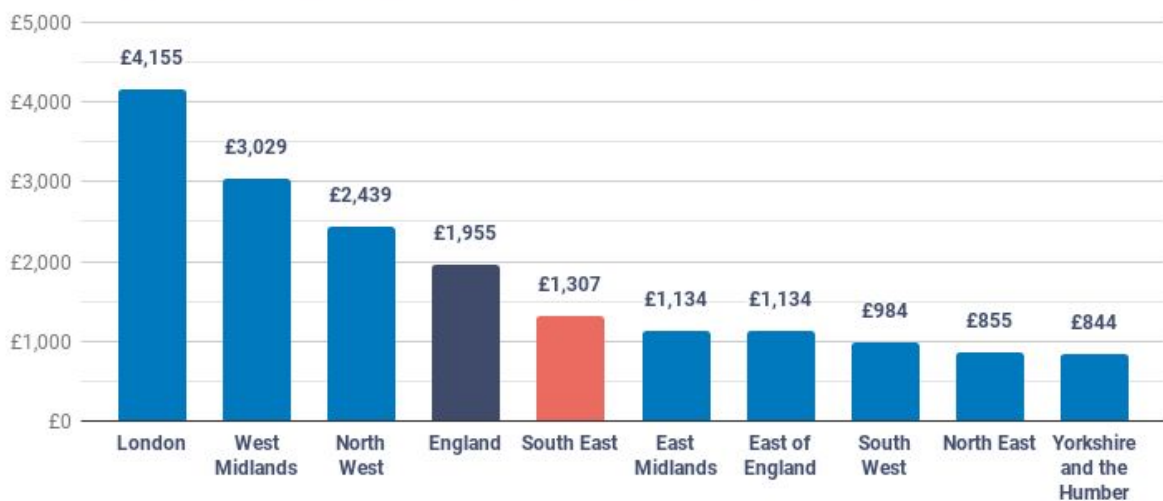


- 3.4 The South East's international gateways support the economic wellbeing of the whole of the UK. As we withdraw from the European Union, they will be integral to supporting a thriving, internationally facing economy.
- 3.5 Half of all freight passing through Dover going on to other parts of the country. Southampton sees £71 billion of international trade each year and Portsmouth handles two million passengers a year. More than 120 million air passenger a year use Gatwick, Southampton and Heathrow airports.
- 3.6 Our people and infrastructure are not our only assets. With two national parks, numerous areas of outstanding natural beauty and much of the region allocated as green belt, the South East draws heavily on its unique and varied natural environment for its success. It offers outstanding beaches, historic towns, dynamic cities and unparalleled links to London, the UK, Europe and the rest of the world. It is, in short, an amazing place to live, work and visit.

The scale of the challenge and why change is needed

- 3.7 But we face a real challenge. Despite these enviable foundations – and in some cases because of them – our infrastructure is operating beyond capacity and unable to sustain ongoing growth.
- 3.8 Despite the economic importance of the region to the UK economy, contributing almost 15% of UK GVA (2015), the South East has seen continued underinvestment in transport infrastructure with a per capita spend that is significantly below the England average and a third of that in London.

Planned transport infrastructure spending per head



Source: IPPR North analysis of planned central and local public/private transport infrastructure spending per capita 2017/19 onwards (real terms 2016/17 prices)

- 3.9 So while transport links to and from the capital are broadly good, elsewhere connectivity can be poor – even between some of our region’s major towns and cities. Train journey times between Southampton and Brighton (a distance of around 70 miles) are only marginally less than the fastest train journeys between London and Manchester. The corresponding journey on the A27 includes some of the most congested parts of the South East’s road network.
- 3.10 Underinvestment in road and rail infrastructure is making life harder for our residents and businesses. New housing provision is being hampered by the lack of adequate transport infrastructure. In our coastal communities, lack of access to areas of employment and further education and higher education are major contributors to high unemployment and poor productivity.
- 3.11 These are challenges that extend beyond administrative and political boundaries. They require TfSE to have the powers to effectively join up transport policy, regulation and investment and provide clear, strategic investment priorities which will improve connectivity into and across the region, boost the economy and improve the lives of millions.

The powers to achieve our vision

- 3.12 To enable us to achieve our vision through the efficient and effective delivery of the transport strategy, we propose that a range of functions exercisable by a local transport authority, passenger transport executive or mayoral combined authority are included in the regulations to establish TfSE on a statutory footing.
- 3.13 We have only sought those powers which we believe are proportionate and will be effective in helping us achieve our strategic aims and objectives, complementing and building on the existing powers of local authorities. The powers will be sought in a way which means they will operate concurrently with – and only with the consent of – the constituent authorities.
- 3.14 These powers would enable us to deliver significant additional value at regional level in three key areas:
- **Strategic influence:** Speaking with one voice and with the benefit of regional scale and insight to influence the development of national investment programmes; a trusted partner for government, Network Rail and Highways England.
 - **Coordination:** Developing solutions which offer most benefit delivered on a regional scale; working with partners and the market to shape the development of future transport technology in line with regional aspirations.
 - **Operational:** Accelerating the delivery of schemes and initiatives which cross local authority boundaries, ensuring strategic investment happens efficiently and that the benefits for residents and businesses are realised as soon as possible.

The benefits of establishing TfSE as a statutory body

- 3.15 **One voice for strategic transport in the South East**
TfSE will provide a clear, prioritised view of the region's strategic transport investment needs. We already offer an effective mechanism for Government to engage with local authorities and LEPs in the region; statutory status would take that a step further, enabling us to directly inform and influence critical spending decisions by Government and key stakeholders including Highways England and Network Rail.
- 3.16 **Facilitating economic growth**
The transport strategy will facilitate the delivery of jobs, housing and growth across the South East and further build on our contribution to UK GVA. Implementation of strategic, cross-boundary schemes, particularly investment in the orbital routes, will connect economic centres and international gateways for the benefit of people and businesses, regionally and nationally. TfSE also offers a route to engage with other sub-national transport bodies and Transport for London on wider cross-regional issues.
- 3.17 **Delivering benefits for the travelling public**
TfSE can support the efficient delivery of pan-regional programmes that will offer considerable benefits to the end user – for example, integrated travel solutions

combined with smart ticketing will operate more effectively at a regional scale and can best be facilitated by a regional body than by individual organisations.

3.18 **Local democratic accountability**

Our transport strategy will be subject to public consultation and will, in its final form, provide a clear, prioritised view of investments agreed by all the South East's local transport authorities and with input from passengers, businesses and the general public. Delivery of the strategy will be led by the Partnership Board, comprising elected members and business leaders with a direct line of accountability to the people and organisations they represent.

3.19 **Achieving the longer term vision**

Securing statutory status offers TfSE the permanence and security to deliver the transport strategy to 2050, providing a governance structure that matches the lifecycle of major infrastructure projects. It will provide confidence to funders, enable us to work with the market to ensure the deliverability of priority schemes and support development of the skills needed to design, build, operate and maintain an improved transport network.

4. Constitutional arrangements

Requirements from legislation

Name

- 4.1 The name of the sub-national transport body would be 'Transport for the South East ("TfSE")' and the area would be the effective boundaries of our 'constituent members'.

Members

- 4.2 The membership of the STB is listed below:

Bracknell Forest Borough Council
Brighton and Hove City Council
East Sussex County Council
Hampshire County Council
Isle of Wight Council
Kent County Council
Medway Council
Portsmouth City Council
Reading Borough Council
Royal Borough of Windsor and Maidenhead Council
Slough Borough Council
Southampton City Council
Surrey County Council
West Berkshire Council
West Sussex County Council
Wokingham Borough Council

Partnership Board

- 4.3 The current Shadow Partnership Board is the only place where all 'constituent members' are represented at an elected member level¹. Therefore this Board will need to have a more formal role, including in ratifying key decisions. This would effectively become the new 'Partnership Board' and meet at least twice per annum. The Partnership Board could agree through Standing Orders if it prefers to meet more regularly.
- 4.4 Each constituent authority will appoint one of their councillors / members or their elected mayor as a member of TfSE on the Partnership Board. Each constituent authority will also appoint another one of their councillors / members or their elected mayor as a substitute member (this includes directly elected mayors as under the Local Government Act 2000). The person appointed would be that authority's elected mayor or leader, provided that, if responsibility for transport has been formally delegated to another member of the authority, that member may be appointed as the member of the Partnership Board, if so desired.

¹ The six constituent members of the Berkshire Local Transport Body (BLTB) will have one representative between them on the Partnership Board.

- 4.5 The Partnership Board may delegate the discharge of agreed functions to its officers or a committee of its members in accordance with a scheme of delegation or on an ad hoc basis. Further detail of officer groups and a list of delegations will be developed through a full constitution.

Co-opted members

- 4.6 TfSE proposes that governance arrangements for a statutory STB should maintain the strong input from our business leadership, including LEPs and other business representatives. The regulations should provide for the appointment of persons who are not elected members of the constituent authorities but provide highly relevant expertise to be co-opted members of the Partnership Board.
- 4.7 A number of potential co-opted members are also set out in the draft legal proposal. Co-opted members would not automatically have voting rights but the Partnership Board can resolve to grant voting rights to them on such issues as the Board considers appropriate, for example on matters that directly relate to co-opted members' areas of interest.

Chair and vice-chair

- 4.8 The Partnership Board will agree to a chair and vice-chair of the Partnership Board. The Partnership Board may also appoint a single or multiple vice-chairs from the constituent members. Where the chair or vice-chair is the representative member from a constituent authority they will have a vote.

Proceedings

- 4.9 It is expected that the Partnership Board will continue to work by consensus but to have an agreed approach to voting where consensus cannot be reached and for certain specific decisions.
- 4.10 A number of voting options were considered to find a preferred option that represents a straightforward mechanism, reflects the characteristics of the partnership and does not provide any single authority with an effective veto. We also considered how the voting metrics provide a balance between county and other authorities, urban and rural areas and is resilient to any future changes in local government structures.
- 4.11 The steering group considered these options and preferred the population weighted option based on the population of the constituent authority with the smallest population (the Isle of Wight with 140,000 residents).
- 4.12 This option requires that the starting point for decisions will be consensus; if that cannot be achieved then decisions will require a simple majority of those constituent authorities who are present and voting. The decisions below will however require both a super-majority, consisting of three quarters of the weighted vote in favour of the decision, and a simple majority of the constituent authorities appointed present and attending at the meeting:
- (i) The approval and revision of TfSE's transport strategy;
 - (ii) The approval of the TfSE annual budget;

(iii) Changes to the TfSE constitution.

The population weighted vote would provide a total of 54 weighted votes, with no single veto. A table showing the distribution of votes across the constituent authorities is set out in Appendix 1. This option reflects the particular circumstances of TfSE, being based on the population of the smallest individually represented constituent member who will have one vote, and only a marginally smaller proportionate vote. It is considered that this option is equitable to all constituent authority members, ensures that the aim of decision making consensus remains and that smaller authorities have a meaningful voice, whilst recognising the size of the larger authorities in relation to certain critical issues.

4.13 The population basis for the weighted vote will be based on ONS statistics from 2016 and reviewed every ten years.

4.14 The Partnership Board is expected to meet twice per year. Where full attendance cannot be achieved, the Partnership Board will be quorate where 50% of constituent members are present.

Scrutiny committee

4.15 TfSE will appoint a scrutiny committee to review decisions made or actions taken in connection with the implementation of the proposed powers and responsibilities. The committee could also make reports or recommendations to TfSE with respect to the discharge of its functions or on matters relating to transport to, from or within TfSE's area.

4.16 Each constituent authority will be entitled to appoint a member to the committee and a substitute nominee. Such appointees cannot be otherwise members of TfSE including the Partnership Board.

Standing orders

4.17 TfSE will need to be able to make, vary and revoke standing orders for the regulation of proceedings and business, including that of the scrutiny committee. This will ensure that the governance structures can remain appropriate to the effective running of the organisation.

4.18 In regards to changing boundaries and therefore adding or removing members, TfSE would have to make a new proposal to Government under Section 102Q of the Local Transport Act 2008 and require formal consents from each constituent authority.

Miscellaneous

4.19 It may be necessary that certain additional local authority enactments are applied to TfSE as if TfSE were a local authority, including matters relating to staffing arrangements, pensions, ethical standards and provision of services etc. These are set out in the draft legal proposal.

4.20 TfSE also proposes to seek the functional power of competence as set out in section 102M of the Local Transport Act 2008.

- 4.21 TfSE will consider options for appointing to the roles of a Head of Paid Service, a Monitoring Officer and a Chief Finance Officer whilst considering possible interim arrangements.

Funding

- 4.22 TfSE will work with partners and the Department for Transport to consider a sustainable approach to establishing the formal STB and effectively and expeditiously as possible, bearing in mind the considerable support among regional stakeholders for TfSE's attainment of statutory status.

Governance: Transport Forum and Senior Officer Group

- 4.23 The Partnership Board will appoint a Transport Forum. This will be an advisory body to the Senior Officer Group and Partnership Board, comprising a wider group of representatives from user groups, operators, District and Borough Councils as well as Government and National Agency representatives.
- 4.24 The Transport Forum will meet quarterly and be chaired by an independent person appointed by the Partnership Board. The Transport Forum may also appoint a vice-chair for the Transport Forum, who will chair the Transport Forum when the chair is not present.
- 4.25 The Transport Forum's terms of reference will be agreed by the Partnership Board. It is envisaged that the Transport Forum will provide technical expertise, intelligence and information to the Senior Officer Group and the Partnership Board.
- 4.26 The Partnership Board and Transport Forum will be complemented by a Senior Officer Group representing members at official level providing expertise and co-ordination to the TfSE programme. The Senior Officer Group will meet monthly.

5. Functions

TfSE's proposal is to become a statutory sub-national transport body as set out in section part 5A of the Local Transport Act 2008.

General functions

- 5.1 Transport for the South East proposes to have the 'general functions' as set out in Section 102H (1) including:
- a. to prepare a transport strategy for the area;
 - b. to provide advice to the Secretary of State about the exercise of transport functions in relation to the area (whether exercisable by the Secretary of State or others);
 - c. to co-ordinate the carrying out of transport functions in relation to the area that are exercisable by different constituent authorities, with a view to improving the effectiveness and efficiency in the carrying out of those functions;
 - d. if the STB considers that a transport function in relation to the area would more effectively and efficiently be carried out by the STB, to make proposals to the Secretary of State for the transfer of that function to the STB; and
 - e. to make other proposals to the Secretary of State about the role and functions of the STB. (2016, 102H (1))5.
- 5.2 The general functions are regarded as the core functions of a sub-national transport body and will build on the initial work of TfSE in its shadow form. To make further proposals to the Secretary of State regarding constitution or functions, Transport for the South East will need formal consents from each 'constituent member'.
- 5.3 Transport for the South East recognises that under current proposals the Secretary of State will remain the final decision-maker on national transport strategies, but critically that the Secretary of State must have regard to a sub-national transport body's statutory transport strategy. This sets an important expectation of the strong relationship Transport for the South East aims to demonstrate with Government on major programmes like the Major Road Network and Railway Upgrade Plan.

Local transport functions

- 5.4 Initial work has identified a number of additional powers that Transport for the South East may require that will support the delivery of the transport strategy. The table below provides an assessment of these functions.
- 5.5 The powers which are additional to the general functions relating to STBs will be requested in a way that means they will operate concurrently and with the consent of the constituent authorities.

Table 1: Proposed powers and responsibilities

POWER	RATIONALE
General functions	
<p>Section 102 H of the Local Transport Act 2008</p> <p>Prepare a transport strategy, advise the Secretary of State, co-ordinate the carrying out of transport functions, make proposals for the transfer of functions, make other proposals about the role and functions of the STB.</p>	<p>This legislation provides the general powers required for TfSE to operate as a statutory sub-national transport body, meeting the requirements of the enabling legislation to facilitate the development and implementation of a transport strategy to deliver regional economic growth.</p> <p>Government at both national and local level recognises that the solutions required to deliver regional economic growth are best identified and planned for on a regional scale by those who best understand the people and businesses who live and work there.</p>
Rail	
<p>Right to be consulted about new rail franchises</p> <p><i>Section 13 of the Railways Act 2005 – Railway Functions of Passenger Transport Executives</i></p>	<p>We are seeking the extension of the right of a Passenger Transport Executive to be consulted before the Secretary of State issues an invitation to tender for a franchise agreement.</p> <p>The right of consultation is significant to TfSE as it confirms our role as a strategic partner, enabling us to influence future rail franchises to ensure the potential need for changes to the scope of current services and potential new markets identified by TfSE are considered.</p> <p>TfSE is uniquely placed to provide a regional perspective and consensus on the priorities for rail in its area. This would benefit central government as a result of the vastly reduced need for consultation with individual authorities.</p> <p>We recognise that changes to the current franchising model are likely following the Williams Review; regardless of these changes, TfSE is clear that it should have a role in shaping future rail service provision.</p>
<p>Set High Level Output Specification (HLOS) for Rail</p> <p><i>Schedule 4A, paragraph 1D, of the Railways Act 1993</i></p>	<p>TfSE requires a strong, formal role in rail investment decision making over and above that which is available to individual constituent authorities. We act as the collective voice of our constituent authorities, providing an evidence-based regional perspective and consensus on the priorities for investment in our rail network.</p> <p>This power would enable TfSE to act jointly with the Secretary of State to set and vary the HLOS in our area, ensuring TfSE's aspirations for transformational investment in rail infrastructure are reflected in the HLOS and enabling an integrated approach across road and rail investment for the first time.</p>

Highways	
<p>Set Road Investment Strategy (RIS) for the Strategic Road Network (SRN)</p> <p><i>Section 3 and Schedule 2 of the Infrastructure Act 2015</i></p>	<p>TfSE requires a strong, formal role in roads investment decision making over and above that which is available to individual constituent authorities. We act as the collective voice of our constituent authorities, providing an evidence-based regional perspective and consensus on the priorities for roads investment.</p> <p>This power would enable TfSE to act jointly with the Secretary of State to set and vary the RIS in our area, ensuring TfSE's aspirations for transformational investment in road infrastructure are reflected in the RIS and enabling an integrated approach across road and rail investment for the first time.</p>
<p>Enter into agreements to undertake certain works on Strategic Road Network, Major Road Network or local roads</p> <p><i>Section 6(5) of the Highways Act 1980, (trunk roads) & Section 8 of the Highways Act 1980 (local roads)</i></p>	<p>We are seeking the power that local highway authorities currently have to enter into an agreement with other highway authorities to construct, reconstruct, alter, improve or maintain roads.</p> <p>These powers, operated concurrently with the local authorities, will enable TfSE to promote and expedite the delivery of regionally significant cross-boundary schemes that otherwise might not be progressed. They would overcome the need for complex 'back-to-back' legal and funding agreements between neighbouring authorities and enable us to reduce scheme development time and overall costs.</p>
<p>Acquire land to enable construction, improvement, or mitigate adverse effects of highway construction</p> <p><i>Sections 239,240,246 and 250 of the Highways Act 1980</i></p>	<p>This power, exercisable concurrently and only with the consent of the relevant highway authority, would allow preparations for the construction of a highways scheme to be expedited where highway authorities are not in a position to acquire land.</p> <p>Land acquisition by TfSE could facilitate quicker, more efficient scheme delivery, bringing forward the economic and broader social and environmental benefits.</p>
<p>Construct highways, footpaths, bridleways</p> <p><i>Sections 24,25 & 26 of the Highways Act 1980</i></p>	<p>The concurrent powers required to effectively promote, coordinate and fund road schemes are vital to TfSE. Without them, we would not be able to enter into any contractual arrangement in relation to procuring the construction, improvement or maintenance of a highway or the construction or improvement of a trunk road.</p> <p>Granting of these powers would enable TfSE directly to expedite the delivery of regionally significant road schemes that cross constituent authority boundaries that otherwise might not be progressed.</p>

Make capital grants for public transport facilities	
<p>Make capital grants for the provision of public transport facilities</p> <p><i>Section 56(2) of the Transport Act 1968</i></p>	<p>This concurrent power would enable TfSE to support the funding and delivery of joint projects with constituent local authorities, improving deliverability and efficiency.</p> <p>Constituent authorities would benefit from the granting of this concurrent power as they may, in future, be recipients of funding from TfSE to partly or wholly fund a transport enhancement within their local authority area.</p>
Bus service provision	
<p>Duty to secure the provision of bus services</p> <p><i>Section 63(1) Transport Act 1985</i></p>	<p>Local transport authorities and integrated transport authorities have a duty to secure the provision of such public passenger transport services as it considers appropriate and which would not otherwise be provided.</p> <p>Travel-to-work areas do not respect local authority boundaries. TfSE is seeking to have this duty concurrently with the local transport authorities in our area, enabling us to fill in identified gaps in bus service provision within our geography or secure the provision of regionally important bus services covering one or more constituent authority areas which would not otherwise be provided.</p>
<p>Quality Bus Partnerships</p> <p><i>The Bus services Act 2017 Sections 113C – 113O & Sections 138A – 138S</i></p>	<p>TfSE is seeking powers, currently available to local transport authorities and integrated transport authorities, to enter into Advanced Quality Partnerships and Enhanced Partnership Plans and Schemes to improve the quality of bus services and facilities within an identified area. These powers would be concurrent with the local transport authority in the area.</p> <p>This would allow us to expedite the introduction of partnership schemes covering more than one local transport authority area which otherwise might not be introduced.</p>
<p>Bus service franchising</p> <p><i>The Bus Services Act 2017</i></p>	<p>This power, currently available to Mayoral Combined Authorities, would enable TfSE to implement bus service franchising in its area with the consent of the affected local transport authorities.</p> <p>We believe extending this power to STBs is consistent with the intention of the legislation in terms of delivering passenger benefit across travel-to-work areas and could enable a level of bus provision which otherwise would not exist. It would only be implemented with the consent of the local transport authority.</p>

Smart ticketing	
<p>Introduce integrated ticketing schemes</p> <p><i>Sections 134C- 134G & Sections 135-138 Transport Act 2000</i></p>	<p>We are seeking powers concurrently with local transport authorities to enable TfSE to procure relevant services, goods, equipment and/or infrastructure; enter into contracts to deliver smart ticketing and receive or give payments.</p> <p>This would enable us to expedite the introduction of a cost effective smart and integrated ticketing system on a regional scale which would dramatically enhance the journey experience and increase access to transport to support jobs and education.</p>
Air quality	
<p>Establish Clean Air Zones</p> <p><i>Sections 163-177A of the Transport Act 2000 – Road User Charging</i></p>	<p>Local transport authorities and integrated transport authorities have the power under the Transport Act 2000 to implement road charging schemes.</p> <p>TfSE is seeking this general charging power as a mechanism for the introduction of Clean Air Zones, enabling reduced implementation and operating costs across constituent authority boundaries. This will be subject to the consent of the local transport authority.</p> <p>Transport is a major contributor to CO2 emissions and poor air quality; these are increasingly critical issues which our transport strategy will seek to address.</p>
Other powers	
<p>Promote or oppose Bills in Parliament</p> <p><i>Section 239 Local Government Act 1972</i></p>	<p>Local authorities have the power to promote or oppose Bills in Parliament; granting the power concurrently to TfSE reflects the devolution agenda of which STBs are a key part.</p> <p>Under the Transport and Works Act 1992, a body that has power to promote or oppose bills also has the power to apply for an order to construct or operate certain types of infrastructure including railways and tramways.</p> <p>Granting of this power would enable TfSE to promote, coordinate and fund regionally significant infrastructure schemes, accelerating delivery of cross-boundary schemes which might otherwise not be progressed.</p>
<p>Incidental amendments</p> <p><i>Local Government Act 1972, Localism Act 2011, Local Government Pension Scheme Regulations 2013</i></p>	<p>A statutory STB requires certain incidental amendments to enable it to operate as a type of local authority, with duties in respect of staffing, pensions, monitoring and the provision of information about TfSE.</p> <p>The incidental amendments sought are listed below in Appendix 2.</p>

Powers and responsibilities not being sought

5.6 Transport for the South East does not propose seeking the following functions/powers:

POWER	RATIONALE
Set priorities for local authorities for roads that are not part of the Major Road Network (MRN)	TfSE will only be responsible for identifying priorities on the MRN
Being responsible for any highway maintenance responsibilities	There is no intention of TfSE becoming involved in routine maintenance of MRN or local roads
Carry passengers by rail	There are no aspirations for TfSE to become a train operating company
Take on any consultation function instead of an existing local authority	Local authorities are best placed to seek the views of their residents and businesses
Give directions to a constituent authority about the exercise of transport functions by the authority in their area	Constituent authorities understand how best to deliver their transport functions to meet the needs of their residents and businesses

5.7 The Williams Review, to which TfSE have submitted a response, could recommend significant changes to the structure of the rail industry, including the role of STBs in both operations and infrastructure enhancement. As a result, we will keep the following functions under review pending the Williams recommendations and subsequent White Paper.

POWER	RATIONALE
Act as co-signatories to rail franchises	There are no current aspirations for TfSE to become involved in this area.
Be responsible for rail franchising	

6. Summary of support and engagement

- 6.1 This draft Proposal was shaped and endorsed by the TfSE Shadow Partnership Board in March 2019 prior to the launch of the consultation.
- 6.2 During the consultation process, the draft Proposal will be made available on the TfSE website and feedback sought via social media and other promotional activity. Meetings will be held with key stakeholders such as Network Rail, Highways England, Transport for London, England's Economic Heartlands and the Transport Forum.
- 6.3 Following the consultation period, TfSE will update the draft Proposal and publish a summary of the comments received.
- 6.4 TfSE will seek consent from its constituent authorities and the final draft Proposal will be endorsed by the Shadow Partnership Board in autumn 2019.
- 6.5 The final Proposal will include a summary of engagement activities, including a list of the organisations engaged in the process and an appendix with a number of letters of support from key organisations and businesses.

Appendix 1: Distribution of votes

TfSE constituent authorities	Population ²	Number of votes ³
Brighton and Hove City Council	287,173	2
East Sussex County Council	549,557	4
Hampshire County Council	1,365,103	10
Isle of Wight Council	140,264	1
Kent County Council	1,540,438	11
Medway Council	276,957	2
Portsmouth City Council	213,335	2
Southampton City Council	250,377	2
Surrey County Council	1,180,956	8
West Sussex County Council	846,888	6
<i>Bracknell Forest Council</i>	<i>119,730</i>	
<i>Reading Borough Council</i>	<i>162,701</i>	
<i>Royal Borough of Windsor & Maidenhead</i>	<i>149,689</i>	
<i>Slough Borough Council</i>	<i>147,736</i>	
<i>West Berkshire Council</i>	<i>158,576</i>	
<i>Wokingham Borough Council</i>	<i>163,087</i>	
Berkshire Local Transport Body (total)	901,519	6
Total	7,552,567	54

² Population as per ONS 2016 estimates

³ Number of votes = population/140,000 (the population of constituent authority with the smallest population, this being the Isle of Wight)

Appendix 2: List of incidental powers sought

This appendix sets out the incidental amendments that will be needed to existing legislation. They include areas relating to the operation of TfSE as a type of local authority with duties in respect of staffing, pensions, transparency, monitoring and the provision of information about TfSE.

(1) Section 1 of the Local Authorities (Goods and Services) Act 1970 has effect as if TfSE were a local authority for the purposes of that section.

(2) The following provisions of the Local Government Act 1972 have effect as if TfSE were a local authority for the purposes of those provisions—

- (a) section 101 Arrangements for discharge of functions by local authorities
- (b) section 111 (subsidiary power of local authorities);
- (c) section 113 (secondment of staff)
- (d) section 116 (member of TfSE not to be appointed as officer);
- (e) section 117 (disclosure by officers of interests in contracts);
- (f) section 135 (standing orders for contracts);
- (g) section 142(2) (provision of information);
- (h) section 222 (power to investigate and defend legal proceedings);
- (i) section 239 (power to promote or oppose a local or personal Bill).

(4) Sections 120, 121 and 123 of that Act (acquisition and disposal of land) have effect as if—

- (a) TfSE were a principal council;
- (b) section 120(1)(b) were omitted;
- (c) section 121(2)(a) were omitted.

(5) Section 29 of the Localism Act 2011 (registers of interests) has effect as if—

- (a) TfSE were a relevant authority, and
- (b) references to “the monitoring officer” were references to an officer appointed by TfSE for the purposes of that section.

(6) In the Local Government Pension Scheme Regulations 2013—

- (a) in Schedule 2 (scheme employers), in Part 2 (employers able to designate employees to be in scheme), after paragraph 14 insert—
“15. Transport for the South East.”;
- (b) in Schedule 3 (administering authorities), in the table in Part 2 (appropriate administering authorities for categories of scheme members), at the end insert—

“An employee of Transport for the South East	East Sussex County Council”
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(7) The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 have effect as if TfSE is a local authority within the meaning of s 101 Local Government Act 1972.